



BOARD MEETING AGENDA
Monday, June 23, 2014
Regular Meeting - 7:00 P.M.

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

1. Call to Order.

2. Pledge of Allegiance.

3. Roll Call.

- Motion 4. Approval of the Minutes of the Special Meeting held on June 7, 2014.

- Motion 5. Approval of the Minutes of the Regular Meeting held on June 9, 2014.

- Motion 6. Approval of the Minutes of the Special Meeting held on June 11, 2014.

- Information 7. Monthly Operations Report for May 2014 (*to be reviewed by the Budget & Finance Committee*).

8. Written Communications.

9. Oral Communications.

The public may provide oral comments at regular and special Board meetings; however, whenever possible, written statements are preferred (to be received at the Union Sanitary District office at least one working day prior to the meeting). This portion of the agenda is where a member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction that is not on the agenda. If the subject relates to an agenda item, the speaker should address the Board at the time the item is considered. Oral comments are limited to three minutes per individuals, with a maximum of 30 minutes per subject. Speaker's cards will be available in the Boardroom and are to be completed prior to discussion.

- Public Hearing 10. Public Hearing: 1) Confirming Sewer Service Charge Ordinance No. 31.37, 2) Adopting Sewer Service Charge for Fiscal Year 2015, and 3) Setting and Collecting Sewer Service Charges for Fiscal Year 2015 on the Tax Roll.

- Motion 11. Resolution No. _____, Considering Protests and Establishing Sewer Service Charge Rates for Fiscal Year 2015 *(to be reviewed by the Budget & Finance Committee)*.
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- Motion 12. Resolution No. _____, Adoption of Ordinance No. 31.37, Setting the Sewer Services Charges Specified Therein for Fiscal Year 2015 *(to be reviewed by the Budget & Finance Committee)*.
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- Public Hearing 13. Public Hearing: 1) Establishing Capacity Fees of Ordinance No. 35.21, and 2) Adopting Capacity Fees for Fiscal Year 2015.
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- Motion 14. Resolution No. _____, Considering Protests and Confirming Capacity Fee Rates for Fiscal Year 2015 *(to be reviewed by the Budget & Finance Committee)*.
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- Motion 15. Resolution No. _____, Adopting Ordinance No. 35.21, Providing for the Establishing of Capacity Fees for Fiscal Year 2015 *(to be reviewed by the Budget & Finance Committee)*.
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- Motion 16. Adopting Final Operating and Capacity Fund Budgets for Fiscal Year 2015 *(to be reviewed by the Budget & Finance Committee)*.
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- Motion 17. Approving the New Positions of Utility Worker (Mechanic) and Painter in the FMC Workgroup *(to be reviewed by the Personnel Committee)*.
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- Motion 18. Awarding the Construction Contract for the Jarvis Avenue Sanitary Sewer Replacement Project to D'Arcy & Harty Construction, Inc. *(to be reviewed by the Construction Committee)*.
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- Motion 19. Authorizing the General Manager to Execute Task Order No. 2 with West Yost Associates for Providing Design Support Services during Construction of the Jarvis Avenue Sanitary Sewer Replacement Project *(to be reviewed by the Construction Committee)*.
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- Information 20. Information Items:
a. Check Register.
b. Report on the EBDA Commission Meeting of June 19, 2014.
c. THIS NUMBER NOT USED.
d. Pension Actuary Scope of Work *(to be reviewed by the Budget & Finance Committee)*.
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- Information 21. Committee Meeting Reports. *(No Board action is taken at Committee meetings):*
- a. Budget & Finance Committee—scheduled for Wednesday, 6/18/14, 9:00 a.m.
 - b. Legal/Community Affairs Committee – scheduled for Wednesday, 6/18/14 at 5:00 p.m.
 - Board Communication and E-Mail
 - c. Construction Committee – scheduled for Thursday, 6/19/14 at 4:30 p.m.
 - d. Personnel Committee – scheduled for Friday, 6/20/14 at 9:30 a.m.
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- Information 22. General Manager's Report. *(Information on recent issues of interest to the Board).*
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- Information 23. 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.
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24. Adjournment – After a short break, the Board will adjourn the Regular Meeting to a Board Workshop to discuss Board Communications and E-Mail *(to be reviewed by the Legal/Community Affairs Committee).*
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25. Adjournment - The Board will then adjourn to a Special Meeting on Wednesday, June 25, 2014 at 4:30 p.m. for the purpose of approving the Employment Contract for the New General Manager.
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26. Adjournment - The Board will then adjourn to the next Regular Meeting in the Boardroom on Monday, July 14, 2014 at 7:00 p.m.
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The Public may provide oral comments at regular and special Board meetings; however, whenever possible, written statements are preferred (to be received at the Union Sanitary District at least one working day prior to the meeting).

If the subject relates to an agenda item, the speaker should address the Board at the time the item is considered. If the subject is within the Board's jurisdiction but not on the agenda, the speaker will be heard at the time "Oral Communications" is calendared. Oral comments are limited to three minutes per individual, with a maximum of 30 minutes per subject. Speaker's cards will be available in the Boardroom and are to be completed prior to discussion of the agenda item.

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.

THE PUBLIC IS INVITED TO ATTEND

**NOTICE OF
COMMITTEE MEETING**

All meetings will be held in
the General Manager's Office



BOARD MEETING OF JUNE 23, 2014

Committee Membership:

Budget and Finance	Directors Jennifer Toy and Pat Kite (Alt. - Anjali Lathi)
Construction Committee	Directors Tom Handley and Manny Fernandez (Alt. – Pat Kite)
Legal/Community Affairs	Directors Anjali Lathi and Tom Handley (Alt. –Manny Fernandez)
Legislative Committee	Directors Pat Kite and Anjali Lathi (Alt. – Tom Handley)
Personnel Committee	Directors Jennifer Toy and Manny Fernandez (Alt. – Anjali Lathi)
Audit Committee	Directors Jennifer Toy and Tom Handley (Alt. Manny Fernandez)

Budget & Finance Committee, Wednesday, June 18, 2014 at 9:00 a.m.

7. Monthly Operations Report for May 2014.
11. Resolution No. ____, Considering Protests and Establishing Sewer Service Charge Rates for Fiscal Year 2015.
12. Resolution No. ____, Adoption of Ordinance No. 31.37, Setting the Sewer Services Charges Specified Therein for Fiscal Year 2015
14. Resolution No. ____, Considering Protests and Confirming Capacity Fee Rates for Fiscal Year 2015
15. Resolution No. ____, Adopting Ordinance No. 35.21, Providing for the Establishing of Capacity Fees for Fiscal Year 2015
16. Adopting Final Operating and Capacity Fund Budgets for Fiscal Year
- 20d. Pension Actuary Scope of Work

Legal/Community Affairs Committee, Wednesday, June 18, 2014 at 5:00 p.m.

- Board Communication and E-Mail
-

Construction Committee, Thursday, June 19, 2014 at 4:30 p.m.

18. Awarding the Construction Contract for the Jarvis Avenue Sanitary Sewer Replacement Project to D'Arcy & Harty Construction, Inc.
19. Authorizing the General Manager to Execute Task Order No. 2 with West Yost Associates for Providing Design Support Services during Construction of the Jarvis Avenue Sanitary Sewer Replacement Project

Personnel Committee, Friday, June 20, 2014 at 9:30 a.m.

17. Approving the New Positions of Utility Worker (Mechanic) and Painter in the FMC Workgroup

Committee meetings may include teleconference participation by one or more Directors.
(Gov. Code Section 11123)

Committee Meetings are open to the public. Only written comments will be considered. No action will be taken.

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
Saturday, June 7, 2014**

CALL TO ORDER

President Lathi called the meeting to order at 11:01 a.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 Currie, General Manager
Richard Cortes, Business Services Manager
Sami Ghossain, Manager, Technical Services
David Livingston, Treatment & Disposal Services Manager
Judi Berzon, Human Resources Administrator
Carol Rice, Assistant to the GM/Board Secretary

RECRUITER: Robert J. Burg, Executive Vice President, Ralph Andersen & Assoc.

ORAL COMMUNICATIONS.

There were no oral communications.

BRIEFING OF THE BOARD OF DIRECTORS ON THE INTERVIEW PROCESS.

Robert Burg briefed the Board on the interview process—the time schedules, meeting rooms, questions to avoid, etc. for the five candidates being interviewed.

ADJOURN TO CLOSED SESSION.

The Board of Directors adjourned to a Closed Session at 11:10 a.m. for the purpose of conducting Qualifications Appraisal Interviews of candidates for the General Manager position. The Closed Session was authorized by California Government Code Section 54957(b).

RECONVENE TO OPEN SESSION.

The Board reconvened to Open Session at 4:45 p.m. and reported on the top two finalists for the General Manager recruitment. Those finalists will be invited back for a second interview with the Board of Directors on Wednesday, June 11, 2014.

ADJOURNMENT:

The Board adjourned the Special Meeting at 4:50 p.m. to a Special Meeting/Closed Session on Wednesday, June 11, 2014 from 3:00 to 8:00 p.m. to conduct second interviews and select the candidate for the General Manager position.

Following the Special Meeting/Closed Session, the Board will adjourn to the next Regular Meeting in the Boardroom on Monday, June 23, 2014 at 7:00 p.m.

SUBMITTED:

ATTEST:

CAROL RICE
SECRETARY TO THE BOARD

JENNIFER TOY
SECRETARY

APPROVED:

ANJALI LATHI
PRESIDENT

Adopted this 23rd day of June, 2014

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
June 9, 2014**

CALL TO ORDER

President Lathi called the meeting to order at 7:02 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 Currie, General Manager
Richard Cortes, Business Services Manager
Sami Ghossain, Technical Services Manager
Andy Morrison, Collection Services Manager
Dave Livingston, Treatment & Disposal Services Manager
Robert Simonich, FMC Manager
Mohammad Ghoury, Engineering Tech II, Union Representative
Louis Rivera, Mechanic II, Union Representative
Maria Scott, Principal Financial Analyst
David O'Hara, Legal Counsel
Carol Rice, Assistant to the GM/Board Secretary

APPROVAL OF THE MINUTES OF MAY 27, 2014.

On a motion made by Director Kite and seconded by Director Fernandez, the minutes of the Board of Directors' Meeting of May 27, 2014 were unanimously approved.

WRITTEN COMMUNICATIONS.

The Board received a notice from ACWD's Dedicated Landscape Partnership Program recognizing USD with a certificate for the 2013 Water Conservation Business of the Year.

ORAL COMMUNICATIONS.

There were no oral communications.

APPROVE OR REJECT CHANGES TO CASA BYLAWS.

The Legal/Community Affairs Committee reviewed this item. Rich Currie stated that CASA hired an attorney to review their Bylaws and recommend changes to bring them into full compliance with California law as well as streamline their business process. He provided highlights of the key changes: Under voting rights, instead of having anyone who represents the agency vote, each agency must identify a specific person to vote; Board terms were changed to three-year terms; and CASA's Board of Directors will now approve the budget instead of the members. Approval of Amendments to the Bylaws would give the Board of Directors the right to approve certain changes to the Bylaws. Rich indicated concern as it would allow the Board of Directors to approve changes to the Bylaws, except those specifically listed, which must be approved by the members.

On a motion made by Director Toy and seconded by Director Handley, the Board unanimously agreed to approve the Changes to CASA Bylaws with a comment of concern about the language on Bylaws Amendments.

AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AGREEMENT AND TASK ORDER NO. 1 WITH BROWN AND CALDWELL FOR PROVIDING CONSTRUCTION MANAGEMENT SERVICES FOR THE UPPER HETCH HETCHY SANITARY SEWER REHABILITATION PROJECT.

The Construction Committee reviewed this item. Sami Ghossain stated the Newark Basin Masterplan Update, completed in 2012, identified the Upper Hetch Hetchy Corridor Trunk Sewer as having high critical ratings due to hydrogen sulfide corrosion. The Project will rehabilitate the existing 24-inch and 27-inch diameter RCP trunk sewer in Fremont; the 194 linear feet of 30-inch RCP trunk sewer on Willow Street in Newark; and 253 linear feet of 48-inch RCP trunk sewer at the Newark Pump Station.

The purpose of Task Order No. 1 is to authorize construction management services to Brown & Caldwell for the duration of the Project. The negotiated cost proposal is \$279,432. Work under Task Order No. 1 began in May 2014 and is expected to be completed by the end of February 2015.

On a motion made by Director Handley, seconded by Director Fernandez, and unanimously approved, the Board authorized the General Manager to execute an Agreement and Task Order No. 1 with Brown and Caldwell for providing Construction Management Services for the Upper Hetch Hetchy Sanitary Sewer Rehabilitation Project.

APPROVE NEW BOARD POLICY ON CONTRIBUTIONS AND ENDORSEMENTS.

The Personnel Committee reviewed this item. Rich Currie stated this policy was reviewed at the last Board Meeting. Staff has made the proposed changes and is presenting it for review and approval. He noted policy numbers were added for reference purposes. He further indicated that Attorney O'Hara suggested adding another bullet under Exceptions to the Policy that would state: "Items distributed at public gatherings which promote the District, recycling, environmental protection and District goals such as calendars, key chains, totes, et cetera."

On a motion made by Director Fernandez and seconded by Director Handley, the Board approved the new Board Policy on Contributions and Endorsements with Dave O'Hara's suggested bullet.

INFORMATION ITEMS:

Check Register. All questions were answered to the Board's satisfaction.

Audit Committee Report of May 22, 2014. Director Handley reported that the previous minutes were reviewed. The auditor explained the engagement letter stating the main purposes of the letter is to mitigate litigation against auditors. The auditor also reviewed the upcoming applicable GASB Pronouncements for FY14. Director Handley stated everything seems to be going well.

Preliminary Operating and Capacity Fund Budgets for FY15. The Budget & Finance Committee reviewed this item. Maria Scott reported the following: the budget reflects increasing the existing Sewer Service Charge for all customer categories by 5.7%. This is the second year of the scheduled rate increase. The scheduled increase for next year is 5.7%; however, staff is having a study done and there may be changes to the rate increase. Capacity fees have increased by 5% and there will be an increase in the Net Operating Budget of about 1% as well as changes to the PG&E costs. She noted the following budget fund name changes: Instead of ECB, the new fund name is Net Operating Budget. The new fund name for Non-ECB is now Special Projects Fund. The Board concurred with these changes.

California Alliance for Sewer System Excellence (CASSE) – Scoring System. Andy Morrison explained that USD joined CASSE in 2012 as a founding member to create a network of agencies that manage collection systems and are interested in improving performance and sustaining excellence. Since the scoring system was developed, USD has always scored higher than 100, which is considered an exceptional performance goal. This past April, USD scored 132.5, higher than any other agency participating. The Board offered their congratulations.

Retiree Medical Actuarial Results for July 1, 2013. The Budget & Finance Committee reviewed this item. Rich Cortes reported that the results of the actuarial report show that USD's actuarial accrued liability went up about \$1M and the actuarial

value of assets (which is equal to the market value) went up about \$1/2M. The unfunded liability went up about \$400,000. The increase in UAAL, including lower than expected investment returns, increases in retiree medical benefits, and increases in mortality projections, has resulted in a significant increase in the Annually Required Contribution.

COMMITTEE MEETING REPORTS:

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

The Legal/Community Affairs Committee also discussed clarification of Board Member communication issues. Dave O'Hara stated the possibility of having two policies that address Board communication as it relates to District email use and personal email use. A draft for a revised e-mail policy was submitted which would encourage Directors to use District e-mail accounts for all electronic communication relating to District business, rather than making use of District accounts mandatory; and to follow the appellate court ruling in Smith vs. San Jose that any e-mail on a personal device through a private service is not a document subject to production under the California Public Records Act. Director Handley asked about the option of a policy that would make it a requirement that the Board use District e-mail for all correspondence. He also requested that staff prepare a list of advantages and disadvantages of using District e-mail addresses exclusively for District business. It was suggested to further discuss this topic at a Board workshop.

GENERAL MANAGER'S REPORT:

Rich Currie reported the following:

- There were no spills for the month of May.
- Recently, there was an accident that ended the District's successful streak of 470 days without an accident. The good news is that the accident was relatively minor.
- The District sponsored a CWEA Vendor Faire on June 4, 2014 that was very successful. Almost 200 people attended.
- Recently, staff has had an issue with The Kebab House restaurant due to the requirement of a grease interceptor. An agreement was finally reached with them and they agreed to put a deposit down for the grease interceptor which will allow them to open for business.
- Judi Berzon will meet with individual Board members for five minutes before the start of the GM hiring interviews on Wednesday, June 11, 2014. The GM asked the Board if they would like him to participate in the Closed Session Meeting on June 11th and the Board responded yes.

OTHER BUSINESS:

Director Kite stated she attended the CWEA Vendor Faire on June 4th and viewed a 45 minute video on the San Bruno pipeline gas explosion. The video shows the chaos that

occurs when a disaster happens and she highly recommended the full Board view the video. The Board is interested in scheduling a workshop possibly later in the year to view the video.

ADJOURNMENT:

The Board adjourned the meeting at 7:52 p.m. to a Special Meeting/Closed Session on Wednesday, June 11, 2014 from 6:00 – 8:00 p.m. for the purpose of selecting a candidate for the General Manager’s position. This Closed Session meeting is authorized by California Government Code Section 54957(b).

The Board will then adjourn to the next Regular Meeting in the Boardroom on Monday, June 23, 2014 at 7:00 p.m.

SUBMITTED:

ATTEST:

CAROL RICE
SECRETARY TO THE BOARD

JENNIFER TOY
SECRETARY

APPROVED:

ANJALI LATHI
PRESIDENT

Adopted this 23rd day of June, 2014

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
WEDNESDAY, JUNE 11, 2014**

CALL TO ORDER

President Lathi called the meeting to order at 6:15 p.m.

ROLL CALL

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

STAFF: Richard Currie, General Manager
Judi Berzon, Human Resources Administrator
Carol Rice, Assistant to the General Manager/Board Secretary

RECRUITER: Robert J. Burg, Executive Vice President, Ralph Andersen & Assoc.

ORAL COMMUNICATIONS.

There were no oral communications.

BRIEFING THE BOARD OF DIRECTORS ON THE HIRING INTERVIEW PROCESS.

Robert Burg briefed the Board on the hiring and ranking process for selecting the top candidate.

ADJOURN TO CLOSED SESSION.

The Board of Directors adjourned to a Closed Session at 6:30 p.m. for the purpose of selecting the candidate for the General Manager position. The Closed Session was authorized by California Government Code Section 54957(b).

RECONVENE TO OPEN SESSION.

The Board reconvened to Open Session at 7:15 p.m. The Board unanimously agreed to make a conditional offer to the highest ranked candidate, directed staff and the consultant to contact references and to prepare a draft employment contract for the Board's review.

ADJOURNMENT:

The Board adjourned the Special Meeting at 7:20 p.m. to the next Regular Meeting in the Boardroom on Monday, June 23, 2014 at 7:00 p.m.

SUBMITTED:

ATTEST:

CAROL RICE
SECRETARY TO THE BOARD

JENNIFER TOY
SECRETARY

APPROVED:

ANJALI LATHI
PRESIDENT

Adopted this 23rd day of June, 2014



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 17, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer

SUBJECT: Agenda Item No. 7 - Meeting of June 23, 2014
Information Item: **Monthly Operations Report for May, 2014**

Background

Attached is the May 2014 Operations Report. Staff is available to answer questions regarding information contained in the report.

Table of Contents

General Manager/Administration	Richard Currie	GM
Business Services	Rich Cortes	BS
Collection Services	Andy Morrison	CS
Technical Services	Sami Ghossain	TS
Treatment and Disposal Services	Dave Livingston	T&D
Fabrication, Maintenance, and Construction	Robert Simonich	FMC

Recommendation

File Report.

GENERAL MANAGER'S SUMMARY

Below is a summary of major activities that occurred at the District during May 2014.

ODOR COMPLAINTS: There were no odor complaints during the month of May

SAFETY: There was one accident that occurred during the month. A minor hand injury and infection resulted in an employee missing several days of work. Plant and FMC staff visited Central Marin Sanitary District to review their safety program.

FINANCIAL: The Board Audit Committee held a kick-off meeting for the FY14 Audit with Vavrinek, Trine, Day and Co. USD received an actuarial study on retiree medical.

COLLECTION SYSTEM:

- There were no spills during the month of May.
- South Tahoe Public Utilities District has requested to meet with USD to look at Best Practices in Collection System maintenance.
- USD hosted a Collections Vendor Faire, attracting over 200 participants.

