

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
UNION SANITARY DISTRICT  
January 28, 2019**

**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  
Tom Handley, Director  
Pat Kite, Director

**STAFF:** Paul Eldredge, General Manager/District Engineer  
Karen Murphy, District Counsel  
Armando Lopez, Treatment and Disposal Services Manager  
Sami Ghossain, Technical Services Manager  
Robert Simonich, Fabrication, Maintenance, and Construction Manager  
James Schofield, Collection Services Manager  
Gene Boucher, Human Resources Manager  
Laurie Brenner, Business Services Coach  
Skip Calvo, Purchasing Agent  
Todd Jacob, Information Technology Administrator  
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

**VISITORS:** Alice Johnson, League of Women Voters  
Monique Spyke, PFM Asset Management, LLC  
Izac Chyou, PFM Asset Management, LLC

**APPROVE MINUTES OF THE REGULAR MEETING OF JANUARY 14, 2019**

It was moved by Director Kite, seconded by Director Handley, to Approve the Minutes of the Regular Meeting of January 14, 2019. Motion carried unanimously.

## **APPROVE MINUTES OF THE SPECIAL MEETING OF JANUARY 17, 2019**

It was moved by Secretary Toy, seconded by Director Kite, to Approve the Minutes of the Special Meeting of January 17, 2019. Motion carried unanimously.

## **DECEMBER 2018 MONTHLY OPERATIONS REPORT**

This item was reviewed by the Budget & Finance and Legal and Community Affairs Committees. General Manager Eldredge provided an overview of the Odor Report and work group reports included in the Board meeting packet. Business Services Coach Brenner reviewed the financial reports included in the Board meeting packet.

## **WRITTEN COMMUNICATIONS**

There were no written communications.

## **ORAL COMMUNICATIONS**

There were no oral communications.

## **CONSIDER A RESOLUTION APPROVING THE 2019 CONFLICT OF INTEREST CODE**

This item was reviewed by the Personnel Committee. District Counsel Murphy stated the Political Reform Act requires the District review its Conflict of Interest Code every two years. The Conflict of Interest Code incorporates the Political Reform Act and sets forth the positions of officials required to submit a Form 700, Statement of Economic Interests. The Union Sanitary District Conflict of Interest Code, last updated in December 2016, has been reviewed and found to require modification to include the position of Human Resources Manager in addition to updated code sections. District staff will submit the updated Conflict of Interest Code to Alameda County, the District's code reviewing body. Staff recommended the Board adopt a resolution approving the updated Conflict of Interest Code.

It was moved by Vice President Fernandez, seconded by Secretary Toy, to Adopt Resolution No. 2850 Approving a Revised Conflict of Interest Code. Motion carried unanimously.

####

## RESOLUTION NO. 2850

### APPROVING A REVISED CONFLICT OF INTEREST CODE

WHEREAS, Government Code Section 87200, et seq. requires a biennial review of the District's Conflict of Interest Code; and

WHEREAS, the Conflict of Interest Code of the Union Sanitary District approved on December 12, 2016 ("2016 Conflict of Interest Code"), has been reviewed and found to require modification to add a new position – Human Resources Manager; and

WHEREAS, the remainder of the Conflict of Interest Code remains substantially the same as the 2016 Conflict of Interest Code.

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

1. The revised Conflict of Interest Code is hereby approved, in the form attached hereto and incorporated herein by reference.
2. District staff is authorized to submit the revised Conflict of Interest Code to Alameda County, the code reviewing body, and to make any minor or technical revisions required by Alameda County.

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: None

ABSENT: None

ABSTAIN: None



ANJALI LATHI  
President, Board of Directors  
Union Sanitary District

Attest:



JENNIFER TOY  
Secretary, Board of Directors  
Union Sanitary District

**CONFLICT OF INTEREST CODE**

**UNION SANITARY DISTRICT**

Updated January 28, 2019

A. PURPOSE

The purposes of this Code are to provide for the disclosure of assets, investments, interests in real property, income, and business positions of designated District employees which may be materially affected by their official actions and to provide for the disqualification of designated employees from participation in District decisions in which they may have a financial interest.

B. BACKGROUND

The Political Reform Act of 1974, Government Code Sections 81000 *et seq.*, requires state and local agencies to adopt and promulgate Conflict of Interest Codes.

The California Fair Political Practices Commission has, pursuant to its authority under Section 83112 of the Government Code, adopted a regulation which contains the terms of a standard Conflict of Interest Code. This regulation is codified at Title 2 California Code of Regulations Section 18730. This regulation may be incorporated by reference by local agencies and, together with the designation of employees and disclosure categories, meets the requirements of the Political Reform Act.

