

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
UNION SANITARY DISTRICT/UNION SANITARY DISTRICT FINANCING  
AUTHORITY  
June 8, 2020**

**Consistent with Executive Orders No. N-25-20 and No. N-29-20 from the Executive Department of the State of California, the Alameda County March 16, 2020 Shelter in Place Order, and Executive Order No. N-33-20, Stay-at-Home Order, the Monday, June 8, 2020, Regular Board 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 listen to the Board Meeting, and provide public comment by sending comments to the Board Clerk.**

**CALL TO ORDER**

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

STAFF: Paul Eldredge, General Manager/District Engineer  
Karen Murphy, District Counsel  
Sami Ghossain, Technical Services Manager  
Armando Lopez, Treatment and Disposal Services Manager  
James Schofield, Collection Services Manager  
Robert Simonich, Fabrication Construction and Maintenance Manager  
Laurie Brenner, Business Services Coach  
Karoline Terrazas, Organizational Performance Manager  
Michelle Powell, Communications and Intergovernmental Relations Coordinator  
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

GUESTS: Monique Spyke, PFM Asset Management LLC, Managing Director

**APPROVE MINUTES OF THE UNION SANITARY DISTRICT BOARD MEETING OF  
MAY 26, 2020**

It was moved by Vice President Kite, seconded by Director Toy, to Approve the Minutes of the Board Meeting of May 26, 2020. Motion carried with the following vote:

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

## **THIRD QUARTER FISCAL YEAR 2020 DISTRICT-WIDE BALANCED SCORECARD MEASURES**

This item was reviewed by the Legal/Community Affairs Committee. Organizational Performance Manager Terrazas provided an overview of the Balanced Scorecard included in the Board meeting packet.

## **FISCAL YEAR 2020 THIRD QUARTER MANAGED INVESTMENT PORTFOLIO REPORT**

General Manager Eldredge and Business Services Coach Brenner introduced PFM Asset Management Managing Director Spyke who summarized the Investment Portfolio Report included in the Board meeting packet.

## **WRITTEN COMMUNICATIONS**

There were no written communications.

## **PUBLIC COMMENT**

There was no public comment.

## **ADOPT A RESOLUTION CLARIFYING THE DEFERRAL OF THE COLLECTION OF RATE INCREASES ADOPTED PURSUANT TO ARTICLE XIID, SECTION 6 OF THE CALIFORNIA CONSTITUTION ON MAY 11, 2020, UNTIL FY 2022 FOR SINGLE FAMILY RESIDENTIAL AND MULTI FAMILY RESIDENTIAL CUSTOMERS**

General Counsel Murphy stated the Board adopted Ordinance No. 31.40 establishing sewer service charges for Fiscal Years 2021 – 2025 at its regular meeting held May 11, 2020. The Board adopted Resolution No. 2892 deferring collection of Fiscal Year 2021 rate increases for single family and multi-family residences until Fiscal Year 2022. The description of the applicable fiscal year in the resolution was unclear which led staff to prepare a clarifying resolution to confirm that residential fee increases for Fiscal Year 2021 will be deferred until Fiscal Year 2022. Staff recommended the Board adopt a resolution clarifying deferral of the collection of Fiscal Year 2021 increases to sewer service charges to single family and multi-family residences until Fiscal Year 2022.

It was moved by Secretary Lathi, seconded by Vice President Kite, to Adopt Resolution No. 2895 Clarifying the Deferral of the Collection of Rate Increases Adopted Pursuant to Article XIID, Section 6 of the California Constitution on May 11, 2020, Until Fiscal Year 2022 for Single Family Residential and Multi-Family Residential Customers. Motion carried with the following vote:

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

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## RESOLUTION NO. 2895

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNION SANITARY DISTRICT CLARIFYING THE DEFERRAL OF THE COLLECTION OF RATE INCREASES ADOPTED PURSUANT TO ARTICLE XIID, SECTION 6 OF THE CALIFORNIA CONSTITUTION ON MAY 11, 2020, UNTIL FY 2022 FOR SINGLE FAMILY RESIDENTIAL AND MULTI FAMILY RESIDENTIAL CUSTOMERS**