PLANT OPERATIONS:

- USD received information from our consultants in a workshop on the baseline case for restoration of Hayward Marsh.
- Plant staff removed Digester No. 5 from service for cleaning.
- The pilot project for evaluating ammonia removal from biosolids centrate is operational.
- Long time mechanic Robert Lee retired from the District.

PROJECTS:

- The \$10M Biosolids Thickener Control Building Project was awarded to GSE Construction.
- The project team for the Seismic Vulnerability Assessment met to discuss project priorities.
- Inspection work was completed for the Private Lateral Assessment project.

STAFFING & PERSONNEL: Ongoing recruitments include Mechanic, EC Inspector, Assistant to the GM, and General Manager. The CIP team filled two engineering vacancies, including one in-house promotion of Engineering Technician Andrew Baile. Plant Operator III Laurie Brenner was selected to fill the position of retiring Quality Coordinator Donna Wies.

G.M. ACTIVITIES: For the month of May, the GM was involved in the following:

- Responding to several public records requests regarding rates and transparency.
- Participating in recruitment activities for the future General Manager.
- Presentation of a case study of the District's safety program to a group of 200 for the CWEA Supervisors Safety Seminar in Dublin.
- GM held District-wide meeting to kickoff "recommitment to teams" initiative.
- GM involved in two customer appeals associated with installation of grease interceptors.



ODOR REPORT May 2014

During the recording period from May 01, 2014 through May 31, 2014, there were no odor related service requests received by the District.



Legend

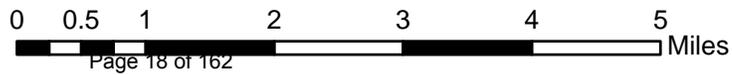
Odor Complaints: May 2014

- ★ Odor found, USD resolved (0)
- Odor found, not related to USD (0)
- ▲ No odor found (0)

Odor Complaints: Jun. 2013 to Apr. 2014

- ★ Odor found, USD resolved (9)
- Odor found, not related to USD (8)
- ▲ No odor found (16)

**Location of Odor Reports
June 2013 to May 2014**



HOURS WORKED AND LEAVE TIME BY WORK GROUP

June 29, 2013 to May 16, 2014

DIVISION	Reg.			Total				Historical FY13			Average Number of Employees <input type="text" value="131"/>
	Hours	Lt Duty	O/T	Leaves*	Sick	STD	WC	Sick	STD	WC	
General Manager Staff	5,149		7	976 16%	85 1.4%			110 1.7%			
Business Services	35,640		25	5,040 12%	583 1.4%	14 0.0%		713 1.6%	211 0.5%		Current Number of Vacant Positions (1) <input type="text" value="3"/>
Technical Services	48,648		235	7,173 13%	943 1.7%	238 0.4%		2,190 3.4%	499 0.8%		
Collection Services	46,750		2,773	9,380 17%	1,496 2.7%	617 1.1%	1 0.0%	1,565 2.5%	235 0.4%	124 0.2%	Hours Worked Per Week Per Employee (2) <input type="text" value="35.10"/>
Treatment & Disposal	36,180		959	7,312 17%	1,326 3.0%	408 0.9%		971 2.0%	144 0.3%		
FMC	32,681		2,111	5,715 15%	951 2.5%			1,265 3.1%	74 0.2%	33 0.1%	Projected Average Annual Sick Leave Per Employee (3) <input type="text" value="46.54"/>
Totals	205,049		6,111	35,597	5,385	1,276	1	6,814	1,163	157	
%	85.2%		2.5%	14.8%	2.2%	0.5%	0.0%	2.4%	0.5%	1.3%	

(1) Current vacancies include: Business Services (0), Collections (0), FMC (1), T&D (0), TS (2)

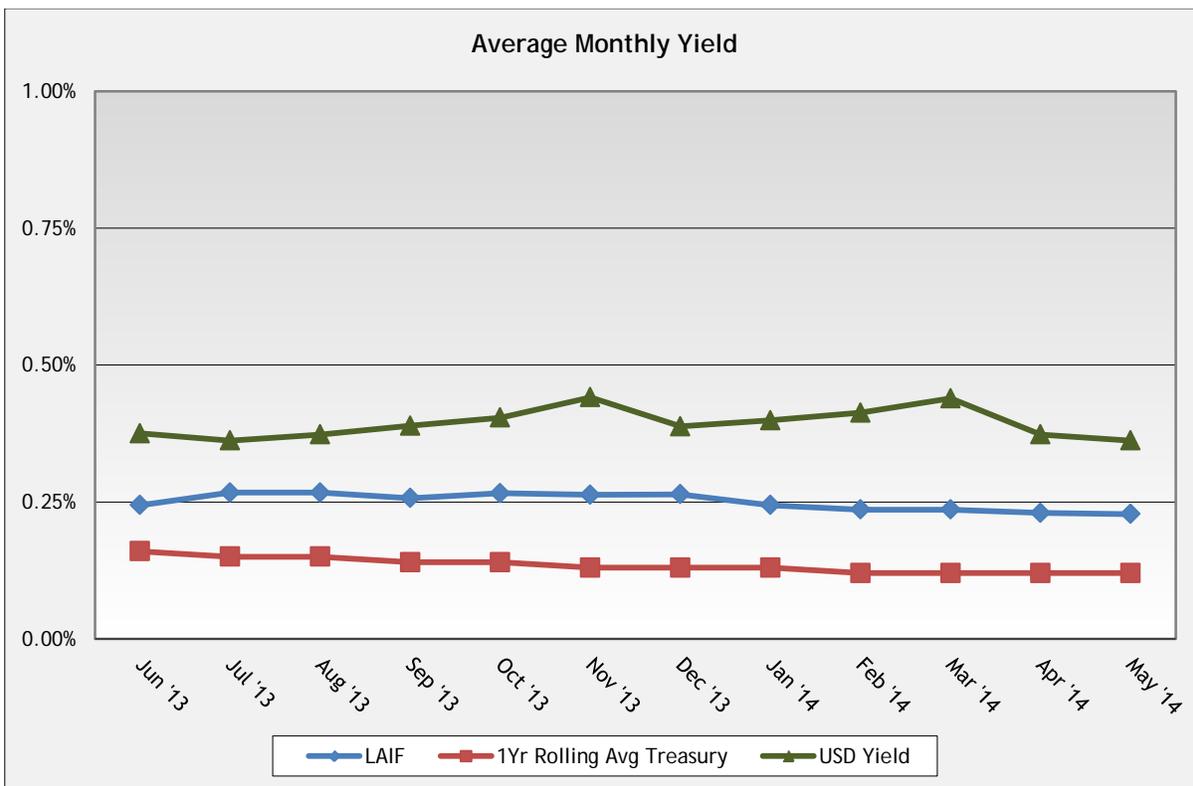
(2) An employee using 3 weeks vacation, 11 holidays, 2 HEC days and 40 hours of sick leave will work an average of 34.9 hours per week over the course of a year. With four weeks vacation, 34.2 hours per week.

(3) Target goal for sick leave incentive program is 47 hours per employee per year.

**Business Services Group
Activities Report
May 2014**

- With the Communications Coordinator, the Quality Coordinator made a presentation on Meeting Skills at the CWEA Annual Conference.
- The Quality Coordinator presented orientation on Teams at USD to new employees.
- The Quality Coordinator presented the 3rd quarter BSC performance report to the Board.
- Rolled out Hansen/PTS interface.
- The Principal Financial Analyst participated at the Career Faire at Newark Memorial High School.
- Working with the executive search firm, the Human Resources Administrator assisted the Board of Directors with the interview process for General Manager.
- The Human Resources Administrator attended a workshop on conducting investigations.
- The Human Resources Administrator conducted the last of three workshops on Evaluating Employee Performance for Leadership School participants.
- HR staff participated in driver training.
- The Human Resources Administrator conducted a review of HR policies for three new employees.
- The recruitment for Assistant Engineer was completed; Andrew Baile was promoted on May 5.
- The recruitment for Associate Engineer was completed; Thomas Lam was hired on May 5.

Performance Measures
AVERAGE MONTHLY YIELD



BUDGET AND FINANCE REPORT

FY 2014

Year-to-date as of 5/31/14

92% of year elapsed

Revenues

	Budget	Actual	% of Budget Rec'd	Audited Last Year Actuals 6/30/13
Capacity Fees	\$2,300,000	\$2,501,422	109%	\$2,864,810
Sewer Service Charges	44,887,853	42,727,204	95%	42,389,872
Operating	765,000	840,814	110%	820,386
Interest	321,000	355,304	111%	618,348
Misc. (incl. LAVWMA pymnt, PG&E rebates)	289,500	265,966	92%	343,415
Subtotal Revenues	\$48,563,353	\$46,690,710	96%	\$47,036,831
SRF Loan Proceeds (Prim Clarif. Boyce)	1,000,000	2,424,739	242%	4,118,084
Total Revenues + SRF Proceeds	\$49,563,353	\$49,115,449	99%	\$51,154,915

Expenses

	Budget	Actual	% of Budget Used	Last Year Actuals
Capital Improvement Prog.				
Capacity Projects	\$5,220,000	\$4,654,765	89%	\$2,738,698
Renewal & Repl. Projects	12,285,000	12,625,891	103%	11,696,467
Operating	32,100,356	26,906,060	84%	29,414,193
Special Projects	869,500	493,660	57%	701,075
Retiree Medical (Annual Required Contribution)	462,852	462,852	100%	445,724
Vehicle & Equipment	1,089,734	770,254	71%	589,238
Information Systems	1,101,990	718,245	65%	657,050
Plant & Pump Station R&R	250,000	197,237	79%	174,553
Pretreatment Fund	7,000	4,017	57%	6,137
County Fee for Sewer Service Charge Admin.	106,000	105,559	100%	105,251
Misc. (A/R write-off)	0	1,343	0%	0
Debt Servicing:				
SRF Loans (Irv., Wilw, LHH, Plant, Cedar, NPS, Sub1)	4,678,000	2,716,046	58%	4,086,647
Total Expenses	\$58,170,432	\$49,655,929	85%	\$50,615,034
Total Revenue & Proceeds less Expenses	(\$8,607,079)	(\$540,480)		\$539,882

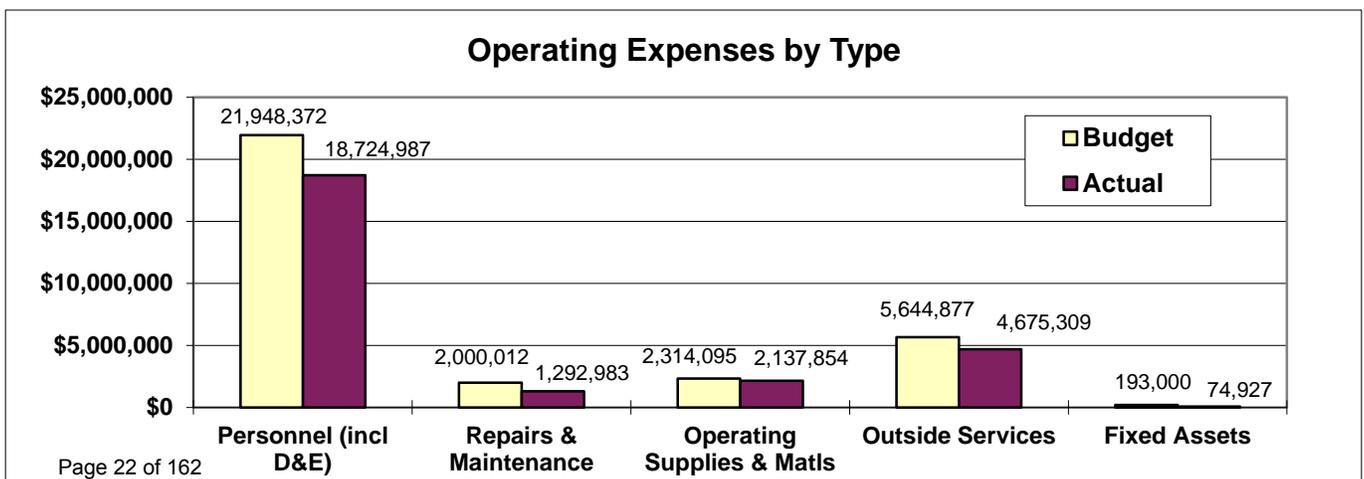
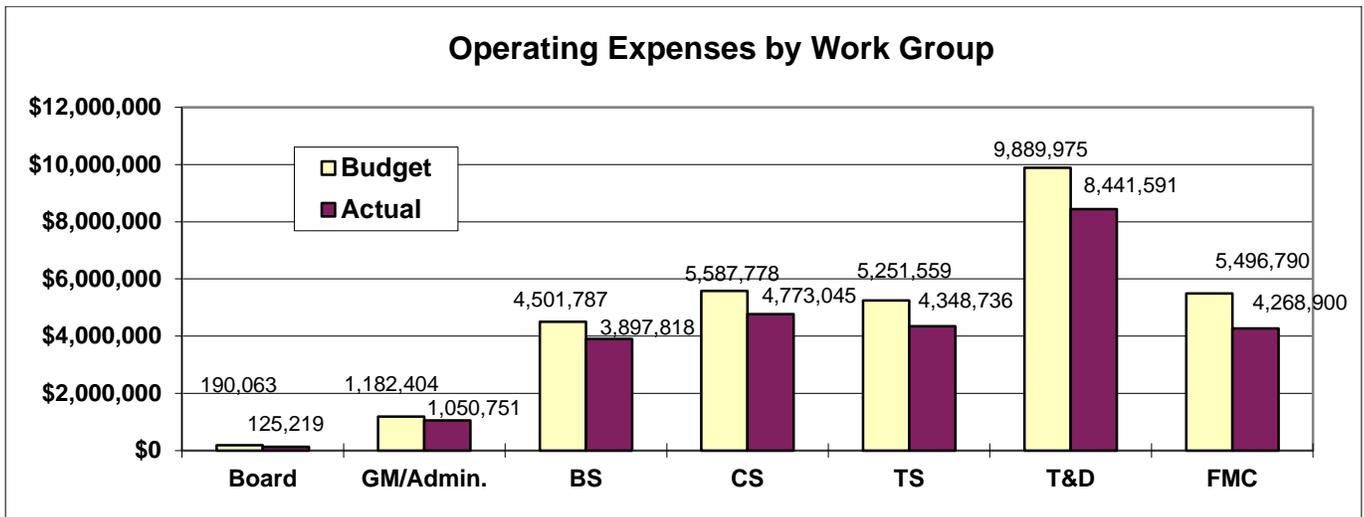
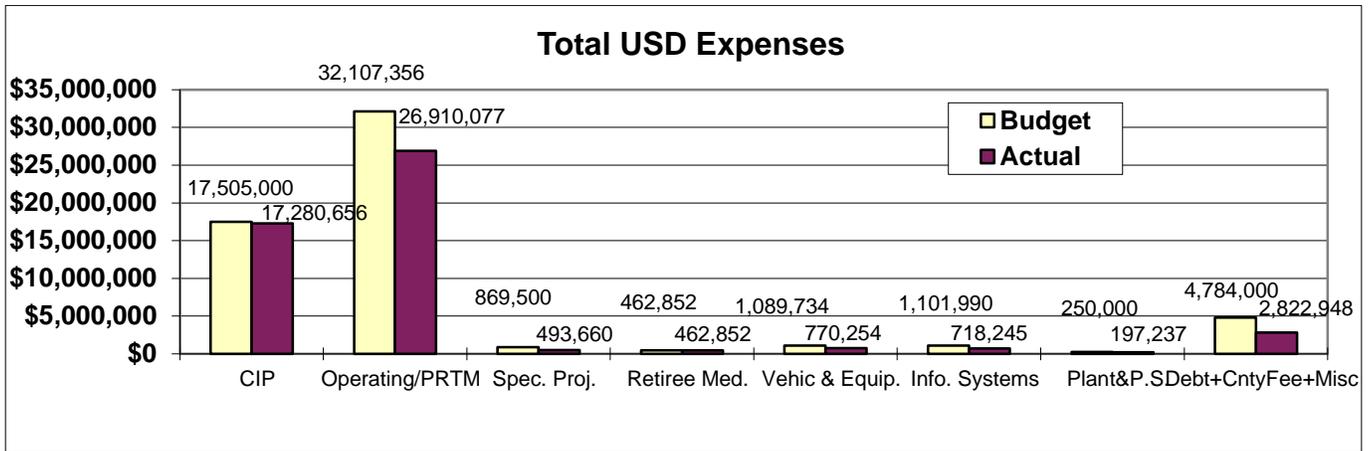
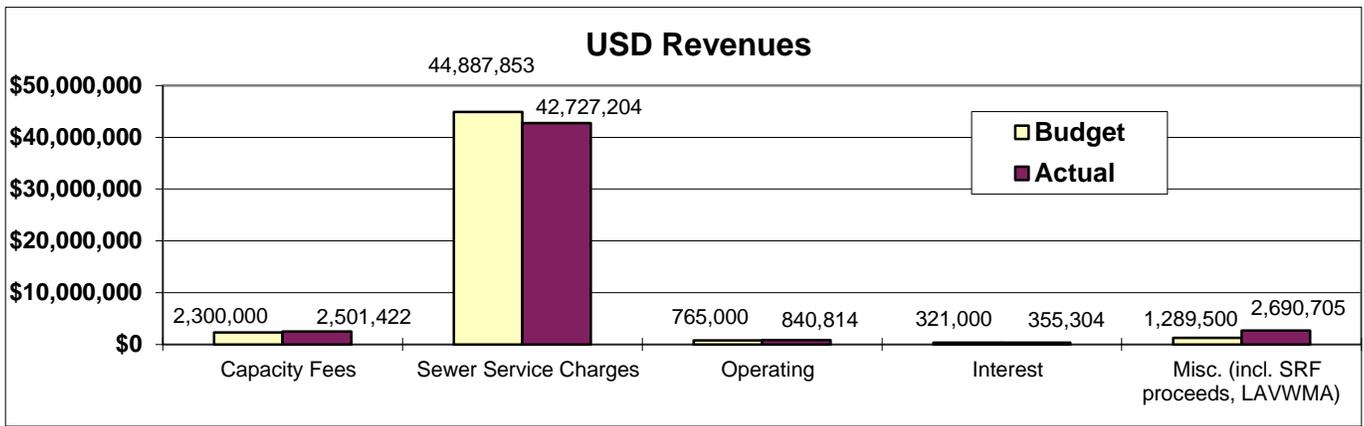
Gross Operating Expenses by Work Group

	Budget	Actual	% of Budget Used	Last Year Actuals
Board of Directors	\$190,063	\$125,219	66%	\$156,099
General Manager/Admin.	1,182,404	1,050,751	89%	835,685
Business Services	4,501,787	3,897,818	87%	4,171,426
Collection Services	5,587,778	4,773,045	85%	5,304,088
Technical Services	5,251,559	4,348,736	83%	4,908,778
Treatment & Disposal Services	9,889,975	8,441,591	85%	9,168,756
Fabrication, Maint. & Construction	5,496,790	4,268,900	78%	4,869,362
Total	\$32,100,356	\$26,906,060	84%	\$29,414,193

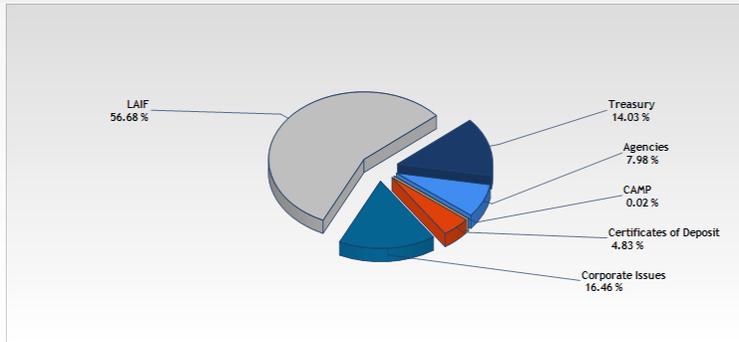
Operating Expenses by Type

	Budget	Actual	% of Budget Used	Last Year Actuals
Personnel (incl D&E)	\$21,948,372	\$18,724,987	85% (92%)*	\$20,190,171
Repairs & Maintenance	2,000,012	1,292,983	65%	1,826,148
Supplies & Matls (chemicals, small tools)	2,314,095	2,137,854	92%	2,304,201
Outside Services (utilities, biosolids, legal)	5,644,877	4,675,309	83%	5,091,924
Fixed Assets	193,000	74,927	39%	1,750
Total	\$32,100,356	\$26,906,060	84%	\$29,414,193