C. ADOPTION OF CONFLICT OF INTEREST CODE

1. The terms of Title 2 California Code of Regulations Section 18730 are hereby incorporated by reference and, together with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of Union Sanitary District ("District").

2. Designed positions are set forth in the attached Appendix and are those positions whose duties entail the making or participating in the making of decisions which may foreseeably have a material impact on financial interests. Each person filling a designated position, and any person filling a designated position on a temporary or acting basis, shall

disclose all of the information required under Section C(3) of this Code, on forms provided by the District.

3. No person holding a position listed in Section C(2), immediately above, shall make or participate in the making of a decision when he or she has a financial interest, as defined in Section 87103 of the California Government Code, when it is reasonably foreseeable that the interest may be affected materially by the decision.

4. Designated employees shall file their Statements of Economic Interests with the District, which will make the statements available for public inspection and reproduction (Government Code Section 81800). Statements of designated employees will be retained by the District. Elected officials and the General Manager/District Engineer shall file their Statements of Economic Interests with the District and the District shall then transmit the statements to Alameda County.

5. As provided in Government Code Section 82011, the code reviewing body is the Alameda County Board of Supervisors. Pursuant to Title 2 California Code of Regulations Section 18227, the Alameda County Clerk shall be the official responsible for receiving and retaining statements of economic interests filed with the Board of Supervisors.

6. The General Manager/District Engineer shall have the power to designate positions for disclosure required by this code on an interim basis pending Board review. Such designations shall be made if the General Manager/District Engineer determines that the position entails the making or participating in the making of decisions which may foreseeably have a material effect on financial interests.

7. Subsequent amendments to Title 2 California Code of Regulations Section 18730 duly adopted by the Fair Political Practices Commission, after public notice and hearings, are also hereby incorporated by reference unless the Board of Directors of the District, within 90

days after the date on which an amendment to Section 18730 becomes effective, adopts a resolution providing that the amendment is not to be incorporated into this Code.

8. This Conflict of Interest Code supersedes any Conflict of Interest Code previously adopted by the District.

9. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code section 81000, *et seq.*). The provisions of this code are in addition to Government Code Section 87100 and other laws pertaining to conflicts of interest, including, but not limited to, Government Code Section 1090, *et seq.*

# APPENDIX

## EXHIBIT 1

### UNION SANITARY DISTRICT LIST OF DESIGNATED EMPLOYEES AND DISCLOSURE CATEGORIES FOR CONFLICT OF INTEREST CODE

Each person holding any position listed below must file statements disclosing the kinds of financial interests shown for the employee's position. Statements must be filed at the times and on the forms prescribed by law. Failure to file statements on time may result in penalties, including but not limited to late fines.

<u>Designated Positions</u>	<u>Disclosure Category</u>
Work Group Manager – Technical Services	1,2,3,4
Work Group Manager – Collection Services	1,2,3,4
Work Group Manager – Treatment & Disposal Services	1,2,3,4
Work Group Manager – Fabrication, Maintenance & Construction	1,2,3,4
Human Resources Manager	1,2,3,4
Purchasing Agent	1,2,3,4
Consultants**	1,2,3,4

It has been determined that the positions listed below must automatically file a statement of economic interests pursuant to Government Code Section 87200:

Directors  
General Manager/District Engineer  
General Counsel  
Work Group Manager – Business Services

\*\* 2 California Code of Regulations Section 18700.3(a) defines "consultant" as an individual who, pursuant to a contract with a state or local government agency:

- (1) Makes a Governmental decision whether to:
  - (A) Approve a rate, rule, or regulation;
  - (B) Adopt or enforce a law;
  - (C) Issue, deny, suspend, or revoke any permit license, application, certificate, approval, order, or similar authorization or entitlement;
  - (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
  - (E) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
  - (F) Grant agency approval to a plan, design, report, study, or similar item;
  - (G) Adopt, or grant agency approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; OR
- (2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or



performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The General Manager/District Engineer may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. (See Government Code § 82019 and FPPC Regulations § 18219 and 18734.) Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager/District Engineer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (See Government Code § 81008.)

Nothing herein excuses any consultant from any other provisions of this Conflict of Interest Code, specifically those dealing with disqualification.

EXHIBIT 2  
DESCRIPTION OF DISCLOSURE CATEGORIES

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may likely be affected materially by any decision made or participated in by the designated person because of his or her position.