**WHEREAS**, on or about March 4, 2020, as part of the State of California's response to address the global COVID-19 outbreak, the Governor of the State of California declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

**WHEREAS**, the Health Officer of Alameda County issued Declarations of Local Health Emergency on March 1 and 5, and on March 10, 2020, the Board of Supervisors of the County of Alameda adopted a Resolution Ratifying the Declarations of Local Health Emergency; and

**WHEREAS**, on March 11, 2020, the World Health Organization (WHO) characterized COVID-19 as a global pandemic and the number of cases will tragically continue to increase across the United States and globally; and

**WHEREAS**, on March 13, 2020, the City of Fremont declared a local emergency, on March 16, 2020, the City of Newark declared a local emergency, and on March 17, 2020, the City of Union City declared a local emergency; and

**WHEREAS**, on March 16, 2020, the Health Officer of Alameda County adopted an "Order Of The Health Officer Of The County Of Alameda Directing All Individuals Living In The County To Shelter At Their Place Of Residence Except That They May Leave To Provide Or Receive Certain Essential Services Or Engage In Certain Essential Activities And Work For Essential Businesses And Governmental Services; Exempting Individuals Experiencing Homelessness From The Shelter In Place Order But Urging Them To Find Shelter And Government Agencies To Provide It; Directing All Businesses And Governmental Agencies To Cease Non-Essential Operations At Physical Locations In The County; Prohibiting All Non-Essential Gatherings Of Any Number Of Individuals; And Ordering Cessation Of All Non-Essential Travel," and has issued subsequent orders modifying and extending the original shelter in place order; and

**WHEREAS**, on March 16, 2020, the Governor of the State of California issued Executive Order No. 28-20 encouraging public utilities to implement customer service protections for critical utilities; and

**WHEREAS**, on March 19, 2020, the Governor of the State of California issued Executive Order N-33-20 mandating that all Californians stay at home or at their place of residence except in order to maintain critical infrastructure sectors; and

**WHEREAS**, the COVID-19 emergency and Alameda County Shelter-in-Place orders and the State Stay Home Order have resulted in a financial crisis and increasing unemployment in Alameda County and throughout the State of California; and

**WHEREAS**, on May 11, 2020, the Union Sanitary District conducted a hearing to consider proposed increases to sewer service charges for Fiscal Years 2021-2025; and

**WHEREAS**, at the May 11, 2020 meeting, the Board also discussed a residential rate deferral program that could alleviate the impact of the proposed rate increases on residential customers by deferring collection of the first year's rate increases; and

**WHEREAS**, on May 11, 2020, the Union Sanitary District Board of Directors (the "Board") adopted Ordinance No. 31.40 establishing sewer service charges for Fiscal Years 2021-2025; and

**WHEREAS**, on May 11, 2020, the Board also authorized and directed staff to prepare a resolution approving a fee deferral program that would defer collection of the residential rate increases for Fiscal Year 2021 for single-family residential and multi-family residential until Fiscal Year 2022; and

**WHEREAS**, Ordinance No. 31.40 increased rates in Fiscal Year 2021 by a fixed amount of \$33.20 for single-family residences and a fixed amount of \$35.26 for multi-family residences; and

**WHEREAS**, in recognition of the financial crisis caused by the COVID-19 emergency, the Union Sanitary District seeks to temporarily use its reserves to defer collection of the Fiscal Year 2021 rate increases for single family and multi-family residences until Fiscal Year 2022 and adopted a fee deferral policy on May 26, 2020; and

**WHEREAS**, the District desires to clarify the fiscal years of such adopted fee deferral by adopting this resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Union Sanitary District that:

1. The District will defer the collection of the sewer service charge increase in Fiscal Year 2021 of \$33.20 for single-family residences and \$35.26 for multi-family residences that was adopted in Ordinance No. 31.40 until Fiscal Year 2022.

2. The District will provide written notice of the fee collection deferral to all single-family and multi-family ratepayers in conjunction with the District's annual newsletter / courtesy notice.