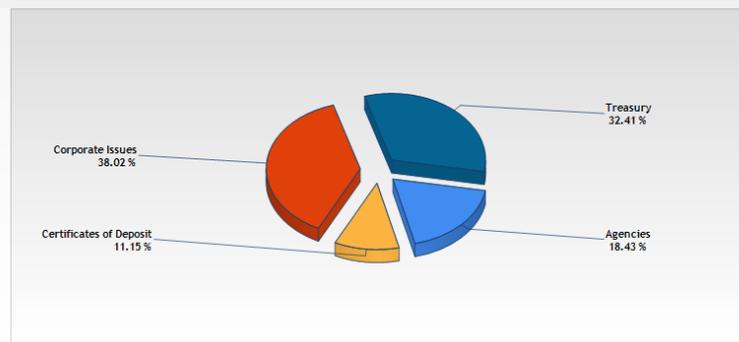
* Personnel Budget Target



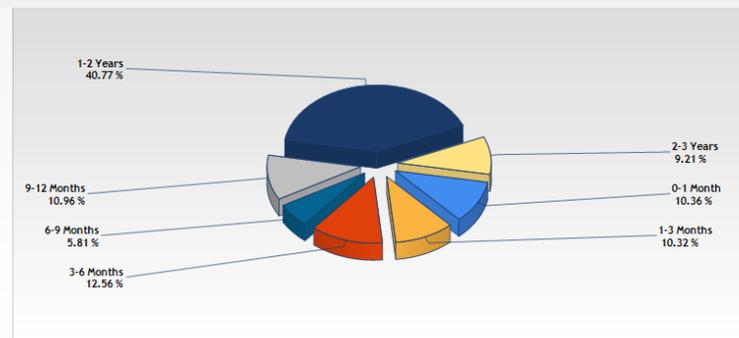
All Portfolio Holdings Distribution by Asset Class



Operating Fund Holdings Distribution by Asset Class



Operating Fund Maturity Distribution



Maturity Range	Face Amount/Shares	YTM @ Cost	Cost Value	Days To Maturity	% of Portfolio	Market Value	Book Value	Duration To Maturity
0-1 Month	2,250,000.00	0.417	2,249,980.00	25	10.36	2,250,478.45	2,249,999.28	0.07
1-3 Months	2,245,000.00	0.685	2,240,496.67	57	10.32	2,244,445.16	2,243,755.56	0.16
3-6 Months	2,725,000.00	0.434	2,725,624.00	165	12.56	2,728,997.36	2,725,115.96	0.45
6-9 Months	1,240,000.00	0.554	1,261,670.00	225	5.81	1,251,373.30	1,249,456.77	0.61
9-12 Months	2,240,000.00	0.889	2,379,630.00	277	10.96	2,306,540.15	2,298,899.81	0.75
1-2 Years	8,785,000.00	0.474	8,851,501.60	566	40.77	8,849,176.66	8,831,203.39	1.54
2-3 Years	2,000,000.00	0.511	1,999,530.00	749	9.21	2,002,490.00	1,999,567.67	2.03
Total / Average	21,485,000.00	0.538	21,708,432.27	372	100	21,633,501.08	21,597,998.44	1.01

Union Sanitary District
Board Report - Holdings
Report Format: By Transaction
Group By: Asset Class
Portfolio/Report Group: All Portfolios
As of 5/31/2014

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
Agencies											
FHLB 0.4 6/27/2014	313379N47	Moodys-Aaa	6/6/2012	2,000,000.00	1,999,980.00	0.400	2,000,460.00	0.401		6/27/2014	3.99
FHLMC 0.5 6/20/2016-14	3134G4N38	Moodys-Aaa	12/20/2013	1,000,000.00	1,000,000.00	0.500	1,000,220.00	0.500	6/20/2014	6/20/2016	1.99
FNMA 0.5 3/30/2016	3135GOVA8	Moodys-Aaa	1/24/2014	1,000,000.00	1,000,750.00	0.500	1,003,050.00	0.465		3/30/2016	2.00
Sub Total / Average				4,000,000.00	4,000,730.00	0.450	4,003,730.00	0.442			7.98
CAMP											
CAMP LGIP	LGIP4000	None	5/31/2011	9,788.25	9,788.25	0.060	9,788.25	0.060	N/A	N/A	0.02
Sub Total / Average				9,788.25	9,788.25	0.060	9,788.25	0.060			0.02
Certificates of Deposit											
Apple Bank 0.55 6/6/2014	037830LH7	None	6/6/2012	250,000.00	250,000.00	0.550	250,018.45	0.550		6/6/2014	0.50
Bank of Baroda NY US 0.4 1/22/2015	06062AFE4	None	1/22/2014	240,000.00	240,000.00	0.400	240,073.30	0.400		1/22/2015	0.48
Bank of India NY 0.5 7/2/2014	06278CLN3	None	12/31/2013	245,000.00	245,000.00	0.500	245,071.76	0.500		7/2/2014	0.49
BMW Bank North America 0.5 3/14/2016	05568P6V4	None	3/31/2014	240,000.00	239,760.00	0.500	240,047.33	0.552		3/14/2016	0.48
Discover Bank 0.5 6/11/2015	254671D72	None	12/24/2013	240,000.00	239,918.40	0.500	240,227.93	0.523		6/11/2015	0.48
GE Capital Bank 0.4 10/17/2014	36163CFX3	None	10/18/2013	245,000.00	245,000.00	0.400	245,161.28	0.400		10/17/2014	0.49
GE Capital Retail Bank 0.95 3/16/2015	36157PAU3	None	1/2/2013	240,000.00	240,000.00	0.950	241,060.15	0.950		3/16/2015	0.48
Goldman Sachs Bank 0.75 11/14/2014	38143AU78	None	11/30/2012	240,000.00	240,000.00	0.750	240,548.04	0.750		11/14/2014	0.48

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
6/30/2015	5912Y5Y9	None	12/30/2013	240,000.00	240,000.00	0.500	240,215.95	0.500		6/30/2015	0.48
Sallie Mae Bank 0.75 11/14/2014	795450QK4	None	11/30/2012	240,000.00	240,000.00	0.750	240,548.04	0.750		11/14/2014	0.48
Sub Total / Average				2,420,000.00	2,419,678.40	0.579	2,422,972.23	0.587			4.83

Corporate Issues

General Electric Capital Corp 1.625 7/2/2015	36962G5Z3	Moodys-A1	3/31/2014	1,000,000.00	1,014,530.00	1.625	1,012,100.00	0.460		7/2/2015	2.02
General Electric Capital Corp 2.15 1/9/2015	36962G5M2	Moodys-A1	8/16/2013	1,000,000.00	1,021,670.00	2.150	1,011,300.00	0.590		1/9/2015	2.04
General Electric Capital Corp 2.375 6/30/2015	36962G5F7	Moodys-A1	11/30/2012	500,000.00	517,745.00	2.375	510,620.00	0.980		6/30/2015	1.03
General Electric Capital Corp 4.875 3/4/2015	36962GP65	Moodys-A1	9/18/2013	1,000,000.00	1,059,830.00	4.875	1,034,180.00	0.750		3/4/2015	2.11
ING US Funding 0.28 7/10/2014	4497W1GA8	Moodys-A1	1/17/2014	1,000,000.00	998,646.67	0.280	999,800.80	0.563		7/10/2014	1.99
Internaltional Business Machs 0.45 5/6/2016	459200HL8	Moodys-Aa3	11/26/2013	1,000,000.00	996,840.00	0.450	1,000,610.00	0.580		5/6/2016	1.99
JP Morgan Chase 4.75 3/1/2015	46625HCE8	Moodys-A3	1/2/2013	1,000,000.00	1,079,800.00	4.750	1,031,300.00	1.012		3/1/2015	2.15
Natixis US Finance Co 0.426 8/19/2014	6323A1HK5	Moodys-A1	11/22/2013	1,000,000.00	996,850.00	0.426	999,572.60	0.853		8/19/2014	1.99
Well Fargo Bank 0.75 7/20/2015	94985H5F7	Moodys-Aa3	3/31/2014	565,000.00	567,418.20	0.750	567,808.05	0.420		7/20/2015	1.13
Sub Total / Average				8,065,000.00	8,253,329.87	2.054	8,167,291.45	0.690			16.46

LAIF

LAIF LGIP	LGIP1002	None	4/30/2011	28,421,923.14	28,421,923.14	0.228	28,421,923.14	0.228	N/A	N/A	56.68
Sub Total / Average				28,421,923.14	28,421,923.14	0.228	28,421,923.14	0.228			56.68

Treasury

T-Bond 0.25 5/16/2016	912828VC1	Moodys-Aaa	1/24/2014	1,000,000.00	994,530.00	0.250	998,050.00	0.488		5/16/2016	1.98
T-Note 0.395		Moodys-									

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
11/15/2014	912828RQ5	Aaa	5/25/2012	2,000,000.00	2,000,624.00	0.375	2,002,740.00	0.362		11/15/2014	3.99
T-Note 0.375 2/15/2016	912828UM0	Moodys- Aaa	1/24/2014	1,000,000.00	999,530.00	0.375	1,001,760.00	0.398		2/15/2016	1.99
T-Note 0.5 6/15/2016	912828VG2	Moodys- Aaa	3/27/2014	1,000,000.00	999,530.00	0.500	1,002,270.00	0.521		6/15/2016	1.99
T-Note 1.375 11/30/2015	912828PJ3	Moodys- Aaa	12/20/2013	2,000,000.00	2,040,480.00	1.375	2,034,687.40	0.330		11/30/2015	4.07
Sub Total / Average				7,000,000.00	7,034,694.00	0.665	7,039,507.40	0.398			14.03
Total / Average				49,916,711.39	50,140,143.66	0.624	50,065,212.47	0.362			100

All investment actions executed since the last report have been made in full compliance with the District's Investment Policy. The District will meet its expenditure obligations for the next six months. Market value sources are the LAIF, CAMP, and BNY Mellon monthly statements.

**Union Sanitary District
Board Report - Activity
Portfolio/Report Group: All Portfolios
From 5/1/2014 To 5/31/2014**

Description	CUSIP/Ticker	Face Amount/Shares	Principal	Interest/Dividends	Coupon Rate	YTM @ Cost	Settlement Date	Total
DEPOSIT								
CAMP LGIP	LGIP4000	0.48	0.48	0.00		0.000	5/31/2014	0.48
LAIF LGIP	LGIP1002	1,500,000.00	1,500,000.00	0.00		0.000	5/16/2014	1,500,000.00
LAIF LGIP	LGIP1002	350,000.00	350,000.00	0.00		0.000	5/23/2014	350,000.00
Sub Total / Average		1,850,000.48	1,850,000.48	0.00				1,850,000.48
INTEREST								
Ally Bank 0.75 5/16/2014	02005QF24	0.00	0.00	911.20	0.750	0.000	5/16/2014	911.20
CAMP LGIP	LGIP4000	0.00	0.00	0.48		0.000	5/31/2014	0.48
FNMA 1 5/16/2014-11	31398A6A5	0.00	0.00	4,625.00	1.000	0.000	5/16/2014	4,625.00
Goldman Sachs Bank 0.75 11/14/2014	38143AU78	0.00	0.00	892.60	0.750	0.000	5/14/2014	892.60
International Business Machs 0.45 5/6/2016	459200HL8	0.00	0.00	2,250.00	0.450	0.000	5/6/2014	2,250.00
Merrick Bank 0.5 6/30/2015	5912Y5Y9	0.00	0.00	98.63	0.500	0.000	5/28/2014	98.63
Sallie Mae Bank 0.75 11/14/2014	795450QK4	0.00	0.00	892.60	0.750	0.000	5/14/2014	892.60
T-Bond 0.25 5/16/2016	912828VC1	0.00	0.00	1,250.00	0.250	0.000	5/15/2014	1,250.00
T-Note 0.375 11/15/2014	912828RQ5	0.00	0.00	3,750.00	0.375	0.000	5/15/2014	3,750.00
T-Note 1 5/15/2014	912828QM5	0.00	0.00	10,000.00	1.000	0.000	5/15/2014	10,000.00
Sub Total / Average		0.00	0.00	24,670.51				24,670.51
MATURED								
Ally Bank 0.75 5/16/2014	02005QF24	245,000.00	245,000.00	0.00	0.750	0.000	5/16/2014	245,000.00
FNMA 1 5/16/2014-11	31398A6A5	925,000.00	925,000.00	0.00	1.000	0.000	5/16/2014	925,000.00
T-Note 1 5/15/2014	912828QM5	2,000,000.00	2,000,000.00	0.00	1.000	0.000	5/15/2014	2,000,000.00
Sub Total / Average		3,170,000.00	3,170,000.00	0.00				3,170,000.00
WITHDRAW								
LAIF LGIP	LGIP1002	350,000.00	350,000.00	0.00		0.000	5/2/2014	350,000.00

Description	CUSIP/Ticker	Face Amount/Shares	Principal	Interest/Dividends	Coupon Rate	YTM @ Cost	Settlement Date	Total
LAIF LGIP	LGIP1002	500,000.00	500,000.00	0.00		0.000	5/9/2014	500,000.00
LAIF LGIP	LGIP1002	300,000.00	300,000.00	0.00		0.000	5/30/2014	300,000.00
Sub Total / Average		1,150,000.00	1,150,000.00	0.00				1,150,000.00

**COLLECTION SERVICES
ACTIVITIES REPORT
April and May 2014**

Progress/Accomplishments

- Completed 157,149 feet of cleaning and 76,180 feet of televising of sewer lines in April
- Completed 118,267 feet of cleaning and 81,360 feet of televising of sewer lines in May
- Responded to 21 service request calls in April and 28 service request calls in May
- Completed a total of 15 main repairs in April and 30 main repairs in May
- Marked and located all sewer lines (Underground Service Alerts)
- Provided support on the following projects: Lateral Condition Assessment, & Plant Shut Downs
- Participated in a BACWA meeting
- Continued training of 3 Collection System Worker I employees
- Continued on our progress on catching up on 72 Month Cleaning and Inspection PMP
- Updated the SSMP on the District's website
- Assisted Rodeo Sanitary District with review of their SSMP
- Completed the Safety Summit Part 2
- Attended and presented at the CWEA Annual Conference and Hosted a CWEA Tour
- Participated in Benchmarking meetings with CASSE & CSOTF
- Participated in a CIWQS SSO Data Review Committee
- No SSOs during April and May
- Completed 547 days in a row with no injuries
- Completed Budget preparation for FY15

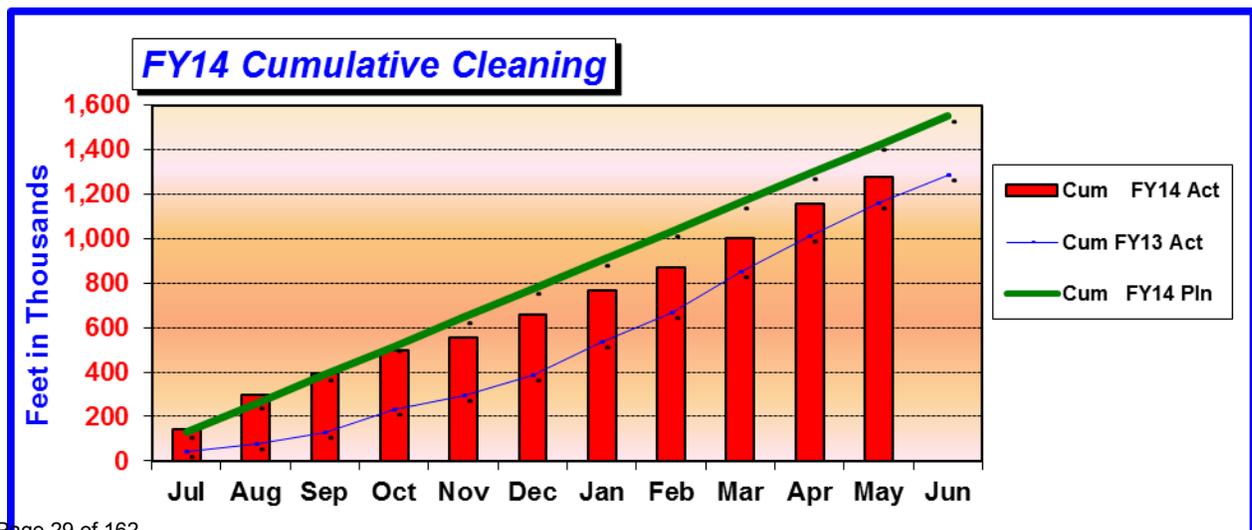
Training for Collections included;

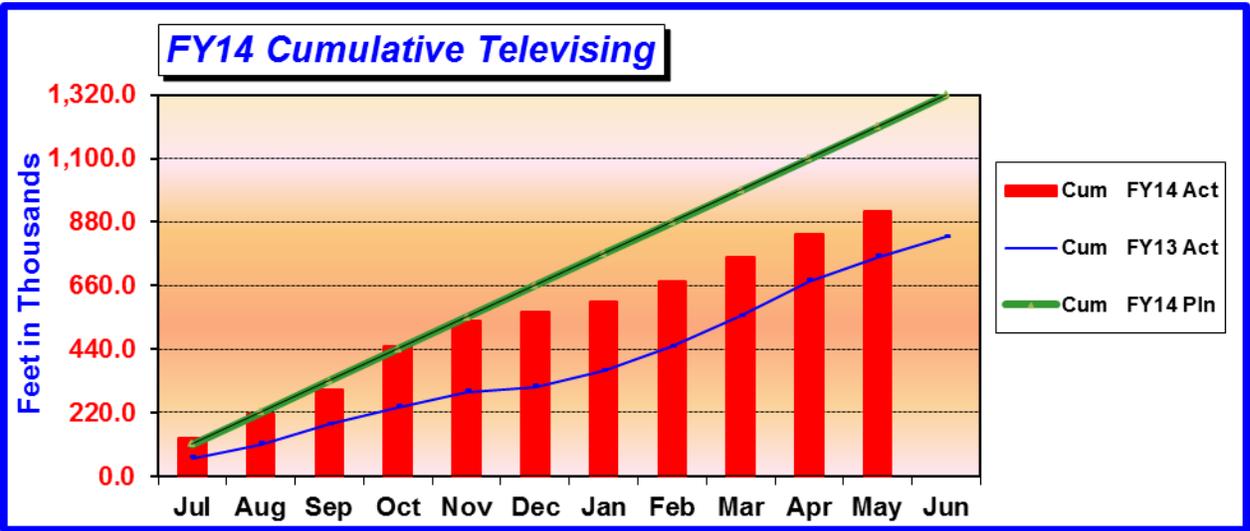
SOP CS 109 Stubs & Channels, SOP CS 510 Magnetic Manhole Cover Lifter, SOP CS 100-1 Sewer Line Cleaning & Use of Special Tools, SOP CS 100-2 Relieve Stoppage, SOP CS 100-5 Wash Down Street & Manholes, Cal Trans Annual Permit Review, CWEA Annual Conference, Forklift operations, Hazardous Waste Handling, Competent Person Trenching/Excavation, Skid Steer Loader, and Safety Star Points shared and discussed topics from Safety meeting.