Category 1.     Investments

A designated employee assigned to Category 1 is required to disclose investments that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for investments.

Category 2.     Interests in Real Property

A designated employee assigned to Category 2 is required to disclose interests in real property that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for interests in real property.

Category 3.     Income

A designated employee assigned to Category 3 is required to disclose income that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for income.

Category 4.     Business Positions

A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, employee or holds any position of management that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for business positions.

## **REVIEW AND CONSIDER APPROVAL OF POLICY NO. 2030, INVESTMENT POLICY**

This item was reviewed by the Budget & Finance Committee. Business Services Coach Brenner stated the District's Investment Policy requires review and Board approval annually. In December 2018, the District retained the services of PFM Asset Management, LLC to serve as the District's investment advisory agent. District staff have worked with PFM to update the Policy to accurately reflect language in the government code including addition of supernationals and asset backed securities. Monique Spyke and Izac Chyou of PFM Asset Management presented information regarding supernationals and asset backed securities and responded to Boardmember questions. Staff recommended the Board review and consider approval of the District's Investment Policy, Policy No. 2030 and renewal of delegation of authority of Treasurer to the Business Services Coach for a one-year period, per California Government Code Section 53607.

It was moved by Director Handley, seconded by Vice President Fernandez, to Approve Revised Policy No. 2030, Investment Policy, and Renew Delegation of Authority of Treasurer to the Business Services Coach for a One-Year Period. Motion carried unanimously.

## **REVIEW AND APPROVE PUBLICLY AVAILABLE PAY SCHEDULE CHANGES EFFECTIVE SEPTEMBER 1, 2018**

This item was reviewed by the Personnel Committee. Human Resources Manager Boucher stated the Publicly Available Pay Schedule is mandated by CalPERS to ensure consistency between CalPERS employers and enhance disclosure and transparency of public employee compensation. The salary changes contained in the September 1, 2018, document reflect: adjustments made to Unclassified employee pay ranges as result of the August 2018 MSA adjustments and Performance Appraisals; addition of previously approved Organizational Performance Manager and Organizational Performance Coordinator I and II positions; and updates the General Manager's salary based on current contract. Staff recommended the Board review and consider approval of the September 1, 2018, Publicly Available Pay Schedule which will be posted and retained in accordance with CalPERS requirements.

It was moved by Secretary Toy, seconded by Director Handley, to Approve the Publicly Available Pay Schedule Effective September 1, 2018. Motion carried unanimously.

**####**

## UNION SANITARY DISTRICT PAY SCHEDULE

Effective September 1, 2018		
Position Title	Minimum Bi-Weekly Pay Rate	Maximum Bi-Weekly Pay Rate
Accounting and Financial Analyst I	\$3,302.00	\$4,333.88
Accounting and Financial Analyst II	\$3,758.81	\$4,933.44
Accounting Tech Specialist	\$3,371.86	\$4,098.53
Accounting Technician I	\$2,724.76	\$3,311.96
Accounting Technician II	\$2,997.21	\$3,643.13
Administrative Specialist I	\$2,663.31	\$3,237.27
Administrative Specialist II	\$2,803.48	\$3,407.64
Assistant Engineer	\$3,930.55	\$5,158.85
Assistant Storekeeper	\$2,589.76	\$3,147.86
Associate Engineer	\$4,410.30	\$5,788.52
Buyer I	\$3,014.36	\$3,956.35
Buyer II	\$3,349.29	\$4,395.94
Chemist I	\$3,664.54	\$4,454.27
Chemist II	\$3,847.78	\$4,676.99
Coach, Capital Improvement Projects	\$5,842.79	\$7,668.66
Coach, Collection Services	\$4,699.18	\$6,167.68
Coach, Customer Service	\$5,842.79	\$7,668.66
Coach, Electrical & Technology	\$5,129.72	\$6,732.76
Coach, Environmental Compliance	\$5,054.43	\$6,633.94
Coach, Finance & Acquisition Services	\$5,513.86	\$7,236.94
Coach, Mechanical Maintenance	\$4,740.14	\$6,221.43
Coach, Research & Support/Sr. Process Engineer	\$5,236.01	\$6,872.27
Coach, Wastewater Plant Operations	\$4,765.12	\$6,254.22
Collection System Worker I	\$2,751.59	\$3,344.58
Collection System Worker II	\$3,026.77	\$3,679.06
Collection Services Trainer	\$3,495.91	\$4,249.30
Communications & Intergovernmental Relations Coordinator	\$3,953.62	\$4,805.63
Construction Inspector I	\$3,201.65	\$3,891.62
Construction Inspector II	\$3,521.81	\$4,280.78
Construction Inspector III	\$3,662.69	\$4,452.02
Customer Service Fee Analyst	\$3,043.39	\$3,699.26
Engineering Assistant/Plan Checker	\$3,926.74	\$4,772.98
Engineering Technician I	\$3,089.19	\$3,754.94
Engineering Technician II	\$3,398.11	\$4,130.42
Engineering Technician III	\$3,737.93	\$4,543.47
Environmental Compliance (EC) Inspector I	\$3,024.57	\$3,676.38
Environmental Compliance (EC) Inspector II	\$3,402.70	\$4,136.01
Environmental Compliance (EC) Inspector III	\$3,777.01	\$4,590.98