3. The District will indicate in its written report on Sewer Service Charges for Collection on Tax Rolls for Fiscal Year 2021 that: (a) the sewer service charge for single family residences will be \$421.37, which is the same as the sewer service charge for Fiscal Year 2020; and (b) the sewer service charge for multi-family residences will be \$365.32, which is the same as the sewer service charge for Fiscal Year 2020.

4. The District will provide in its written report on Sewer Service Charges for Collection on Tax Rolls for Fiscal Year 2022 that, in addition to the sewer service charge for Fiscal Year 2022 established by Ordinance No. 31.40, the deferred collection of the increase for Fiscal Year 2021 for single family and multi-family residences will be collected.

5. This Resolution amends and restates Resolution No. 2892 in its entirety.

\* \* \* \* \*


On motion of Secretary Lathi, seconded by Director Kite, the above resolution was introduced and passed by the Board of Directors of Union Sanitary District at a regular meeting of said Board held on the 8<sup>th</sup> day of June, 2020, and adopted by the following vote:

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: None

ABSENT: None

ABSTAIN: None

  
TOM HANDLEY  
President, Board of Directors  
Union Sanitary District

ATTEST:

  
ANJALI LATHI  
Secretary, Board of Directors  
Union Sanitary District

## **RECEIVE POTENTIAL CONTENT TOPICS FOR THE DISTRICT'S AUTUMN 2020 NEWSLETTER**

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge and Communications and Intergovernmental Relations Coordinator Powell reviewed the list of potential content topics included in the Board meeting packet. The Legal/Community Affairs Committee recommended the Board include the following topics in the District's Autumn 2020 Newsletter:

- ETSU Program Update
- USD's Spill Record
- USD Operations During COVID (working 24/7, no shutdowns, etc.)
- Environmental Tips: Brief Pollution Prevention Messages (FOG, Wipes, etc.)
- What it takes to treat wastewater everyday (if space allows)

The Board directed staff to include the topics recommended by the Legal/Community Affairs Committee, as well as Wastewater Epidemiology, in the District's Autumn 2020 Newsletter as space allows.

### **INFORMATION ITEMS:**

#### **Status of Priority 1 Capital Improvement Program Projects**

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Ghossain stated last June, the Board approved the Capital Improvement Program (CIP) budget for Fiscal Year 2020 in the amount of \$19.73 million for design and construction of 24 CIP projects. The projects were ranked Priority 1, 2, or 3 based upon criteria prepared by staff and approved by the Executive Team. For Fiscal Year 2020, 11 projects were ranked as Priority 1. The status of Priority 1 CIP projects is reviewed by the Executive Team at the end of each quarter and a copy of the status report was included in the Board meeting packet.

#### **Third Quarterly Report on the Capital Improvement Program for Fiscal Year 2020**

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Ghossain stated third quarter expenditures for Fiscal Year 2020 were presented in graphs included in the Board meeting packet. The graphs depicted actual expenditures versus approved budget for Capacity Fund 900, the Renewal and Replacement Fund 800, and for both funds combined. Total CIP expenditures up to March 31, 2020, were under projections for the third quarter by approximately \$5,561,000. Projects that had significant variances from projected expenditures were presented in a table included in the Board meeting packet.

#### **Report on the East Bay Dischargers Authority Meeting of May 21, 2020**

President Handley provided an overview of the EBDA meeting minutes included in the Board meeting packet.

#### **COVID-19 Update**

General Manager Eldredge provided an update regarding COVID-19 impacts on District operations and associated coordination efforts.

#### **Check Register**

There were no questions regarding the Check Register.

**COMMITTEE MEETING REPORTS:**

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

**GENERAL MANAGER'S REPORT:**

General Manager Eldredge stated he had nothing further to report.

**OTHER BUSINESS:**

There was no other business.

**ADJOURNMENT:**

The meeting was adjourned at 5:08 p.m. to the next Regular Meeting at 4:00 p.m. in the Alvarado Conference Room on Monday, June 22, 2020.

SUBMITTED:

ATTEST:



REGINA McEVOY  
BOARD CLERK



ANJALI LATHI  
SECRETARY

APPROVED:



TOM HANDLEY  
PRESIDENT

Adopted this 22<sup>nd</sup> day of June 2020