Future Planning

- Continue effort of to catch up on 72 Month Cleaning and Inspection PMP
- Train new CSW I employees
- Start planning for transition for new CS Work Group Manager

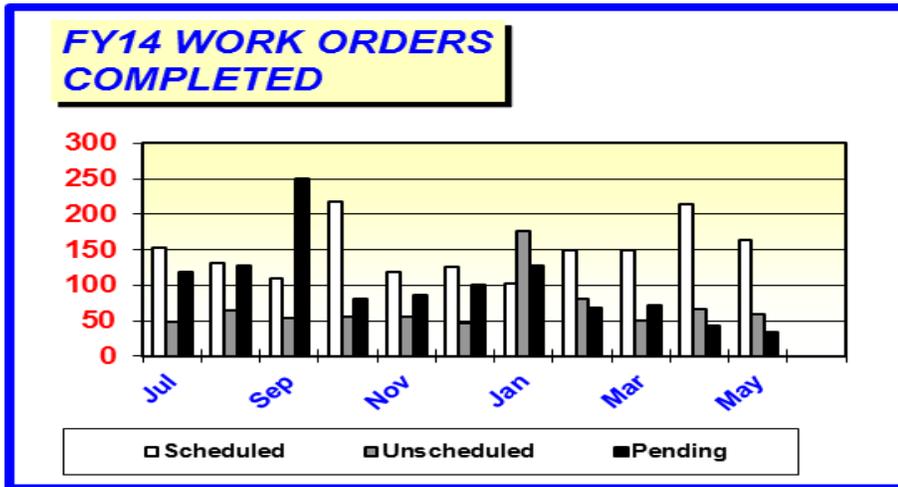
Performance Measures



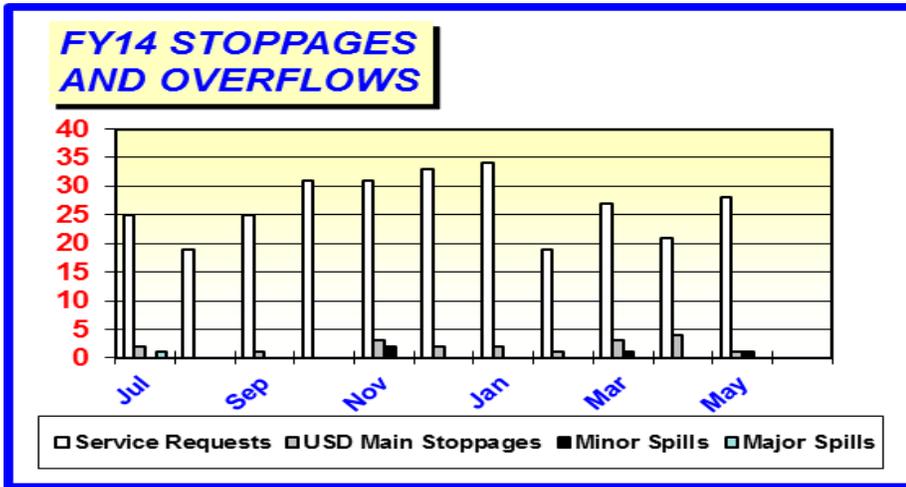


Other Collection Services Status Data:

Support Team Work Order Status:



C/S Maintenance Status:



**MONTHLY OPERATIONS REPORT FOR THE MONTH OF MAY 2014
TECHNICAL SUPPORT WORK GROUP SUMMARY**

Capital Improvement Program

Boyce Road Lift Station Project – Phase 2 – Board awarded project to Pacific Infrastructure at the May 12th meeting. Preconstruction Meeting took place on May 22nd. NTP scheduled for June 2014.

Cogeneration Project – Contractor continued with the installation of process piping and electrical conduits and cables to the engine generators and gas conditioning equipment.

Jarvis Ave. SS Replacement - Bids opened on May 22nd. Tentative award to D’Arcy & Harty Construction at the June 23rd Board meeting.

Lift Station No. 1 Improvements Project – Contractor completed startup and testing of Lift Pump No. 3. Board accepted Project at the May 27th Board Meeting.

Newark Backyard Project - Public Information Meeting was held on May 14th. NTP issued on May 19th. Contractor began the replacement of sewer laterals using horizontal directional drilling method on Dairy Avenue.

Sodium Hypochlorite Tanks A and B Replacement – Contractor is working on submittals and is not expected to be on site until new tanks are fabricated and delivered.

Thickener Control Building Improvements Project – Board awarded project to GSE Construction at the May 27th meeting. Preconstruction / Partnering Meeting took place on May 29th. NTP scheduled for June 2014.

Upper Hetch Hetchy SS Rehabilitation - NTP issued to SAK Construction for June 2nd. Preconstruction / Partnering Meeting scheduled for June 3rd.

Customer Service

Trouble Calls dispatched from the Front Desk during business hours:

Fremont	Newark	Union City	Total
16	2	2	20

Communication & Graphics

- Union City Chamber Board: volunteered at Chamber/Lions golf tournament
- Public website updates:
 - Notice of public meetings re: Budget on What’s New page
 - Certificate of Merit winners – What’s New page
 - Added Ordinance 36 to Customer Service Team pages per GM’s instruction
- Ponderosa brochure/letter project management – edits, coordinating mailing activities; instructing front desk about subject of letter if calls were received
- Final edits to Crisis Communication Plan for presentation to ET
- Presentation to ET re: Private Lateral project

- Added Certs of Merit info to USD Facebook and Twitter pages
- Final edits to and dissemination of internal electronic Employee Newsletter
- Designed GM's Safety presentation for CWEA Safety Summit
- Final edits to GM's Union City City Council presentation
- Public website upgrade project: Researched RFP's and contract examples; conference call with potential vendor
- Redesigned poster: Best Management Practices for Heavy Equipment Yards – EC
- Designed doorhanger for Newark Backyard project
- Co-instructed Planning for Effective Meetings with Donna Wies at CWEA annual conference – Santa Clara
- Shared graphic elements of Pollution Prevention Poster USD designed (flush Green) with Napa Sanitary (my photoshopped docs)
- Researched COF Parade information
- Researched media cost information in response to Board Workshop – Public Outreach

Environmental Compliance

Pollution Prevention Program

# of Dental Inspections	# of School Outreach Events including Sewer Science	# of Plant Tours
2	8	0

Misc. Pollution Prevention (Dental trainings, Plumbing Contractor training, etc.)

Name of Event	Date
None	

Reports (Annual Pollution Prevention, City of Fremont reports, etc.)

Report Name	Date Report Completed and Submitted
None	

Pollution and Prevention

Business Inspected			Illicit Discharge Complaints	Type	Enforcement Actions	
UR	FOG	Total			UR	FOG
102	25	127	2	Verbal Warning	10	3
				Notice of Deficiency	0	0
				Warning Letter	0	1
				Notices of Violation	13	0
				Admin Fine	9	0
				Legal Action	0	0

Industrial

Reports (Annual & Semi-Annual Pretreatment Report, Union City Report, etc.)

Report Name	Date Report Completed and Submitted
None	

Pending Permits

New Industrial/Groundwater Permits	Groundwater/Temporary
None	

Permits Issued

Company Name	Date Permit Issued
None	

Industrial Closures

Company Name	Date of Closure
None	

Enforcement Action

Violation	IU Name & Nature of Business	City (F, N, UC)	Parameters Violated	Discharge concentration (mg/L)	USD/Fed Limit Violated (mg/L)	Comments
None						

- (1) Warning Letter (WL), Notice of Violation (NOV), Administrative Order (AO), Cease & Desist Order (C&D), Significant Non Compliance (SNC), (EM) Enforcement Meeting
- (2) Fremont (F) Newark (N) Union City (UC)
- (3) Daily Max (DM) Monthly Average (MA)

Other - Team training, Special Meetings, Conferences, Special Recognition, IAC (topics)

Activity	Date of Event	Attendees
Driver Safety Training	5/21/2014	Jose
NACWA Pretreatment Conference	5/13-5/16/14	Alex

Engineering/Construction

	Construction Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2014 Activity
1.	Boyce Road LS Phase 2 – Thomas	\$330	10/14	0%	0%	Board awarded at May 12 th meeting. NTP in June.
2.	Cogeneration Project – Raymond	\$10,566	9/14	83%	80%	Contractor continued with the installation of process piping and electrical conduits and cables to the engine generators and gas conditioning equipment.

	Construction Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2014 Activity
3.	Internal Lift Station No. 1 Improvements Project – Chris P.	\$747	4/14	99%	100%	Completed testing and start-up of Lift Pump No. 3. Board accepted Project at 5/27 meeting.
4.	Jarvis Ave. SS Replacement – Chris E.	\$1,035	11/14	0%	0%	Bids opened on 5/22. Tentative award to D’Arcy & Harty on 6/23.
5.	Sodium Hypochlorite Tanks A and B Replacement – Rollie/Derek	\$220	8/5	0%	40%	Contractor working on submittals and have not mobilized on-site.
6.	Newark Backyard SS Relocation – Rollie/AI	\$400	8/27	0%	0%	NTP issued on 5/19. Mobilization scheduled for 5/27.
7.	Thickener Control Building Improvements Project – Curtis	\$9,990	8/16	0%	0%	Board awarded at May 27 th meeting. NTP in June.
8.	Upper Hetch Hetchy SS Rehabilitation – Chris E.	\$3,016	2/15	0%	0%	NTP issued to SAK Construction for 6/2. Precon / Partnering Mtg. on 6/3.

Design/Study

	Design/Study Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2014 Activity
1.	Irvington Basin Master Plan Update – Condition Assessment - Sami	\$30	11/13	100%	100%	Capacity assessment work will begin in FY15
2.	Local Limits and Wastewater Treatability Study – Michael D.	\$107	12/14	98%	100%	Second Industry meeting was May 19 th . No significant opposition from industry representatives.
3.	Pine St. Easement Improvements – Chris E.	N/A	N/A	N/A	N/A	2 nd approach (bridge solution) to RWQCB on June 2 nd .
4.	Primary Digester No. 5 Rehabilitation Project - Chris P.	36	6/14	80%	80%	Water Works Engineers worked on incorporating the District’s 50% comments into the 100% design documents.
5.	Seismic Study - Raymond	\$148	9/14	55%	70%	Conducted workshop on 5/13 to review initial findings and importance ratings of

	Design/Study Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2014 Activity
						structures.
6.	Cherry Street Access Road Improvements - Derek	In-House	Completed	100%	100%	Design completed. Expected to be performed in-house by CS crews by Sept. 2014

**Treatment & Disposal
Activities Report
May 2014**

Progress/Accomplishments

- Maintained 100% compliance with NPDES permits.
- Completed 92% preventive maintenance activities for the month of May.
- Annual source testing of Cogeneration Engine No.1 completed by Blue Sky Environmental as required by the BAAQMD permit.
- Flood control sampling was conducted to determine the feasibility of a stormwater diversion project at the District.
- The draft technical memorandum submitted by RMC on the optional full restoration of the Hayward Marsh (baseline condition) as part of the Hayward Marsh Rehabilitation and Options Study Project was reviewed and comments were submitted to RMC.
- Annual information updates were prepared and submitted to the BAAQMD for the treatment plant and pump stations as required by the air board permit.
- Kruger ANITA Mox Pilot was installed on site and started up.
- A grant application was submitted to the Integrated Regional Water Management Program (IRWMP) for the restoration of the Hayward Marsh as a stand alone (subregional project) .

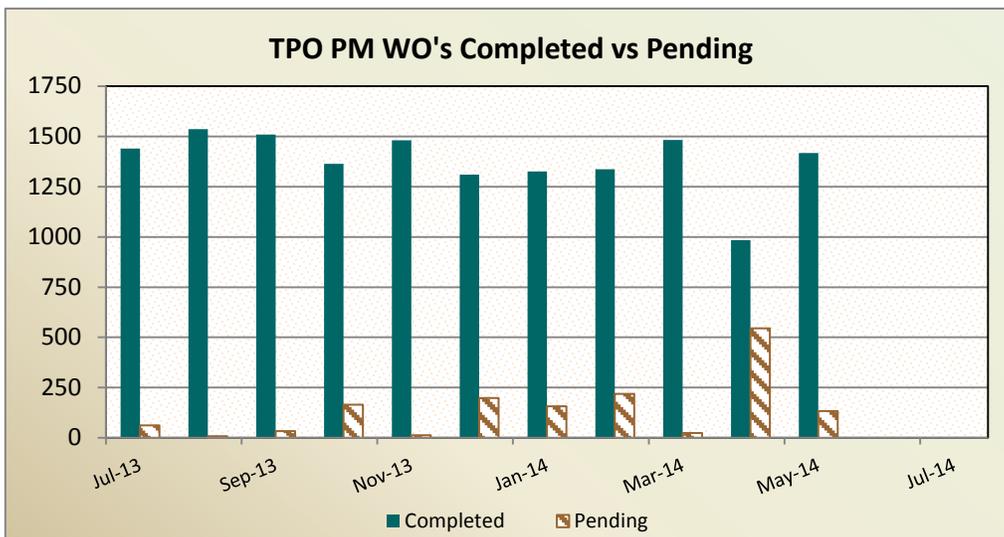
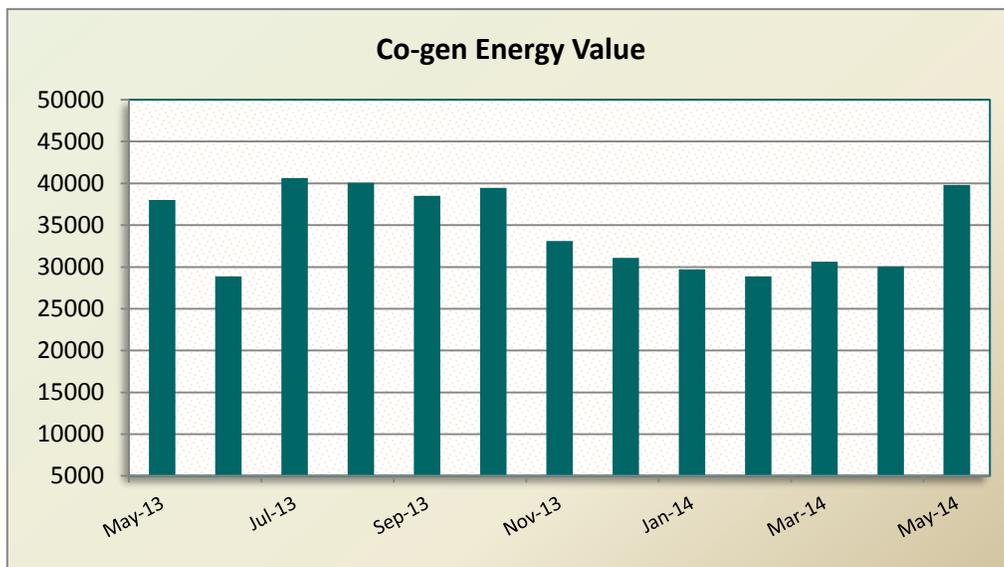
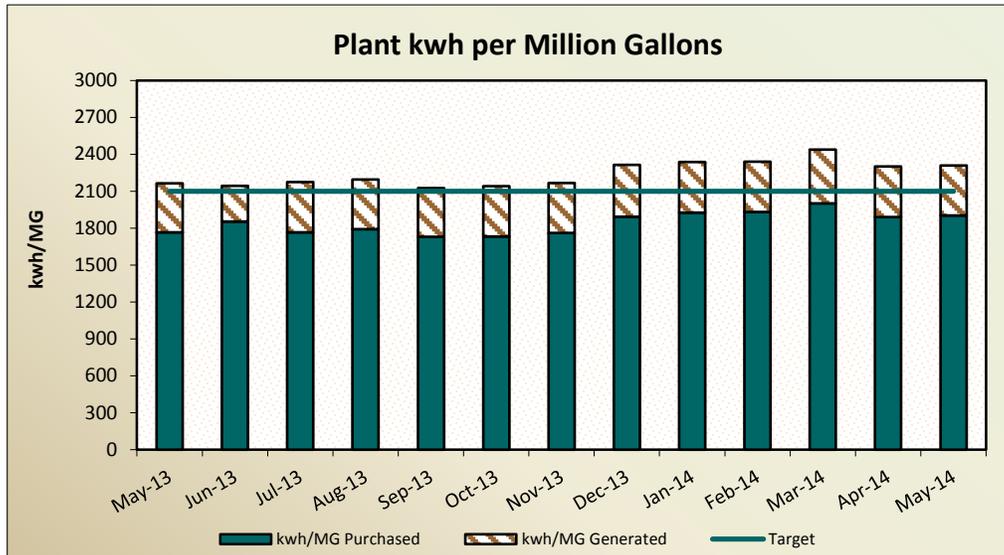
Future Planning

- Review analytical results from flood control testing to determine whether a stormwater diversion project is feasible.
- Review and comment on the Hayward Marsh technical memorandum from RMC for the development of rehabilitation options.
- Continue ANITA-Mox pilot testing and assist in Kruger presentations in July.
- Finalize the Hayward Marsh ammonia removal pilot study project report.
- Prepare ELAP application for recertification of the treatment plant laboratory.

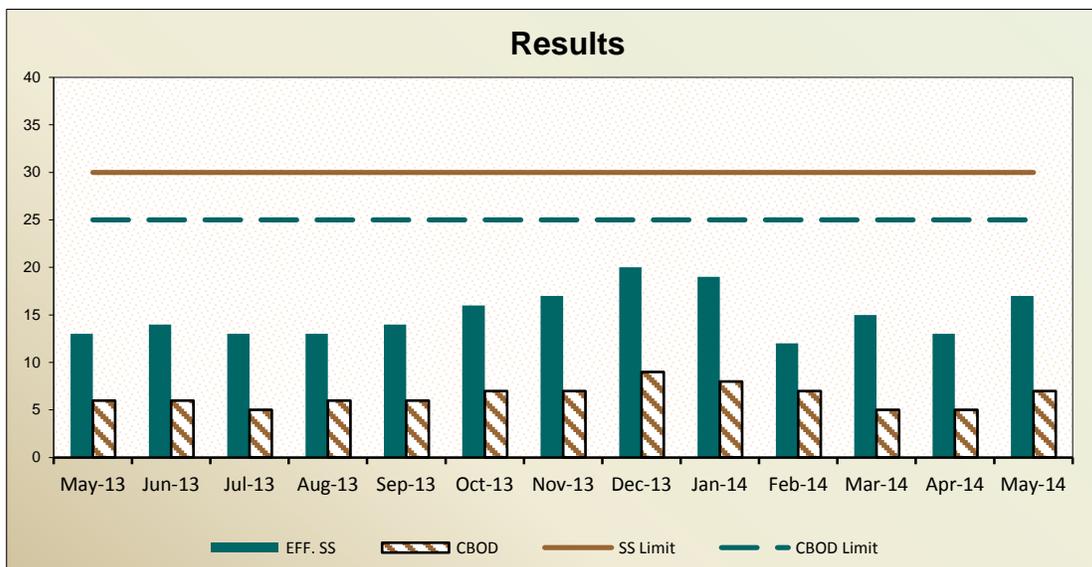
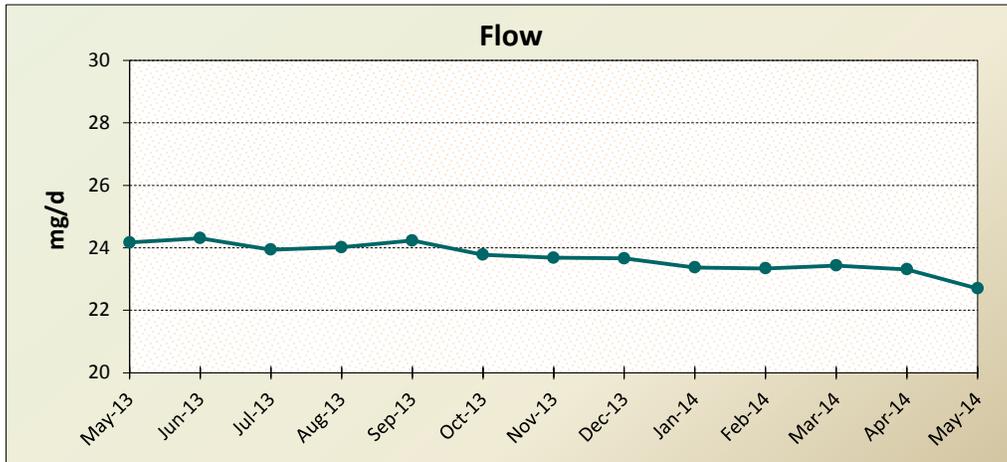
Other

- Cogen system produced 17.6% of power consumed for the month of May.

Performance Measurements



Operational/NPDES Performance



<u>Parameter</u>	<u>Monthly Average</u>	<u>NPDES Permit Limits</u>
SS	17	30 mg/l
BOD	7	25 mg/l
F. Coliform	14 - 53 36 - 77	500, 5-Day Log Mean 1100, 90th Percentile
Copper	4.7	78 µg/l
Nickel	3.1	79 µg/l
Mercury	0.00256	0.066 µg/l
Cyanide	< 3.0	42 µg/l

**FMC
Activities Report
May 2014**

Progress/Accomplishments

- Completed 95% preventive maintenance activities for the month of May.
- Completed 79 corrective maintenance work orders for the month of May.
- Replaced drive sprockets and chains on effluent screens.
- Replaced 6 stuck valves in Centrifuge Building.
- Repaired and upgraded Headworks sample pumps.