## UNION SANITARY DISTRICT PAY SCHEDULE

Effective September 1, 2018		
Position Title	Minimum Bi-Weekly Pay Rate	Maximum Bi-Weekly Pay Rate
Environmental Compliance (EC) Inspector IV	\$4,041.39	\$4,912.34
EC Outreach Representative	\$3,777.01	\$4,590.98
Environmental Health and Safety Program Manager	\$4,280.73	\$5,618.46
Environmental Program Coordinator	\$4,573.05	\$6,002.13
Executive Assistant to the General Manager/Board Secretary	\$3,613.67	\$4,742.94
Fleet Mechanic I	\$3,050.82	\$3,708.30
Fleet Mechanic II	\$3,416.93	\$4,153.30
General Manager	\$8,193.26	\$10,753.66
Human Resources Manager	\$5,337.30	\$7,005.20
Human Resources Analyst II	\$3,874.39	\$5,085.14
Information Technology Administrator	\$5,222.76	\$6,854.87
Information Technology Analyst	\$3,544.11	\$4,651.65
Instrument Tech/Electrician	\$3,757.98	\$4,567.86
Janitor	\$2,040.48	\$2,480.22
Laboratory Director	\$4,557.99	\$5,540.26
Lead Collection System Worker	\$3,329.44	\$4,046.95
Maintenance Assistant	\$1,311.03	\$1,593.57
Manager, Business Services / Chief Financial Officer	\$7,503.41	\$9,848.22
Manager, Collection Services	\$6,305.61	\$8,276.12
Manager, Maintenance and Technology Services	\$6,620.89	\$8,689.92
Manager, Technical Services	\$7,141.87	\$9,373.70
Manager, Treatment & Disposal Services	\$6,305.61	\$8,276.12
Mechanic I	\$3,086.42	\$3,751.56
Mechanic II	\$3,456.80	\$4,201.76
Organizational Performance Coordinator I	\$3,458.80	\$4,539.68
Organizational Performance Coordinator II	\$3,994.92	\$5,243.33
Organizational Performance Manager	\$4,614.13	\$6,056.04
Painter	\$3,172.05	\$3,855.64
Planner/Scheduler I	\$3,543.55	\$4,307.22
Planner/Scheduler II	\$3,810.53	\$4,631.72
Plant Operations Trainer	\$4,186.04	\$5,088.15
Plant Operator I	\$2,944.53	\$3,579.09
Plant Operator II	\$3,268.44	\$3,972.81
Plant Operator III	\$3,737.52	\$4,542.98
Principal Engineer	\$5,286.33	\$6,938.31
Purchasing Agent	\$4,108.25	\$5,392.08
Receptionist	\$2,328.79	\$2,830.66

## UNION SANITARY DISTRICT PAY SCHEDULE

Effective September 1, 2018		
Position Title	Minimum Bi-Weekly Pay Rate	Maximum Bi-Weekly Pay Rate
Senior Accounting and Financial Analyst	\$3,913.90	\$5,136.99
Senior Database Administrator / Developer	\$4,540.68	\$5,959.64
Senior Engineer	\$4,737.35	\$6,217.77
Senior Geographic Information System (GIS)/Database Administrator	\$4,540.68	\$5,959.64
Senior Information Technology Analyst	\$3,937.90	\$5,168.49
Senior Network Administrator	\$4,343.34	\$5,700.64
Senior Process Engineer	\$4,737.35	\$6,217.77
Storekeeper I	\$3,274.65	\$3,980.36
Storekeeper II	\$3,438.38	\$4,179.37
Utility Worker	\$2,513.82	\$3,055.57

**Board of Directors:** Directors meet or serve in their official capacity 3 – 12 times per month with a maximum of six paid meetings/month at a rate of \$212.10 per meeting and are paid for a maximum of one meeting per day.