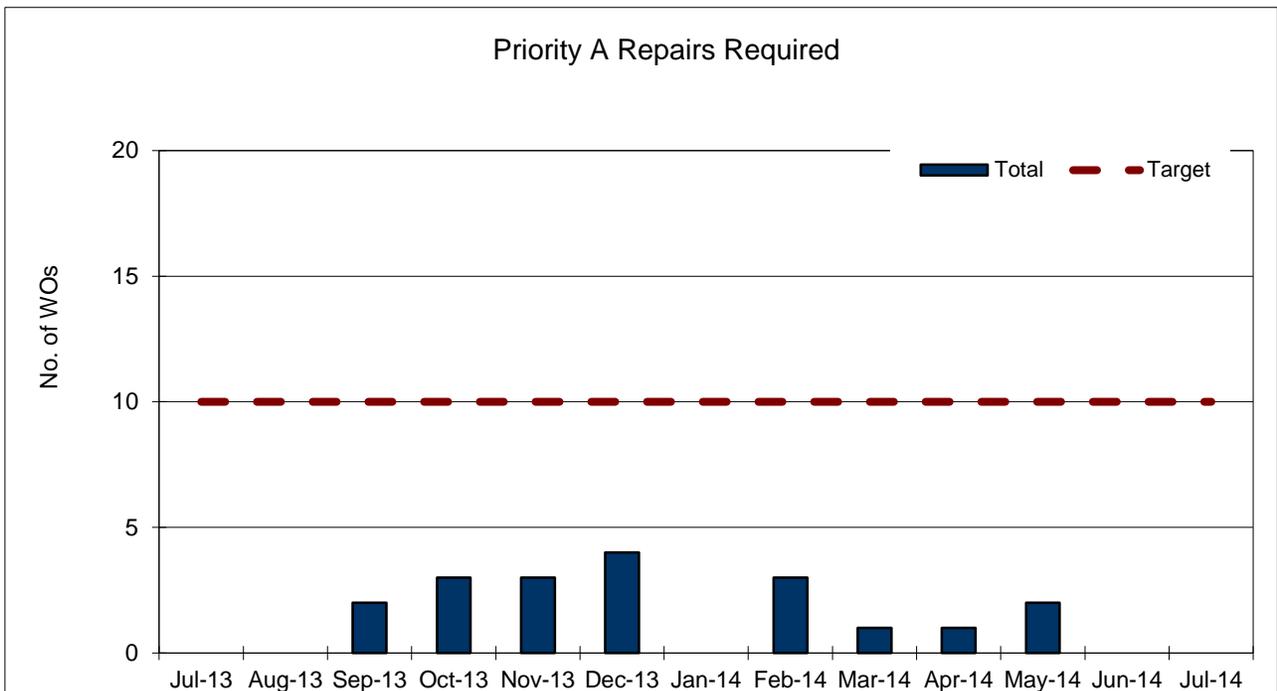
Future Planning

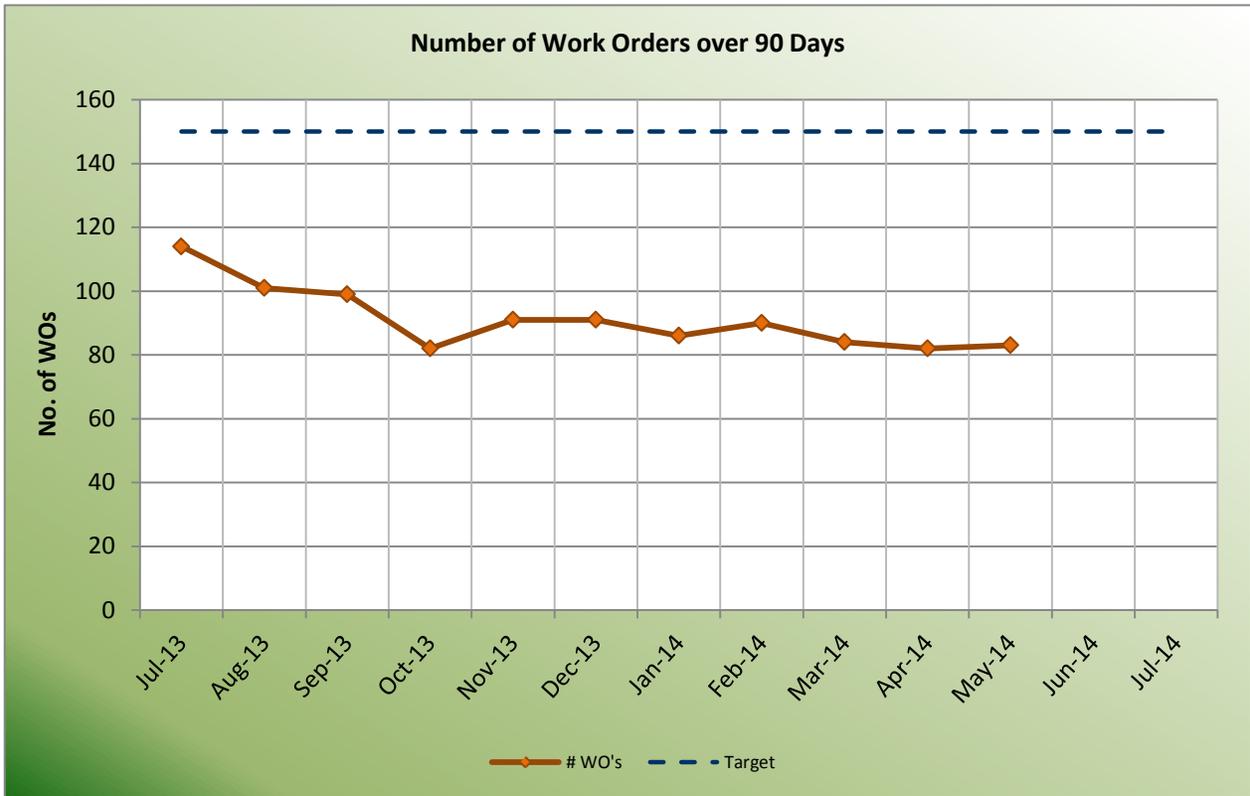
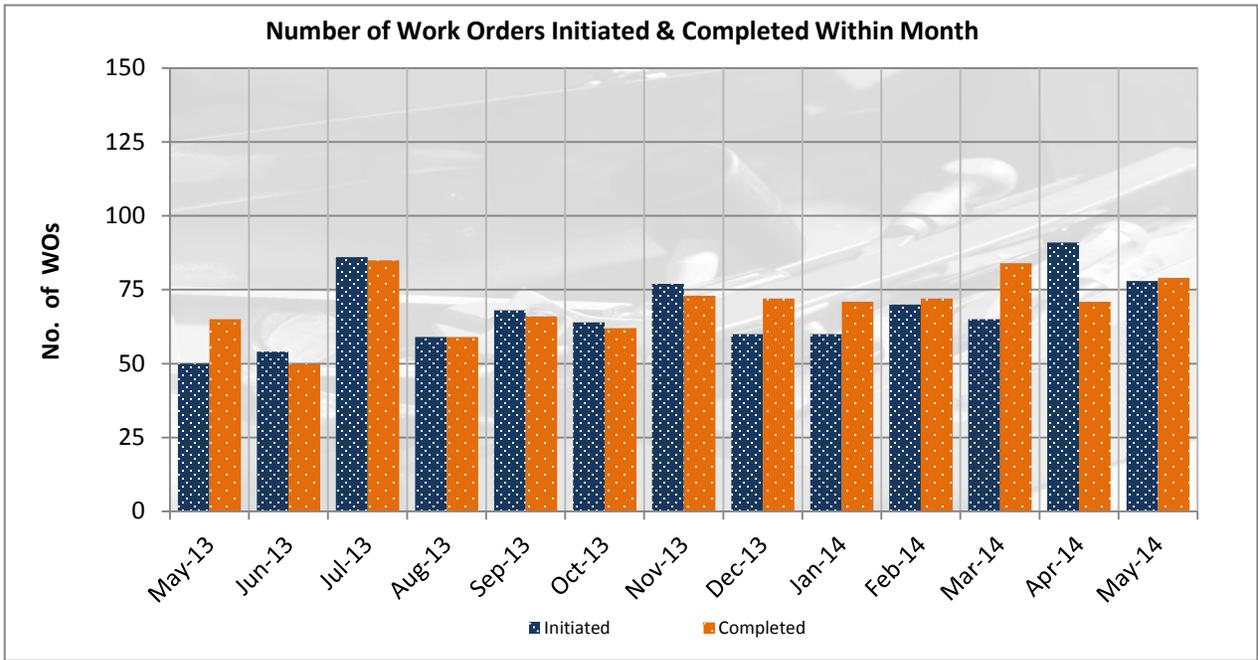
- Refurbish Gravity Belt Thickener #2.
- Overhaul prethickened waste activated sludge pump #2.
- Repair skimmer arm connection in thickener tank #1.

Other

- Recruitment for Utility Worker/Mechanic I.
-

Performance Measurements







Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 14, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 10 - Meeting of June 23, 2014
PUBLIC HEARING: 1) CONFIRMING SEWER SERVICE CHARGE ORDINANCE NO. 31.37, 2) ADOPTING SEWER SERVICE CHARGES FOR FISCAL YEAR 2015, AND 3) SETTING AND COLLECTING SEWER SERVICE CHARGES FOR FISCAL YEAR 2015 ON THE TAX ROLL.

Recommendation

1. Open the public hearing - receive any oral or written communications regarding the proposed ordinance.
2. Close the public hearing and consider action (items which follow).

Background

The Notice of Public Hearing to set the Sewer Service Charges for Fiscal Year 2015 has been published in the Argus newspaper on May 31 and June 7, 2014. Staff will be prepared to present the subsequent Board agenda items on the Sewer Service Charge rate at the public hearing and answer questions from the Board and audience.

On April 18, 2013, a notice complying with Proposition 218 was sent to all property owners notifying them of a proposed 5.7% per year rate increase for the next three years. FY 2015 will be the second year of the three year period.



Directors
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Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 14, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No.11 - Meeting of June 23, 2014
**RESOLUTION NO. _____, CONSIDERING PROTESTS AND
ESTABLISHING SEWER SERVICE CHARGE RATES FOR FISCAL
YEAR 2015**

Recommendation

A majority of the property owners have not protested the rate increase in accordance with Proposition 218 requirements. The attached Resolution should be considered for adoption by the Board of Directors after the public hearing to consider sewer service charges is closed. Any and all protests are hereby overruled.

Attachment

RESOLUTION NO. _____

RESOLUTION CONSIDERING PROTESTS TO AND ESTABLISHING REPORT ON SEWER SERVICE CHARGE RATES FOR UNION SANITARY DISTRICT FOR THE FISCAL YEAR 2015

RESOLVED, by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, that:

WHEREAS, this Board intends to adopt sewer service charges increasing the current rate for the next two (2) fiscal years by five and seven tenths percent (5.7%) each year; and

WHEREAS, this Board intends to adopt Ordinance No. 31.37 establishing sewer charge rates and to elect to have sewer service charges collected on the tax roll for the Fiscal Year 2015, and directed the preparation of a written report containing the rates; and

WHEREAS, said written report and Ordinance were duly prepared and filed with the Secretary of the UNION SANITARY DISTRICT; and

WHEREAS, this Board appointed the time and place of hearing protests to said report and directed notice; and

WHEREAS, notice was given of the time therein stated in the manner provided by law as it appears by the Affidavit of Publication on file in the office of the Secretary of said District; and

WHEREAS, said matter came on regularly for hearing at the time fixed; and

WHEREAS, all written protests and other written communications were summarized at said meeting and all persons desiring to be heard were fully heard;

NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:

- I. That objections to and protests against said report were not made by the owners of a majority of the separate parcels of property within the Service District against which sewer service charge rates for the services and facilities provided by the District were fixed.
2. That all objections to and protests against said report have been heard by this Board and that said objections and protests be, and each of them are, hereby overruled.

3. That said report be, and it is, hereby adopted in full without revision, change, reduction, modification, and that sewer service charges based upon these rates and the 2015 rates shall be collected on the tax roll of the County of Alameda in the manner provided by law.
4. That the sewer service charges for the fiscal years 2015 and 2016 be increased by five and seven tenths percent (5.7%) per year over the fiscal year 2014 rates as was proposed in the Proposition 218 notice to all landowners.
5. That the Secretary of this District be, and is, hereby directed to file with the County Auditor of Alameda County forthwith, a copy of said Ordinance fixing the rates, upon which shall be endorsed over his/her signature a statement that the Ordinance has been finally adopted by the Board of Directors of the UNION SANITARY DISTRICT.
6. The County Auditor of Alameda County shall, upon receipt of a copy of said Ordinance and a report showing the amounts of the charges based upon currently adopted rates, enter the amounts of the charges against the respective lots or parcels as they appear on the current assessment roll for the Fiscal Year 2015.

I hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, at a meeting thereof held on the 23rd day of June 2014.

AYES:

NOES:

ABSTAIN:

ABSENT:

President, Board of Directors
Union Sanitary District

ATTEST:

Secretary, Board of Directors
Union Sanitary District



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Tom Handley
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Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 14, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 12 - Meeting of June 23, 2014
**RESOLUTION NO. _____, ADOPTION OF ORDINANCE 31.37,
SETTING THE SEWER SERVICE CHARGES SPECIFIED
THEREIN FOR FISCAL YEAR 2015.**

Recommendation

Adopt Ordinance 31.37 and set the sewer service charges specified therein for Fiscal Year 2015.

Background

The current FY 2014 authorized single family rate is \$337.76. In Ordinance 31.37, for FY 2015, the single family authorized rate increases 5.7% to \$357.02, and the multi-residential category authorized rate will be \$315.25. The rates are being set for FY 2015 with the Proposition 218 notice that was issued to all property owners in April, 2013. The ordinance also includes rates for the subsequent year of the notice, FY 2016.

Attachment

RESOLUTION NO. _____

**UNION SANITARY DISTRICT
ORDINANCE NO. 31.37**

AN ORDINANCE PROVIDING FOR THE ESTABLISHMENT OF SEWER SERVICE CHARGES FOR FISCAL YEARS 2014, 2015 AND 2016 FOR SERVICES AND FACILITIES FURNISHED BY DISTRICT'S WASTEWATER SYSTEM, COLLECTION PROCEDURES, PENALTIES FOR DELINQUENCY, RESTRICTION ON USE OF FUNDS DERIVED, ELECTION TO HAVE SEWER SERVICE CHARGES COLLECTED ON THE ALAMEDA COUNTY TAX ROLL

The Board of Directors of the UNION SANITARY DISTRICT does ordain as follows:

**ARTICLE I
GENERAL**

SECTION 1. PURPOSE

- (a) The purpose of the sewer service charge is to raise revenue for the cost of maintenance and operation of the UNION SANITARY DISTRICT wastewater facilities used for the collection, treatment and disposal of wastewater, industrial wastewater, industrial waste, payment of principal and interest on bonds and capital recovery costs in accordance with Federal and State Revenue Program guidelines. The funds derived from the sewer service charge shall be used for only those purposes provided for in Division 5, Part 3, Chapter 6, Article 4 (commencing with Section 5470) of the Health and Safety Code of the State of California.
- (b) The purpose of this ordinance is to establish a method of sharing the cost of operation of the District's collection, transport, and treatment facilities among the users of sewer service. For commercial and industrial dischargers, an estimation of the relevant wastewater flow constituents and loadings are utilized which are known to be historically valid.
- (c) Quantity of wastewater flow is an important factor in the cost of collection, transport and treatment of industrial and commercial wastewater discharge. Therefore, the quantity of discharge is calculated from flow for the prior year. These flows may vary widely. The District bills the industrial and commercial users the following year for what is in essence the previous year's discharge. For this reason there can be no adjustments to sewer service charges based only upon a change in water usage for a particular user. This change in usage will be reflected in the ensuing year's bill.

ARTICLE II
DEFINITIONS

SECTION 1. DWELLING UNITS

The following residential establishments shall be deemed to have the following number of dwelling units:

- (a) Single family residential dwelling, designed for occupancy by one family: one dwelling unit.
- (b) Duplex, triplex, fourplex, townhouse or condominium, apartment house, mobile home park or other multi-residential establishment, designed for occupancy for living purposes by more than one family, which is divided into separate housekeeping units, each of which is designed for occupancy by one family only: each housekeeping unit shall be deemed to be one dwelling unit.

SECTION 2. COMMERCIAL OR INSTITUTIONAL USE

Any parcel or portion thereof discharging domestic wastewater and shall include the following:

- (a) Parcels used for commercial or business purposes.
- (b) Hotel, auto court, motel and similar transient living facilities.
- (c) Schools, churches, hospitals, convalescent homes, parks, public office and service buildings public transportation facilities, or other types of public facilities or publicly owned facilities available for public use.

SECTION 3. INDUSTRIAL

Any parcel or portion thereof used for manufacturing, processing or other operations which discharges non-domestic wastewater by reason of manufacturing, processing or other operations involved.

SECTION 4. DOMESTIC WASTEWATER

Wastewater of a quality essentially similar to that of a single family dwelling.

SECTION 5. OWNER

Any human being, individual, firm, company, partnership, association, and private or public and municipal corporations, the United States of America, the State of California, districts and all political subdivisions, governmental agencies and mandatories thereof.

SECTION 6. FAST FOOD RESTAURANTS

Restaurants that serve all food on disposable plates, cups and utensils.

SECTION 7. FULL SERVICE RESTAURANTS

Restaurants with sit down service that utilize washable plates, cups or utensils.

ARTICLE III **SEWER SERVICE CHARGE**

SECTION 1. CLASSIFICATION

The owner of each parcel of property as it appears on the Assessor's records of Alameda County lying within the UNION SANITARY DISTRICT and upon which there are wastewater facilities shall pay a sewer service charge in accordance with the purpose for which said parcel is used, as hereinafter set forth in Section 2. In the event that the use of any parcel results in the discharge of wastewater in more than one classification, there shall be an annual charge for each classification of use of said parcel and the annual sewer service charges for such parcel shall be the aggregate of all such annual charges.

SECTION 2. RATES

Each individual parcel of land connected to the District sewer system is subject to a minimum charge equal to one dwelling unit as listed in (a) below, with the exception of those multiple dwelling units which are specified in subsection (b).

- (a) Residential dwelling units as defined in Section 1(a) of Article II: FY 2014 \$337.76 per dwelling unit per year; FY 2015 \$357.02 per dwelling unit per Year; FY 2016 \$377.37 per dwelling unit per year.
- (b) Residential dwelling units as defined in Section 1(b) of Article II: FY 2014 \$298.25 per dwelling unit per year; FY 2015 \$315.25 per dwelling unit per Year; FY 2016 \$333.22 per dwelling unit per year.

Sewer service charges that exceed the minimum rate specified above in subsection (a) shall be calculated as follows:

- (c) Restaurants shall pay either the rate for fast food or full service restaurant as defined in Sections 6 and 7 of Article II. Unit rates for the volume of wastewater discharged are as follows:

Fast Food Restaurants \$6.75 per 1,000 gallons per year in FY 2014;
\$7.14 in FY 2015; \$7.55 in FY 2016.

Full Service Restaurants \$8.64 per 1,000 gallons per year in FY 2014; \$9.13 in FY 2015; \$9.65 in FY 2016.

- (d) Commercial or institutional use as defined in Section 2 of Article II, or wastewater discharged from industrial uses that are not sampled by the District, shall be determined by classifying the parcel into one of three strength classifications: strong, moderate or weak. Unit rates for the volume of wastewater discharged and examples of the types of uses which fall into the strong, moderate and weak categories are as follows:

Weak - \$3.34 per 1,000 gallons discharged per year in FY 2014; \$3.53 in FY 2015; \$3.73 in FY 2016.

Examples of establishments assigned to the weak user classification group include, but are not limited to the following: garden/nurseries, libraries, retail stores, schools, churches, spas and health clubs, professional offices, and soft water processing. The weak strength category is based on an average wastewater strength for the group of 144 milligrams per liter of suspended solids, and 331 milligrams per liter of chemical oxygen demand.

Moderate - \$3.82 per 1,000 gallons discharged per year in FY 2014; \$4.03 in FY 2015; \$4.26 in FY 2016.

Examples of establishments assigned to the moderate user classification group include, but are not limited to the following: car washes, service stations, bars, dining and reception halls, hotels and motels without dining facilities, hospitals, convalescent homes, mixed multi-tenant retail (unless a more specific rate applies) cold storage facilities, theaters, medical offices, and miscellaneous commercial and industrial. The moderate strength category is based on an average wastewater strength for the group of 199 milligrams per liter of suspended solids, and 536 milligrams per liter of chemical oxygen demand.

Strong - \$7.07 per 1,000 gallons discharged per year in FY 2014; \$7.47 in FY 2015; \$7.90 in FY 2016.

Examples of establishments assigned to the strong user classification group include, but are not limited to the following: auto steam cleaners, bakeries, restaurants, markets with a bakery or deli, mortuaries, bowling alleys with dining facilities. The strong strength category is based on an average wastewater strength for the group of 489 milligrams per liter of suspended solids, and 1,839 milligrams per liter of chemical oxygen demand.

- (e) Industrial use as defined in Section 3 of Article II and that have wastewater sampled by the District shall be based on the total volume, chemical oxygen demand and suspended solids discharged to the sewer system. The charges for these three components shall be calculated and added to arrive at the total

sewer service charge. The unit rates for each of the three components are provided below:

Volume - \$2.12 per 1,000 gallons per year in FY 2014; \$2.25 in FY 2015; \$2.37 in FY 2016.

Chemical Oxygen Demand - \$215.27 per 1,000 pounds per year in FY 2014; \$227.54 in FY 2015; \$240.51 in FY 2016.

Suspended Solids - \$394.67 per 1,000 pounds per year in FY 2014; \$417.17 in FY 2015; \$440.95 in FY 2016.

SECTION 3. ADJUSTMENTS

The owner of any parcel subject to the scheduled charges set forth in Section 2 above may appeal to the Union Sanitary District staff if the charges imposed do not fairly reflect the quantity of discharge made to the sanitary sewer for any period. Any appeal should be made within ninety (90) days of receiving the tax bill reflecting the charges imposed, which relate to actual usage of water for the prior year. In most instances, the Union Sanitary District staff will make any adjustment which is in order. Any such appeal can only relate to the quantity of water actually discharged to the sewer system and cannot relate to strength of discharge or category of discharger. The Union Sanitary District staff will have forty-five (45) days to act on any request for adjustment or the request will be deemed denied. After a decision on the adjustment request, the owner will have fifteen (15) days to appeal to the Board of Directors, in writing. The Board of Directors shall act on such appeal within sixty (60) days. The determination of an appeal by the Board of Directors of Union Sanitary District shall constitute a final determination regarding any requested adjustment.

SECTION 4. OPTIONAL SERVICES

- (a) Segregation of Charges for Multi-tenant Parcels - Sewer Service Charges for parcels of land with multiple tenants shall be determined by assigning the parcel into one of three strength categories, strong, moderate, or weak as defined by this ordinance. This determination shall be made by the District based on the quantity of flow from each strength category. The strength category which includes a majority of flow shall be the strength category assigned to the entire parcel.
- (b) As an optional service, the property owner may request in writing, that the District segregate the annual sewer service charges by considering the flow from each water meter on the property as a separate calculation. The flow from each water meter would be assigned into one of three strength categories (strong, moderate, or weak) or into one of the restaurant categories and calculated separately. The charge for each water meter shall be totaled and the entire amount billed to the parcel with the property tax bill. When the charges are segregated, a written breakdown of the District's strength assignments and calculations will be provided to the property owner by

October first of each year. To request the start or stop of this optional service, the property owner or authorized representative, shall give written notice by June first for the upcoming fiscal year starting July first. Upon receipt of written notice to start this optional service, the District will continue to segregate the charges each year until it is given a written notice to discontinue the service.

- (c) In order to qualify for and receive this optional service initially, the property owner must be able to provide documentation acceptable to the District (such as a site plan or plumbing plan) showing which water meters serve which tenants. Insufficient documentation, as determined by the District, will be grounds to disqualify a property from receiving this optional service.
- (d) Property owners who request this optional service shall pay an annual service charge, which shall be added to the total sewer service charges and collected with the property tax bill. Annual service charges shall be as follows:

\$50.00 Per year per water meter, for the first year the service is started or re-started

\$25.00 Per year per water meter, for the second and succeeding years the service is provided

ARTICLE IV **BILLING AND COLLECTING**

SECTION 1. MAILING

Except as provided elsewhere in this ordinance, the District shall ascertain the amount of each sewer service charge applicable to each parcel in the district, and shall mail to the owner thereof a bill for the first installment on or before November 1 of each year, and a bill for the second installment on or before the following February 1 of each year. Each bill so mailed shall contain a statement that a delinquency in payment for sixty (60) days shall constitute a lien against the parcel against which the charge is imposed, and that when recorded shall have the force, effect and priority of a judgment lien for three years unless sooner released or otherwise discharged. Failure of the District to mail any such bill or failure of the owner to receive any such bill shall not excuse the owner of any parcel from the obligation of paying any sewer service charge for any parcel owned by him.

SECTION 2. DUE DATES OF CHARGES

All sewer service charges shall become due and payable in the following installments. One-half thereof on November 1 of each year and one-half thereof on the following February 1 of each year.

SECTION 3. DELINQUENCY DATES

The first installment due on November 1 of each year is delinquent if not paid by 5:00 P.M. on December 10 of each year. The second installment due February 1 of each year is delinquent if not paid by 5:00 P.M. on the following April 10 of each year.

(a) Government Parcels. For all government or public parcels or for any parcel which is not subject to taxation and not on the tax roll the sewer service charge shall become due and payable on January 1 of each year. Payment is due on January 1 of each year and is delinquent if not paid by 5:00 P.M. on February 15 of each year.

SECTION 4. PENALTIES FOR NON-PAYMENT, LIEN

Except as otherwise provided in this ordinance for collection of sewer service charges through general tax law, whenever a delinquency shall occur for non-payment, a penalty shall be paid in accordance with the requirements of the Alameda County Tax Collector. After delinquency for sixty (60) days, such unpaid charge and penalty shall constitute a lien upon the parcel of land against which the charge was levied.

SECTION 5. COLLECTION OF CHARGES ON TAX ROLL

(a) Pursuant to the provisions of Division 5, Part 3, Chapter 6, Article 4, of the Health and Safety Code of the State of California, and subject to the exceptions hereinafter set forth, the District hereby elects as an alternative procedure for the collection of sewer service charges prescribed or imposed by the provisions of this ordinance to have all such sewer service charges for each fiscal year commencing with fiscal-year 1974-75, collected on the tax roll in the same manner, by the same persons, and at the same time as, and together with and not separately, from general taxes.

(b) The amount of the charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed as of the date prescribed by law as the lien date for general property taxes. The Tax Collector of the County of Alameda shall include the amount of the charges on bills for taxes levied against the respective lots and parcels of land.

(c) Thereafter the amount of the charges shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties.

(d) All laws applicable to the levy, collection and enforcement of general taxes of the District, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund and redemption, are applicable to such charges. The Tax Collector of Alameda County may, in his discretion, issue separate bills for such charges and separate receipts for collection on account of such charges. The County of Alameda shall be compensated for

services rendered in connection with the levy, collection and enforcement of such charges in an amount to be fixed by agreement between the Board of Supervisors of Alameda County and the Board of Directors of the UNION SANITARY DISTRICT.

- (e) The sewer service charges for any and all governmental or public parcels or for any parcel which is not subject to taxation on the tax roll shall be collected in accordance with other provisions of this ordinance.

SECTION 6. TIMING OF SEWER SERVICE CHARGE CALCULATIONS

- (a) The sewer service charge to be billed for the current fiscal year is calculated based on water use and pollutant strength records for the period March to February preceding this fiscal year.
- (b) The owner of property served by Union Sanitary District is responsible for the payment of sewer service charges regardless of whether or not the owner actually conducts any business or utilizes any services for wastewater disposal on the premises. The charges made herein are for the fiscal year beginning July 1 and ending the following June 30.
- (c) In the event a property receives a new connection from the Alameda County Water District after March of a given year, there will be no sewer service charge imposed until the following year, and the sewer service charge imposed will be calculated on the basis of water usage for the previous fiscal year.

SECTION 7. RESPONSIBILITY TO PAY

In the event of a sale or transfer of real property, the owner of record at the time the annual sewer service charge bill is payable (one-half each on November 1 and February 1 of each year) is responsible for payment of charges. It is understood that the current owner will be assessed sewer service charges based on flows as calculated in Section 2 of Article III and Section 6 of Article IV. It shall be the responsibility of the prior and new owner to account for the payment of upcoming sewer service charges in their real property transfer agreements. Notwithstanding such accounting, the property owner of record at the time the annual sewer service charge is payable is responsible for payment.

ARTICLE V
ENFORCEMENT

SECTION 1. FAILURE TO PAY

In the event of the failure of any owner to pay when due any sewer service charges, applicable to a parcel owned by him, the District may enforce payments of such delinquent charges in any of the following manners:

- (a) The District may have such parcel disconnected from the sanitary sewer system. In the event such disconnection should create a public hazard or nuisance, the manager or his representatives may enter upon the parcel for the purpose of doing such things as may be reasonably necessary to alleviate or remove such hazard or menace.

The owner of such parcel shall have a duty to reimburse the District for all expenses incurred by District in disconnecting any such parcel, or in doing other things authorized by this Section; and no reconnection shall be made until all such charges are paid.

- (b) During the period of non-connection or disconnection, habitation of such parcel by human beings may constitute a public nuisance, whereupon the Sanitary Board may cause proceedings to be brought for the abatement of the occupancy of said parcel by the human beings. In such event, and as a condition of connection or reconnection, there shall be paid to the District reasonable attorney's fees and costs of suit arising in said action.
- (c) The District may institute action in any court of competent jurisdiction to collect any charges, penalties and interest which may be due and payable in the same manner as any other debts owing to the District may be collected, in which event the District shall have judgment for the costs of suit and reasonable attorney's fees.
- (d) Any and all delinquent payments may be placed on the tax roll, and collected with the property taxes, as provided in this ordinance.
- (e) Such other action may be taken as may be authorized by law and the District Board.

SECTION 2. AUTHORITY

All powers authorized by this Article for the enforcement and collection of said sewer service charges, penalties and interest are cumulative and may be pursued alternatively or collectively as the District determines.

ARTICLE VI
MISCELLANEOUS

SECTION 1. VACANCY

No credit, adjustment or refund will be made to any owner because the structure or any portion thereof on a parcel is vacant or the wastewater facilities are not being utilized.

SECTION 2. SEVERABILITY

If any section, sentence, clause or phrase of this ordinance is for any reason held to be invalid, unconstitutional, or unenforceable, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Directors of the UNION SANITARY DISTRICT hereby declares that it would have passed the provisions of this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, sentences, clauses or phrases may be declared invalid, unconstitutional or unenforceable.

SECTION 3. PUBLICATION AND MINUTE ENTRY

This ordinance shall take effect and be in force July 15, 2014, and at least one week prior to said date a summary of the changes shall be published in The Argus, a newspaper of general circulation published in the UNION SANITARY DISTRICT service area. This ordinance shall be entered in the minutes of the District.

Passed and adopted by the Board of Directors of UNION SANITARY DISTRICT on this 23rd day of June 2014, by the following vote:

AYES: ----
NOES: ----
ABSENT: ----
ABSTAIN: ----

President, Board of Directors
UNION SANITARY DISTRICT

ATTEST:

Secretary, Board of Directors
UNION SANITARY DISTRICT



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 14, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No.13 - Meeting of June 23, 2014
**PUBLIC HEARING: 1) ESTABLISHING CAPACITY FEES OF
ORDINANCE NO. 35.21, AND 2) ADOPTING CAPACITY FEES
FOR FISCAL YEAR 2015**

Recommendation

1. Open the public hearing - receive any oral or written communications regarding the proposed ordinance.
2. Close the public hearing and consider action (items which follow).

Background

The Notice of Public Hearing to set the Capacity Charges for Fiscal Year 2015 has been published in the Argus newspaper on May 31 and June 7, 2014. For FY 2015 the single family dwelling fee will increase by 5% to \$5,595.66. Commercial and Industrial fees will also increase 5%. Staff will be prepared to present the subsequent Board agenda items on the Capacity Charges at the public hearing and answer questions from the Board and audience.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 14, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 14 - Meeting of June 23, 2014
**RESOLUTION NO. _____, CONSIDERING PROTESTS AND
CONFIRMING CAPACITY FEE RATES FOR FISCAL YEAR 2015**

Recommendation

The attached Resolution should be considered for adoption by the Board of Directors after the public hearing to consider capacity charges is closed.

Attachment

RESOLUTION NO. _____

**RESOLUTION CONSIDERING PROTESTS TO AND CONFIRMING REPORT ON
CAPACITY CHARGES FOR UNION SANITARY DISTRICT FOR THE FISCAL YEAR
2015**

RESOLVED, by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, that:

WHEREAS, this Board intends to adopt Ordinance No. 35.21 establishing capacity charges, and directed the preparation of a written report containing the rates; and

WHEREAS, said written report and Ordinance were duly prepared and filed with the Secretary of the UNION SANITARY DISTRICT; and

WHEREAS, this Board appointed the time and place of hearing protests to said report and directed notice; and

WHEREAS, notice was given of the time therein stated in the manner provided by law as it appears by the Affidavit of Publication on file in the office of the Secretary of said District; and

WHEREAS, said matter came on regularly for hearing at the time fixed; and

WHEREAS, all written protests and other written communications were publicly read at said meeting and all persons desiring to be heard were fully heard;

NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:

1. That all objections to and protests against said report have been heard and considered by this Board and that said objections and protests be, and each of them are, hereby overruled.
2. That said report be, and it is, hereby adopted in full without revision, change, reduction, or modification.

I hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, at a meeting thereof held on the 23rd day of June, 2014.

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Board of Directors
Union Sanitary District

ATTEST:

Secretary, Board of Directors
Union Sanitary District



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 10, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 15 - Meeting of June 23, 2014
**RESOLUTION NO. _____, ADOPTING ORDINANCE NO. 35.21,
PROVIDING FOR THE ESTABLISHING OF CAPACITY FEES
FOR FISCAL YEAR 2015.**

Recommendation

Adopt Ordinance 35.21, which establishes Capacity Fee rates for Fiscal Year 2015.

Background

For FY 2015, the fees have been increased 5%. The single family equivalent dwelling unit charge will increase to \$5,595.66. In the future, staff will continue to annually benchmark our capacity fees with neighboring agencies and present this information to the Board.

Ordinance 35.21 includes updated language for clarification.

Attachment

RESOLUTION NO. _____

ORDINANCE NO. 35.21

**AN ORDINANCE PROVIDING FOR THE COLLECTION
OF CAPACITY CHARGES FOR CONNECTION TO
THE MAIN SEWERS OF UNION SANITARY DISTRICT**

The District Board of UNION SANITARY DISTRICT does order and ordain as follows:

ARTICLE I
REPEAL OF PREVIOUS ORDINANCE

Ordinance No. 35.19~~20~~ is hereby repealed.

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ARTICLE II
GENERAL

SECTION 1 SHORT TITLE

This Ordinance shall be known as the "CAPACITY CHARGE ORDINANCE."

SECTION 2 PURPOSE OF THE CAPACITY CHARGE

The District allows new and existing users to buy a share of the District's system's capacity for the discharge of their wastewater. The Capacity Charge exists to fund facilities and assets that increase or maintain system capacity. The purpose of the Capacity Charge is to provide revenue to recover costs for: the acquisition of future facilities and assets that benefit new or expanded connections; the replacement or rehabilitation of existing facilities and assets that benefit new or expanded connections; a share of any debt service and financing costs related to new or existing facilities and assets benefiting new or expanded connections; other costs that the District has incurred or anticipates incurring in acquiring facilities or assets that benefit new or expanded connections.

SECTION 3 USE OF THE CAPACITY CHARGE

Current Capacity Fund Reserves and revenues collected in the future, through the payment of the capacity charge will be used to fund capital projects, upgrades and replacements that increase capacity or maintain existing capacity. The capacity charges can be used to fund a proportionate share of capital outlays, including debt service, for any capital projects. The collected revenue will not be used to fund operating or maintenance costs.

SECTION 4 ADOPTION OF A CAPITAL IMPROVEMENT PLAN

The District has prepared a Capital Improvement Plan (CIP) which contains projects and facility upgrades that are required in order to increase or maintain the capacity of the system. The Capital Improvement Plan, which has been reviewed and formally adopted by the Board of Directors, will be revised each year, and an updated Capital Improvement Plan will be adopted by the Board annually.

SECTION 5 REASONABLENESS OF THE CAPACITY CHARGE

In order to demonstrate the reasonableness of the District's Capacity Charge, the calculation method and the basis for determining the capacity charge for an equivalent dwelling unit (EDU) are presented in a separate report entitled "USD Capacity Fee Study, October 2010", and may be referenced by contacting the District. The District will establish capacity charges that consider the approximate average capacity charge of other agencies in the San Francisco Bay Area and construction cost inflation.

SECTION 6 DEFINITIONS

Unless the context indicates otherwise, the following words and terms shall have the meaning as follows:

- a. **Boarding Establishment Unit.** One or more rooms with centralized kitchen facilities designed for use by transients, students, retirees, or other occupants for living and/or sleeping purposes. Each separate room which is designed for occupancy by one or more persons or which serves as one housekeeping unit shall be deemed to be one living unit. For facilities with only communal living space, the design occupancy shall be deemed as the determining factor for the capacity charge.
- b. **Building Sewer.** A sewer conveying wastewater from the property of the user to a main sewer. Also referred to as a private sewer or lateral.
- c. **Building Sewer Construction Permit.** A permit issued by UNION SANITARY DISTRICT allowing the construction and connection of a building sewer line to the main sewer.
- d. **Capacity Charge.** The charge to be made by the UNION SANITARY DISTRICT for a sewer connection either directly or indirectly to a main sewer; or, for a change, alteration, or expansion of the use of an existing building, as listed in and in accordance with all the provisions of Article III herein.
- e. **Chemical Oxygen Demand (COD).** The equivalent quantity of oxygen utilized during oxidation of organic and inorganic matter in wastewater under the conditions of the COD test as described in the latest edition of "Standard Methods for the Examination of Water and Wastewater", expressed in milligrams per liter.

- f. **Chemical Oxygen Demand (COD) loading.** The annual average mg/L COD multiplied by the total annual industrial wastewater discharge volume in million gallons multiplied by the conversion factor 8.34.
- g. **Commercial/Industrial/Office Use (C/I/O) (Domestic Use Only).** A parcel of real property designed for use by a single tenant for a single commercial or industrial use whose discharge is limited to domestic waste only. Examples include retail sales, office space, showrooms, and other uses producing domestic waste only, which do not fall into one of the other specifically designated categories. Also included in this category are individual tenant units in the [mixed-use C/I/O commercial](#) category whose floor space exceeds 10,000 square feet [and are located within a building or parcel within the Mixed-Use category.](#)
- h. **District.** Union Sanitary District of Alameda County, California.
- i. **District Engineer.** The General Manager of the District or his designees, including, but not limited to, duly authorized personnel.
- j. **Domestic Loading.** The Domestic Premise in terms of pounds/yr allocating 20 gallons/day/employee to be used in the absence of a separate approved industrial wastewater or industrial process water flow meter.
- k. **Domestic Premise.** Domestic loading equal to 500 mg/L COD and 200 mg/L SS.
- l. **Domestic Wastewater.** Any wastewater which will enter into the main sewers from the non-industrial operation, preparation, cooking and handling of food; or, containing human wastes and similar matter from the sanitary conveniences of dwellings, commercial buildings, industrial facilities and installations.
- m. **Dwelling Unit.** The following living establishments shall be deemed to be one dwelling unit:
 - (i) Single family residential dwelling or mobile home designed for occupancy by one family and up to 4,500 square feet of building area. Single family residential dwelling units above 4,500 square feet will be charged an additional proportionate charge above 4,500 square feet.
 - (ii) Multi-family dwelling is each housekeeping unit of a: duplex, triplex, fourplex, townhouse or condominium, apartment house, mobile home park, or other multi-residential establishment designed for occupancy for living purposes by more than one family, and which is divided into separate housekeeping units, each of which is designed for occupancy by one family only.
- n. **Groundwater.** Any water found below the land surface or from saturated soil including: potable or irrigation water source wells, injected subsurface water, rising subsurface water, underground infiltration to manmade structures, pumped

subsurface waters, foundation and footing drainage, water from crawl space pumps, natural springs, and subsurface flows from riparian habitats, streams, and wetlands.