Approved by:



President, Board of Directors

**AUTHORIZE THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1 TO TASK ORDER NO. 2 WITH BROWN AND CALDWELL FOR THE PRIMARY DIGESTER NO. 7 PROJECT**

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Ghossain stated the Board authorized execution of Task Order No. 2 with Brown and Caldwell (BC) for final design services associated with the Project on December 18, 2017. Following notification of an increase to the engineer's estimated construction cost, District staff had BC perform a value engineering (VE) effort to ultimately reduce construction cost of the Project. The VE study identified four concepts that were shared during the Board meeting held October 8, 2018. Staff also requested BC re-evaluate the recommended digester size given revised cost estimates and three additional volumes were evaluated. Amendment No. 1 to Task Order No. 2 includes modification of design for the Project to incorporate the cost saving concepts identified in the VE study and enlarge the volume to 2.4 million gallons. Staff recommended the Board authorize the General Manager to execute Amendment No. 1 to Task Order No. 2 with Brown and Caldwell in the amount of \$428,143 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 Amendment No. 1 to Task Order No. 2 with Brown and Caldwell in the Amount of \$428,143 for the Primary Digester No. 7 Project. Motion carried unanimously.

**INFORMATION ITEMS:**

**Information Technology Software and Hardware Agreement Summary**

This item was reviewed by the Engineering and Information Technology Committee. General Manager Eldredge stated the Board requested a summary of the District's software and hardware annual licensing and maintenance costs, which was summarized in a table in the Board meeting packet. Fabrication, Maintenance, and Construction Manager Simonich stated the District's Information Technology (IT) Team procures licenses for and supports 69 different IT systems that are a combination of hardware and software. IT Administrator Jacob provided additional information regarding District servers. Staff responded to Board member questions. The Board requested staff note the overall annual increase to the Software and Hardware Agreement Summary when it is presented to the Board annually.

**Solar and Cogeneration Facilities Operational Update**

This item was reviewed by the Budget & Finance Committee. Technical Services Manager Ghossain stated the total benefit to date for the Alvarado Wastewater Treatment Plant Solar Carport, constructed in 2011, was \$582,687 for a 65.8% simple payback. The total benefit to date for the Irvington Pump Station Solar Facility, constructed in 2012, was \$2,563,314 for an 89.8% simple payback. The total benefit to date for the Cogeneration Facility, constructed in 2014, was \$7,041,310 for a 55.9% simple payback.

### **Update on the Subsurface Investigation at the Alvarado Wastewater Treatment Plant**

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Ghossain stated Alameda County Water District is responsible for regulating the groundwater supply within Union Sanitary District's service area. The purpose of the Plant's groundwater monitoring program was to document groundwater conditions in areas of concern at ten monitoring wells. In September 2018 Brown and Caldwell sampled the groundwater from the seven remaining wells, analyzed the test results, and prepared a report. Conclusions from the 2018 groundwater monitoring event were outlined in the Board meeting packet.

### **Cal-Card Quarterly Activity Report**

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge stated the CAL-Card Merchant Spend Analysis for the second quarter of FY 2019, included in the Board meeting packet, covers transactions from the billing period October 23, 2018 through December 22, 2018. Staff responded to Boardmember questions.

### **Boardmember Expenses, Second Quarter Fiscal Year 2019**

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge reviewed the Second Quarter Fiscal Year 2019 Boardmember Expense report 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 reported the following:

- Introduced District Purchasing Agent Skip Calvo.
- There will be a Special Joint Meeting of City Councils from Fremont, Hayward, Newark, San Leandro, and Union City to receive a presentation from the Metropolitan Transportation Commission (MTC) regarding the CASA Compact to be held in San Leandro on January 30, 2019.
- The District's EBDA Ad Hoc will meet January 29, 2019, to discuss the recent EBDA Workshop.

### **OTHER BUSINESS:**

There was no other business



**ADJOURNMENT:**

The meeting was adjourned at 7:56 p.m. to the next Regular Meeting in the Boardroom on Monday, February 11, 2019, at 7:00 p.m.

SUBMITTED:



REGINA McEVOY  
BOARD CLERK

ATTEST:



JENNIFER TOY  
SECRETARY

APPROVED:



ANJALI LATHI  
PRESIDENT

Adopted this 11<sup>th</sup> day of February 2019