- o. **Industrial User.** Any establishment engaged in producing, manufacturing, or processing operations, and all other establishments engaged in any activity resulting in the production of industrial wastewater which will enter into the sewer system.
- p. **Industrial Wastewater.** Any non-domestic wastewater which will enter into the main sewers by being discharged, permitted to flow or escape from any industrial, manufacturing, commercial, or business establishment or process; or from the development, recovery, or processing of any natural resource. Industrial wastewater is directly reported from a separate approved industrial wastewater flow meter or industrial process water flow meter; otherwise, industrial wastewater is calculated from potable water meter sources excluding a calculated percentage of non-industrial use.
- q. **Loadings.** The equivalent weight of Chemical Oxygen Demand and Suspended Solids discharged to the main sewer system during a given time interval. Unless otherwise specified, the loadings shall mean pounds per day or per year of a particular constituent or combination of constituents.
- r. **Main Sewer.** An existing sanitary sewer dedicated to public use, within the public right of way or dedicated easement.
- s. **Mixed Use Commercial Property.** A parcel of real property designed for the occupancy of multiple tenants, such as a shopping center. Examples of acceptable uses on mixed use commercial properties include; retail sales outlets, restaurants, offices, service companies, health clubs, laundromats, theaters, and similar commercial uses. Individual tenant units whose floor area exceeds 10,000 square feet [and whose use is consistent with the C/I/O category](#) may be included in the Commercial/Industrial/Office Use (C/I/O)-~~category(Domestic Use Only Category)~~.
- t. **Person.** Any individual, firm, company, partnership or association; private, public, and municipal corporations; responsible corporate officer; the United States of America; the State of California; districts and all political subdivisions; governmental agencies and mandatories thereof.
- u. **Private Cafeteria.** A food service facility within a school, commercial or industrial building which is used exclusively by the students or employees of the company or school. Cafeterias which are open to the public, or provide catering or off-site food service to other companies will be considered a restaurant. Capacity fees for private cafeterias will be based on the area of food preparation, cooking, food storage, and food serving areas but shall exclude seating areas.

- v. **Property.** A parcel of real estate or portion thereof, including any improvements thereon, which is determined by the District to be a single user for purposes of receiving, using, and paying for service.
- w. **Public Assembly Facilities.** Any facility where the public may assemble for social, business, educational or entertainment purposes, including, but not limited to, movie theaters, auditoriums, theaters and music halls.
- x. **Suspended Solids (SS).** The solids that either float on the surface of, or are in suspension in, wastewater and which are largely removable by standard laboratory filtration procedures, expressed in milligrams per liter.
- y. **Suspended Solids (SS) loading.** The annual average mg/L SS multiplied by the total annual industrial wastewater discharge volume in million gallons multiplied by the conversion factor 8.34.
- z. **User.** Any person that discharges, causes, or permits the discharge of wastewater into a main sewer.

aa. **Volume.** The quantity of wastewater discharged during a specified period of time, expressed in gallons.

bb. **Warehouse.** A building or portion of a building used exclusively for the storage of goods. The following ~~uses are~~ **NOT** considered a warehouse ~~use~~:

- ~~1. A distribution, wholesale trade, shipping, receiving, and/or packing center,~~
- ~~2-1. Storage areas for goods or finished products within a manufacturing plant or commercial building that are not separated by a permanent partition wall, and or~~
- ~~3-2. Storage areas that do not exceed 5,000 square feet in area.~~

Warehouse buildings that contain office, industrial, or other non-warehouse areas, totaling more than ten percent of the gross area of the entire building, will be segregated into separate uses and charged the appropriate rate for each different use. Otherwise, the warehouse rate shall apply to the gross area of the entire building. Shipping, receiving, and packing areas serving warehouses more than 50,000 square feet in area will be charged under the Warehouse category.

Whenever the use of a proposed building or part of a building is not clear or not determined prior to connecting to the sanitary sewer, the Commercial/Industrial/Office Use rate will be used to calculate the capacity fee. If, after the building is first occupied, it becomes evident that it, or part of it, is being used exclusively for warehouse purposes, as described herein, a refund may be issued.

cc. **Wastewater Discharge Permit.** A permit issued by UNION SANITARY DISTRICT authorizing the discharge of groundwater or industrial wastewater by an industrial user, either directly or indirectly into a main sewer.

SECTION 7 TERMINOLOGY

Words, phrases, or terms not specifically defined herein and having a technical or specialized meaning shall be defined as set forth in the latest edition of “Standard Methods for the Examination of Water and Wastewater,” published by the American Public Health Association, the American Water Works Association and the Water Environment Federation. Reference to waste constituents and characteristics shall have the meanings ascribed to them in the aforesaid “Standard Methods for the Examination of Water and Wastewater” and measurements thereof shall be as set forth in said publication, or as established by Federal or State regulatory agencies.

ARTICLE III
BASIS FOR CAPACITY CHARGES

SECTION 1 DOMESTIC WASTEWATER

The capacity charge to be paid for connecting either directly or indirectly to a main sewer shall be determined by the District based upon the existing or proposed use of the property to be served, the number of existing or proposed units thereon, and the volume of wastewater generated, in accordance with the following:

Connection Category	Charge per Unit
1. Single Family Dwelling Unit (less than or equal to 4500 square feet)	\$5,329.20 \$5,595.66 per unit
Single Family Dwelling Unit (greater than 4500 square feet)	\$5,329.20 \$5,595.66 per unit, plus proportionate charge above 4500 square feet (i.e. charge for 4600 square feet = 4600/4500 x Charge per Unit)
Multi Family Dwelling Unit	\$4,567.89 \$4,796.28 per unit

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2.	Mixed Use Commercial Property with individual tenant units less than 10,000 square feet.	\$6.06 6.36	per square foot of building floor area	Formatted: Strikethrough
	Commercial/Industrial/Office Use (C/I/O) (Domestic Use Only) and Mixed Use Commercial Property with individual tenant units exceeding 10,000 square feet.	\$2.52 2.64	per square foot of building floor area	Formatted: Strikethrough
3.	Boarding Establishments Including Hotels and Motels	\$3,555.44 3,733.21	per living unit; or	Formatted: Strikethrough
		\$1,777.70 1,866.58	per capita design tenant	Formatted: Strikethrough
4.	Schools and Day Care Centers (Boarding Facilities Excluded)	\$2.85 2.99	per square foot of building floor area	Formatted: Strikethrough
5.	Churches (School and Day Care Facilities Excluded)	\$2.02 2.12	per square foot of building floor area	Formatted: Strikethrough
6.	Public Assembly Facilities	\$126.96 133.30	per seat	Formatted: Strikethrough
7.	Health Clubs	\$8.55 8.97	per square foot of building floor area	Formatted: Strikethrough
8.	Park or Recreation Site Restrooms	\$5,329.20 5,595.66	per water closet	Formatted: Strikethrough
9.	¹ Coin-Operated Laundromats	\$4,060.78 4,263.81	per washing machine	Formatted: Strikethrough
10.	Restaurants - All	\$21.04 22.06	per square foot of building floor area	Formatted: Strikethrough
11.	Eating/Drinking Facilities without Cooking Facilities	\$10.57 11.09	per square foot of building floor area	Formatted: Strikethrough
12.	Car Wash with Water Recycling	\$5,329.20 5,595.66	lump sum	Formatted: Strikethrough

13. Warehouses	\$0.98 1.02	per square foot of building floor area up to 50,000 square feet	Formatted: Strikethrough
	\$0.34 .32	per square foot of building floor area for that portion in each building above 50,000 square feet	Formatted: Strikethrough
14. Private Cafeterias	\$21.04 22.06	Per square foot of floor area for food preparation, cooking, food storage, and food serving areas but excluding seating areas	Formatted: Strikethrough
15. Equipment Wash Pad with Interceptor	\$5,329.20 5,595.66	lump sum,	Formatted: Strikethrough
	\$17.03 17.88	plus per square foot for any additional pad area above 600 sq. ft.	Formatted: Strikethrough
16. Mobile Home Holding Tank Disposal Station	\$10,638.77 11,170.70	lump sum	Formatted: Strikethrough
17. Non-Standard Connections		Capacity charges for users not listed in the above table shall be determined by the District Engineer based upon a reasonable estimate of the volume and pollutant loadings of the wastewater to be discharged. (subject to the minimum capacity charge)	

¹ Note: The charge listed is in addition to other capacity charges that may apply (example: Mixed-Use Commercial).

SECTION 2 INDUSTRIAL WASTEWATER

Properties with industrial wastewater discharges will be charged a Capacity Charge that will be divided into four annual installments, in addition to the Domestic Wastewater Capacity Charge in accordance with the following formula:

- a. **Initial Charge.** The initial charge shall be the sum of the following:

(i) Volume Component. Estimated total annual industrial wastewater discharge volume (exclusive of domestic wastewater) times ~~\$9.76~~10.24 per 1,000 gallons.

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(ii) COD Component. Estimated annual Chemical Oxygen Demand loading (exclusive of COD domestic loading) times ~~\$627.58~~659.95 per 1,000 pounds.

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(iii) Suspended Solids Component. Estimated annual Suspended Solids loading (exclusive of SS domestic loading) times ~~\$1,353.95~~1,421.64 per 1,000 pounds.

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b. **Succeeding Three Annual Charges.** At the time a Building Sewer Construction Permit is issued, or prior to the issuance of a Wastewater Discharge Permit, the prospective user shall enter into an agreement with UNION SANITARY DISTRICT which shall provide that there be three additional charges due and payable upon billing at the end of the first, second, and third year from the date of acceptance of the building sewer or issuance of a Wastewater Discharge Permit. Each of these annual charges shall be the sum of the following:

(i) Volume Component. ~~\$9.76~~10.24 per 1,000 gallons times the previous year's industrial wastewater discharge volume (exclusive of domestic wastewater).

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(ii) COD Component. ~~\$627.58~~658.95 per 1,000 pounds times the previous year's discharge of Chemical Oxygen Demand loading (exclusive of COD domestic loading).

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(iii) Suspended Solids. ~~\$1,353.95~~ 1,421.64 per 1,000 pounds times the previous year's discharge of Suspended Solids loading (exclusive of SS domestic loading).

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Final paid capacity is the average of 4 payments which creates a baseline represented by the combination of the three parameters; flow, COD, and SS, provided that any increase in the combined industrial flow and loadings does not exceed the initial estimate by more than 25%.

c. **Excess Capacity.** In the event that the combined industrial flow and loadings exceed the initial estimate by more than 25%, an additional capacity charge shall be paid over 4 years, concurrently with the initial payment and succeeding annual payments, for the entire increase at the present-day rate.

d. **Single Installment Amount.** If the calculated charges for an industrial use total less than \$500, the initial charge and the succeeding annual charges shall be paid in a single installment prior to the issuance of any permit.

SECTION 3 GROUNDWATER DISCHARGE

If a discharge permit is granted for groundwater, from the cleanup of spills, leaking underground storage tanks, monitoring wells or other similar sources, the duration of discharge will govern capacity fees. If discharge is for less than one year, ten percent of the minimum capacity charge will be assessed. For discharge durations of one year or greater, the capacity fee will be calculated by multiplying the actual volume of groundwater discharged by ten percent of the industrial wastewater volume component in effect that year, up to a maximum of ten years. Completion of discharge will terminate any ongoing capacity rights.

SECTION 4 MINIMUM CAPACITY CHARGE

In no case shall the minimum capacity charge for any initial connection to the District's system be less than the domestic wastewater capacity charge for a multi-family dwelling unit.

ARTICLE IV

ALLOWANCE FOR INDUSTRIAL CREDITS, REVIEW OF CHARGES AND CHANGES IN PROPERTY USE

SECTION 1 QUALIFICATION FOR INDUSTRIAL RELOCATION CREDIT

This section shall apply to industrial wastewater only, not to domestic wastewater. If the transfer of an industry discharging industrial wastewater to a different parcel of land does not impose any additional burden on the District's facilities, a credit, which shall be referred to as a relocation credit, may be allowed, provided that:

- (i) The owner of the real property, from which the industry is moving, is willing to relinquish the industrial wastewater capacity for the purpose of a relocating tenant or relocating industrial process.
- (ii) essentially the same industrial operation has been transferred from one parcel to another and such operation was previously connected to the District's system;
- (iii) the industrial operation was owned prior to the transfer by the person now making claim to the relocation credit;
- (iv) the discharger has demonstrated to the satisfaction of the District that the industrial operation has been abandoned from the parcel from which the transfer has occurred, or presented a certification in writing and a performance bond of equal or greater value than the relocation credit that such industrial operation will be abandoned within six (6) months of the District approving an application for connection. Should the facility not be abandoned within the prescribed period, the relocation credit shall be revoked and a capacity charge, with respect to the parcel to which the industrial operation transferred, shall be due and payable as of the date said parcel was connected to the District's system;

- (v) there is adequate capacity in the District's system at the new location to accommodate connection of the industrial operation to be transferred.

SECTION 2 BASIS FOR RELOCATION CREDIT

The relocation credit shall be based upon the amount of capacity purchased. If a record of the amount of capacity purchased does not exist the average of the total annual discharge of: the number of gallons of industrial wastewater, number of pounds of Chemical Oxygen Demand (exclusive of COD domestic loading), and number of pounds of Suspended Solids (exclusive of SS domestic loading) for the preceding four (4) years, or years of operation if less than four (4) years, prior to the transfer. In no case shall there be a refund or a credit applied to any other type of fee or charge if the fee for the industrial wastewater discharge for the relocated industrial operation is less than the relocation credit allowed.

SECTION 3 REVIEW OF CAPACITY CHARGE

Capacity charges or relocation credit determined under Article III and Article IV may be reviewed at the applicant's request. The review will be based on the use data provided by the applicant and other criteria to be established by the District for a review fee of \$25.00. Any requested adjustments to the capacity charge using this method are subject to verification by the District using District sampling, monitoring, and analysis procedures. All verification costs must be paid by the applicant. After completion of the District's review, the questioned capacity charge may be adjusted up or down in accordance with the results of the verification study.

SECTION 4 CHANGE OF PROPERTY USE

- a. **Industrial Wastewater.** If the existing use of a building or property is changed, an industrial process is altered, production is increased or any other change, or alteration will increase the existing combined industrial wastewater flow and loadings by more than 25%, an additional capacity charge shall be paid over 4 years for the entire increase at the present-day rate.
- b. **Change in Building Size.** If the existing size of a building or property is expanded, added onto, increased, or otherwise physically modified, an additional capacity charge applicable to the expansion, addition, or increase shall be paid. In no instance shall a refund be granted if the size of a building or property is decreased.
- c. **Domestic Wastewater Changes in Use.** When the use of a building or property is modified or changed, such as a change in tenants, or a change in the type of business occupying the property, the District will consider this a change in use. Each change in use shall be reviewed by the District to determine if an additional capacity fee will apply. An additional capacity fee shall apply whenever the capacity fee calculated for the new use is greater than the value of capacity fees

already paid for the former use. For the purpose of this comparison, the current capacity fee rates as listed in Article III of this Ordinance, shall apply to both the new and former use. Whenever the capacity fee calculated for the new use exceeds the value of the capacity fees already paid for the former use, the difference shall be paid to the District as an additional capacity fee for the change of use. In no instance shall a refund be granted if the change in the use of a building or property results in the value of capacity fees paid for the former use being greater than the cost of the capacity fee calculated for the new use.

- d. **Credit for Previously Purchased Capacity.** If the existing size or use of a building or property is expanded, added onto, or increased, a credit may be allowed based on verified previously purchased capacity that is retained on the property site. This verification will include review of District records and any records supplied to the District. If no credible records exist then no credit will be allowed. In no instance shall a refund be granted if the decreased use of a building or property results in a lower discharge volume and/or loading level than that for which capacity charges have previously been paid.
- e. **Payment Due Date.** If a Building Sewer Construction Permit or a new or revised Wastewater Discharge Permit is required as a result of an expansion of a building or property and/or the increase in flow or loadings from the property, additional capacity charges shall be paid prior to the issuance of the permit. If neither permit is required, additional capacity charges shall be paid upon billing by the UNION SANITARY DISTRICT and be delinquent thirty (30) days thereafter.

ARTICLE V

PAYMENT AND DEPOSITION OF CHARGES

SECTION 1 PAYMENT OF INITIAL CHARGES

No building sewer or building drain shall be constructed and connected to any main sewer until the UNION SANITARY DISTRICT has issued a Building Sewer Construction Permit in accordance with District specifications and a capacity charge has been paid to the District. The capacity charge shall be in addition to the annual sewer service charge, charges for annexation, inspection, permits, reimbursements, and the requirements of any other rule, regulation, or ordinance of the UNION SANITARY DISTRICT.

SECTION 2 PAYMENT OF SUCCEEDING CHARGES

All charges prescribed under this Ordinance are payable upon billing and delinquent at the expiration of thirty (30) days thereafter. If it is necessary to initiate legal action to collect the delinquent obligation, all penalties allowed by the law will be applied. In addition to all other means of legal process available for the collection of the delinquent charges, the UNION SANITARY DISTRICT may elect to have the delinquent charges collected annually on the property tax roll in the same manner, by the same persons, at

the same time as, and together with and not separately from general taxes in accordance with the provisions of 5473 and 5473a et seq. of the California Health and Safety Code and UNION SANITARY DISTRICT Ordinance No. 31 as amended. Delinquent tenant capacity charges will be charged against the property of the owner of the premises occupied by the tenant.

SECTION 3 DEPOSITION OF FUNDS

The collected capacity charges shall be deposited in the Capacity Fund.

ARTICLE VI **ADMINISTRATION**

SECTION 1 APPEALS

Any user, permit applicant, or permit holder affected by any decision, action, or determination made by the District interpreting or implementing the provisions of this Ordinance may file a written request for reconsideration with the District Engineer, setting forth in detail the facts supporting the user's request.

If the ruling made by the District Engineer is unsatisfactory to the person requesting reconsideration, he may file a written appeal to the District's governing body within ten (10) days after notification of the District's action. The written appeal shall be heard by the governing body within thirty (30) days from the date of filing or as soon thereafter as reasonably possible. The District's governing body shall make a final ruling on the appeal within thirty (30) days of the meeting. The District Engineer's decision, action, or determination shall remain in effect during the period of reconsideration.

SECTION 2 FALSIFYING OF INFORMATION

Any person who knowingly makes any false statements, representation, record, report, plan or other document filed with the District; or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under this Ordinance, is hereby declared to be in violation of this Ordinance, and subject to the Civil Penalties imposed under Section 7.05 of UNION SANITARY DISTRICT'S Ordinance No. 36.

SECTION 3 SEVERABILITY

If any provision of this Ordinance or the application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of such provisions to other persons or other circumstances shall not be affected.

SECTION 4 EFFECTIVE DATE

A summary of the changes to this Ordinance shall be published once in the Argus, a newspaper of general circulation published in the UNION SANITARY DISTRICT, and shall take effect sixty days thereafter.

On Motion duly made and seconded, this Ordinance was adopted by the following vote on June 23, 2014.

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Board of Directors
UNION SANITARY DISTRICT

ATTEST:

Secretary, Board of Directors
UNION SANITARY DISTRICT



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 11, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 16 - Meeting of June 23, 2014
Adopting Final Operating and Capacity Fund Budgets for Fiscal Year 2015

Recommendation

Adopt final Operating and Capital Improvement Program budgets for FY 2015.

Background

Attached for your review are the Final Operating and Capacity Fund budgets for FY 2015. These budgets reflect the Board's input and information presented at the Budget workshop on April 21st and the June 9th Board meeting. The budget reflects 1) increasing the existing Sewer Service Charge for all customer categories by 5.7%. This would increase the Single Family Dwelling unit to \$357.02 and the Multi Family Dwelling rate to \$315.25. Commercial and Industrial unit rates would increase 5.7% as well, 2) increasing the Capacity fees 5.0% to \$5,595.66 per equivalent dwelling unit and increasing commercial and industrial unit rates 5.0% as well, 3) increasing the Net Operating Budget 1.52%.

This document for FY15 reflects two significant changes since the June 9th Board meeting:

- 1) Operating (T&D) – Increase in plant electricity of \$274,00 due to delay in Cogen project.
- 2) Updates to FY14 CIP projections of \$400,000.

Attached are schedules supporting the budget including brief comments.

Attachments

UNION SANITARY DISTRICT UNION CITY, CALIFORNIA

OPERATING & CIP BUDGETS

FY 2015



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June 13, 2014

To: USD Board of Directors

From: Richard Currie
General Manager

Subject: Fiscal Year 2015 Budget

Union Sanitary District staff is pleased to present to the Board of Directors, the annual budget for Fiscal Year 2015, covering the period from July 1, 2014 to June 30, 2015. The budget continues to focus on operation and maintenance of our infrastructure assets, capital project construction, planning, and effective use of technology.

Outstanding Performance and Cost Effective Service for Our Customers

In keeping with our Mission, USD continues to provide a high level of award winning service to our customers at a very reasonable cost. USD has maintained our rates well below the target level of the lower 33rd percentile. In fact, our current Sewer Service Charge rate of \$338 per year for a single family residence is in the lower 12th percentile of the 26 agencies we survey annually. On a monthly basis, at just under \$28, we are by far the least expensive household utility.

We continue our record of outstanding stewardship and service. We have been recently informed that USD has won the Platinum Award from the National Association of Clean Water Agencies for Peak Performance, operating for 5 consecutive years without exceeding any of the limits or conditions of our permit. This is a tribute to the outstanding work by our Operations and Maintenance teams. We continue to average less than one spill per hundred miles of pipeline per year, amongst the best in the State. Our collections services and Environmental Compliance groups have successfully implemented measures to control roots and grease to help minimize spills and back-ups. We are responding to over 96% of all customer call outs within one hour, and we have had no critical asset failures impacting the public. Our quality performance is also reflected in awards we have received for our procurement program and financial reporting.

Financial State of the District

The recovery of the local economy in the time following the end of the recession has been slow, but is showing positive signs of improvement. In the last year, USD has seen an increase in the number of permit applications, indicating new growth. We are still experiencing the trend where businesses using large quantities of water are leaving the service area and small water users and R&D firms are moving into the District. The overall impact on revenues seems to be stabilizing however.

Our current financial condition can be characterized as stable. Our revenues have continued to increase, allowing for an ongoing annual contribution to the District's Capital Improvement Program (CIP). Our aggressive program has resulted in a slight reduction of reserves; however, our infrastructure is in excellent condition with reduced risk of failure. We have also been able to make contributions to our emergency reserve for mitigation of the inevitable impacts of seismic activity in the Bay Area.

Our strong planning and asset management efforts ensure that we have a good understanding of the condition of our assets and that we schedule projects in a timely manner to evaluate, and if necessary, rehabilitate or replace aging infrastructure. Our Capital Improvement Program includes \$200 million in projects over the next 10 years to ensure continued reliable operation of our pipelines, pump stations and treatment Plant. In addition, USD is continuing to implement elements of our Information Technology Master Plan, including Data Management Systems for construction project management and Plant operation's information. We are also evaluating the expanded use of remote data access. These improvements will allow us to continue to improve the efficiency of our business.

Revenues

We are continuing to see recovery in the local economy, with continued residential development and growth in business, including occupancy of previously vacant commercial buildings. We are also seeing a continued increase in building permit applications and new development construction. With a high percent of our revenue based on residential customers, USD's income remains relatively stable despite volatility in the number and type of commercial and industrial businesses.

Expenditures

Operating expenditures for the coming fiscal year are projected to increase 1.5%. This reflects savings due to implementation of both solar and cogeneration projects. Chemical cost increases have been less than projected due to our participation in the Bay Area Chemical Consortium. Also, some personnel costs have been reduced due to the end of the Deputy General Manager position as the new GM will be in place for the coming year. These are one time decreases in the operating budget that will allow for greater contributions to the CIP projects fund.

After having made no net changes in the number of USD employees since 2000, management has recommended adding 6 positions to bolster our maintenance staff, enhance planning and asset management efforts, and provide inspection of new development and CIP construction. Last year, the construction inspector position was filled, resulting in savings on previously contracted work. This position is also partially funded by fees received for new development. We are currently recruiting for the position of Senior Process Engineer. This position will be in the Treatment and Disposal Work Group on the Research and Support Team. The Senior Process Engineer's work will include finding ways of improve operations, increase energy efficiency, and reduce chemical usage. For the upcoming fiscal year, we will be recommending the Board approve two positions in the FMC Work Group. An additional mechanic and painter are needed to reduce backlog, reduce overtime, and help enhance maintenance of existing treatment plant and pump station equipment, much of which was installed in the late 1970s and 1980s.

The Capital Improvement Program will be increasing slightly from last year. In the 10 year plan, new projects have been added for wet weather flow management, pipeline rehabilitation and replacement, and lift station improvements. There is also a large addition for equipment replacement at the plant as identified in the Plant Master Plan for FY24. The Information System R&R will be continuing to fund new projects from the IT Master Plan, including a major upgrade to the SCADA System, a GIS upgrade and replacement of the telephone communications system.

The Special Projects Fund (formerly Non-ECB) will see greater levels of expenditure than in the past several years. The \$1.7 million budget is based on the large number of studies and other one-time expenditures anticipated for the coming year. Studies planned for this year include the Irvington Basin Sewer Master Plan, a Pump Station Master Plan, a Water Recycling Feasibility study, a Corrosion Control study for large sewer lines, and the completion of the Hayward Marsh Rehabilitation study. Other expenditures include the Old Alameda Creek permit renewal and an Odor Control System Evaluation. We anticipate the Special Projects Fund budget to return to lower levels in FY16.

Capital Program and Project Financing

Capital project spending will continue to focus on the Wastewater Treatment Plant as well as pipeline rehabilitation. As many of our buildings and treatment processes approach 35 years of operation, we will be replacing and upgrading them to ensure long term, efficient operation of the plant. FY14 saw the completion of the Headworks Improvements Project, the pipeline tunnel under I680 and the Hayward fault, the new Boyce Road Pump Station, replacement of primary effluent pumps, the MCC replacement project, the Interim Thickener project, and substantial work on the \$10 million Cogeneration project. New projects for FY15 include the Jarvis Avenue Sewer Project, the Upper Hetch Hetchy Sewer Rehabilitation project, Digester 5 rehabilitation, Newark backyard sewer relocation, various treatment plant facilities projects, and completion of the Cogeneration project.

USD continues to take advantage of the availability of low interest loans through the State and Federally funded State Revolving Fund (SRF) program. Recent projects such as the Primary Clarifier rehabilitation project, the Boyce Road Pump Station and the Electrical Substation Upgrade have been funded using these loans at interest rates between 2.5% and 2.75%. USD recently received approval for a loan for the Thickener Control Building Improvements project for \$13.4 million at an interest rate of 2.1%. We will be making the final payment for the Treatment Plant Upgrade project before the end of this fiscal year, paying off the 20 year, \$30 million loan.

Challenges for FY14

The most significant issues facing the District in the coming fiscal year will likely be management transition, workload management and wet weather flow management. Key staff will be retiring, or transitioning to retirement during this fiscal year. Transferring critical knowledge, providing appropriate training, and maintaining our focus on the Mission of the District will be key elements to a smooth transition. Workload management will bring many challenges associated with implementing an ambitious Capital Improvement Program. Many new staff members, as well as managers, will be coming up to speed this year while our workload remains constant. Wet weather flow issues will be centered on Hayward Marsh and identifying options and developing contingency plans for handling future peak flows.

Balanced Budget, Reserves and Rates

USD has been operating with a balanced budget and anticipates continuing to do so. In some years, USD takes money from reserves for capital projects, and in some years funds are added to our reserves. For FY 15 we anticipate adding close to \$1.5 million to reserves. Our reserves continue to be stable, although as our operating budget increases, more of our reserves are dedicated to ensuring operating cash flow for the 8 month period in which we receive very limited SSC revenues. Our projected fund balances indicate renewal and replacement fund reserves will remain positive with the implementation of the proposed rate increases for FY15 and beyond. In 2018, the R&R reserves will reach their lowest balance at \$1.1 million due to the large expenditures anticipated in the Capital Improvement Program for construction. However, this reserve is anticipated to increase in the following years.

Conclusion

USD continues to perform as one of the most outstanding wastewater agencies in the State of California. Our high level of service and reasonable rates reflect a highly efficient and customer oriented staff that has created a positive culture and earned USD an excellent reputation in our industry. Our employees are the hallmark of our organization and are responsible for our success in being a highly responsive, non-bureaucratic public agency that can boast award winning service, well maintained infrastructure and a safe and productive work environment.

SUMMARY & COMMENTS FISCAL YEAR 2015 BUDGET

This summary and comments section addresses the proposed budget and rates for Fiscal Year 2015.

10-YEAR FINANCIAL PLAN

Rates: Increase by 5.7% the existing Sewer Service Charge for Single Family Dwelling (SFD) to \$357.02 and \$315.25 for Multi-family Dwelling (MFD). Sewer Service Charge ordinance rates will increase by 5.7% in 2015. A Proposition 218 notice to reflect an increase for FY14-FY16 of 5.7% each year was mailed to property owners in April 2013. Increases are projected for the following several years, but will be reviewed and analyzed annually.

PERS retirement investment losses from 2008-2009 have adversely impacted employer rates. Rates are expected to increase dramatically in the next five years, due to assumption changes and prior year losses. Projected rates for FY 2015 and FY 2016 are 17.41% and 18.7%, respectively. The employee paid portion of the employer rate will gradually increase as well.

Capacity fees are projected to increase by 5% to \$5,595.66 in FY 2015 and reviewed annually. A comprehensive capacity fee study was completed in FY 2010 and the results have been incorporated into the FY 2015 budget.

Financing: The District will fund capital projects by a combination of pay-as-you-go and debt financing (State Revolving Fund Loans).

SEWER SERVICE FUND REVENUES FY 2015 Revenues & Proceeds: \$52,198,161

Revenue and Transfers:

- The principal revenue for the Operating Fund is from the annual sewer service charges of \$47.5 million in FY 2015.
- Interest and other income (\$4.7 million) includes \$210,000 in interest, \$848,500 in Operating revenue from the City of Fremont Urban Runoff program, East Bay Dischargers Authority (EBDA) revenue, inspection/plan check fees; \$76,000 from Livermore Amador Valley Water Management Agency (LAVWMA), \$189,200 from PG&E in carport and Irvington solar panel rebates (until 2017), and \$38,000 from the sale of surplus equipment. The District will also receive \$845,000 in SGIP rebates from the Cogeneration project.
- The District is anticipating total receipts of \$2,542,500 in SRF loan proceeds for the Thickener project for the sewer service charge fund in FY 2015.

SEWER SERVICE FUND EXPENSE FY 2015 Expense: \$51,344,821

Each component of the Sewer Service Fund expense is described below:

- Operating Budget: FY 2015 Expense: \$32,659,214

The Operating Fund contains expenditures required for the day-to-day operation of the District, including maintenance, regulatory activities, engineering, and administration. The net Operating budget will increase 1.52% in FY 2015.

- **Special Projects** FY 2015 Expense: \$1,708,478

This fund includes non-routine expenses such as one-time studies, hiring of consultants, and new programs where the long-term financial impact, if any, is not known. Major FY 2015 expenses by categories include: Administrative and Regulatory \$172,000, Hayward Marsh Projects, \$164,410; Studies and other projects include Corrosion Control & Pretreatment Chemical Study, \$100,000; Irvington Basin Master Plan Update, \$200,000; Pump Station Master Plan, \$150,000; Water Recycling & Conservation Plan, \$220,000, and Odor Control System Evaluation, \$100,000.

- **Retiree Medical Benefits** FY 2015 Expense: \$543,540

The District began to transfer Retiree Assets to the CalPERS trust (CERBT) in FY 2009. For FY 2015, the annual required contribution (ARC) based on the recently completed 7/1/13 actuarial study will be \$543,540.

- **Renewal & Replacement - Vehicle and Equipment** FY 2015 Expense: \$1,017,000

Vehicles and equipment that are scheduled to be replaced due to age or obsolescence are purchased through this fund. The provision is based on a 10-year replacement schedule and expense projection. Major expenses include eight pickup trucks, \$338,500, two construction trucks and one dump truck planned but not purchased in FY14, \$315,000 and \$145,000, respectively, and three hybrid sedans, \$108,000. The provision is \$589,900 for FY 2015.

- **Renewal & Replacement - Information System** FY 2015 Expense: \$1,216,000

This fund replaces major information systems hardware and software. The provision is \$800,000 for FY 2015. Major projects include the new Time and Attendance System, \$200,000, SCADA Upgrade, \$150,000. IT/PBX and Security Replacements, \$311,000, as identified in the latest IT Master Plan.

- **Renewal & Replacement – Plant & Pump Station** FY 2015 Expense: \$250,000

This fund is for the purchase of Plant equipment that is scheduled to be replaced due to age or obsolescence, as well as unplanned replacement costs. The provision for FY 2015 is \$250,000 and expenses include replacing valve actuators, parts washer, and overhaul of #1 centrifuge, overhaul of #1 NPS pump, and replacing pumps; Purchase of spare PWAS pump.

- **Emergency Fund** FY 2015 Expense: \$0

The District established the Emergency Fund in FY 2008. The purpose of this fund is to mitigate the financial impact of an emergency or catastrophic event. The provision for FY 2015 will be \$750,000.

- **Structural Renewal and Replacement** FY 2015 Expense: \$13,923,212

The proposed Capital Improvement Program projects of \$11,632,000 for FY 2015 are included in this fund. In addition, the fund will pay SRF loan payments of \$681,000 for the Irvington Equalization Storage Facility project, \$108,000 for the Willow/Central Ave. project, \$343,000 for Newark Pump Station, \$140,000 for the Lower Hetch Hetchy project, \$127,000 for the Cedar Blvd project, \$157,000 for the Substation 1 project, \$444,000 for the Primary Clarifier project, and \$206,000 for the Boyce Road project. The provision will be approximately \$11,358,000. A detailed CIP schedule is included with this document.

- Pretreatment Fund FY 2015 Expense: \$7,000

Expenses are for supplies, equipment and training that support the Pretreatment Program and Ordinance No. 36. There is no sewer service charge provision for this fund.

- Miscellaneous Expense FY 2015 Expense: \$106,000

The District pays Alameda County an annual fee for administration and sewer service charge collection through the tax rolls, based on the number of parcels.

SEWER SERVICE FUND RESERVES

- Approximately \$853,000 will be transferred to reserves for funding of the FY '15 Operating Fund, Renewal and Replacement funds, Capital Improvement Program, and related debt servicing.

CAPACITY FUND FY 2015 Revenues & Proceeds: \$4,481,500

- Revenues for FY 2015 include capacity fees of \$2,700,000, and interest income of \$89,000. The Capacity fund will be financed by a Capacity Fee of \$5,595.66 per equivalent dwelling unit, a 5% increase from 2014.
- The Capacity fund is scheduled to receive SRF loan proceeds for the Thickener project in the amount of \$847,500.
- The Capacity fund will receive \$845,000 in SGIP rebates for the Cogeneration project.

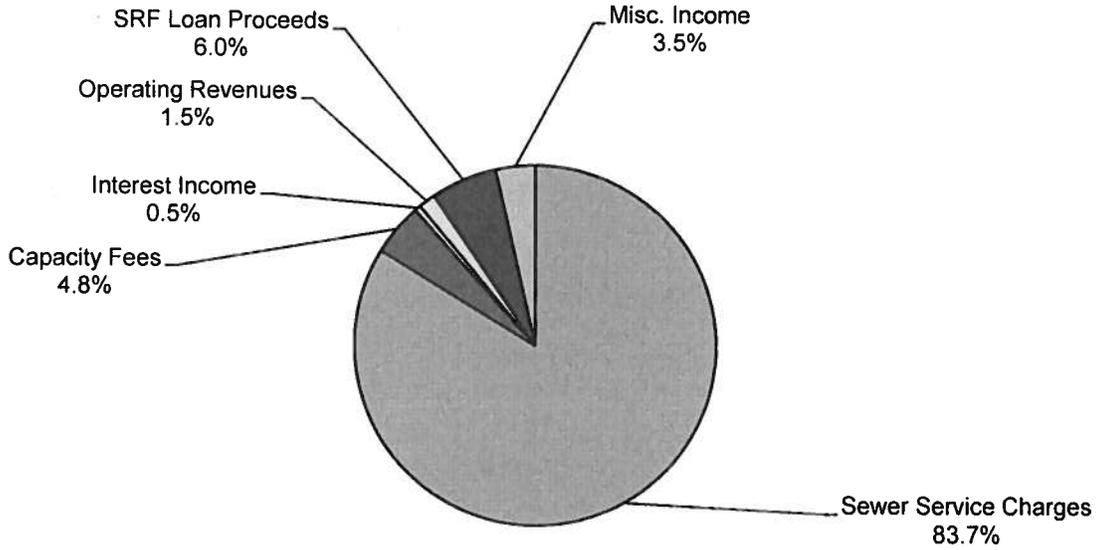
CAPACITY FUND FY 2015 Expense: \$4,073,000

- The expenditures for FY 2015 include \$3,150,000 for the Capacity-related portion of the Capital Improvement Program.
- The Capacity fund will pay debt servicing of \$227,000 for the Capacity portion of the Irvington Equalization Storage Facilities project SRF loan and \$343,000 for the Capacity portion of the Newark Pump Station SRF loan, \$147,000 for Primary Clarifier, and \$206,000 for Boyce Road, for a total of \$923,000.

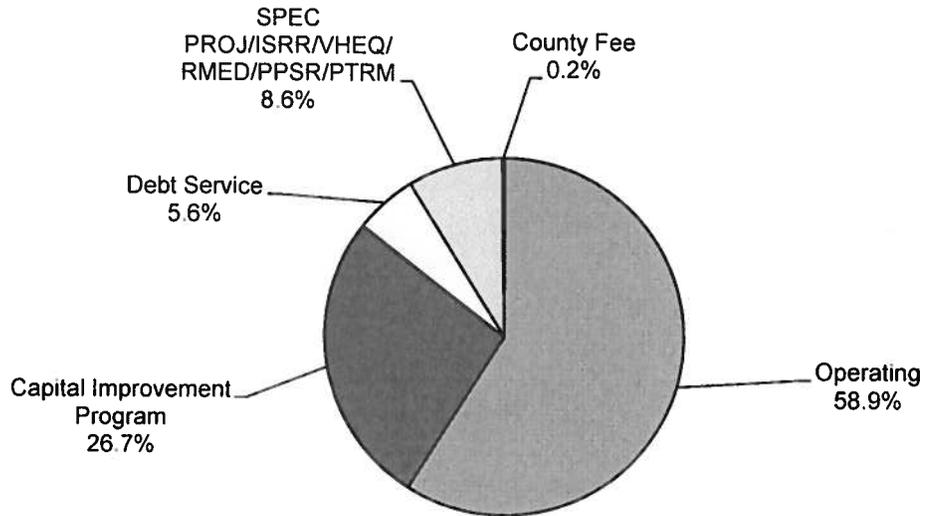
CAPACITY FUND RESERVES

- Approximately \$409,000 will be added to Capacity Fund reserves in FY 2015.

FY '15 Total Revenues & Proceeds
\$56,680,161



FY '15 Total Expenditures
\$55,417,821



Amount to Reserves
\$1,262,340

NET OPERATING BUDGET			
Work Group	FY '14 Budget	FY '14 Projected	FY '15 Proposed
District Board	\$190,063	\$164,200	\$170,900
General Manager/Administration	1,182,404	1,190,500	1,048,000
Business Services	4,501,787	4,534,014	4,664,105
Collection Services	5,552,778	5,360,000	5,906,998
Technical Services	4,721,559	4,360,000	4,641,307
Treatment & Disposal Services	9,709,975	9,432,875	9,798,610
Fabrication, Maintenance & Construction	5,476,790	5,146,982	5,580,794
Total OPERATING	\$31,335,356	\$30,188,571	\$31,810,714
Percent of FY '14 Budget		96.3%	

Percent change from FY '14 Budget

1.52%

SPECIAL PROJECTS FUND FY '14 - FY '15

	DESCRIPTION	BUDGET FY '14	PROJECTION FY '14	ESTIMATED CARRYOVER	New \$	PROPOSED BUDGET FY '15
	Administrative & Regulatory					
	GIS JPA	24,500	7,666	16,950	21,050	38,000
	New Public Outreach Programs	20,000	10,000	10,000	15,000	25,000
	Professional Recruitment Services	0	0	0	65,000	65,000
	Public Information Program (includes USD Newsletter)	45,000	35,000	10,000	34,000	44,000
	<i>Sub-Total Admin & Regulatory</i>	<i>89,500</i>	<i>52,666</i>	<i>36,950</i>	<i>135,050</i>	<i>172,000</i>
	Studies & Other					
	Admin & Field Services Building Leak Investigation	0	0	0	48,000	48,000
	Alvarado Sub-Surface Investigation (was Plant Groundwater Wells)	10,000	4,278	5,722	10,000	15,722
	Anitamox Sidestream Treatment Pilot	0	0	0	15,000	15,000
	Biosolids Dewatering Evaluation	0	19,521	0	0	0
	Corrosion Control & Pretreatment Chemical Study	0	0	0	100,000	100,000
	Effluent Flow Management Study	50,000	3,281	46,719	0	46,719
	Evaluation of CS Preventive Maintenance Program	50,000	0	50,000	0	50,000
	FOG - Residential Public Outreach	0	10	0	0	0
	Fremont Mid-Town Capacity Assessment	20,000	13,138	6,862	0	6,862
	Fuel Management System Upgrade	40,000	31,904	0	0	0
	Hazardous Materials Program	50,000	48,000	2,000	48,000	50,000
	Intelligent Manhole Covers	20,000	10,436	0	0	0
	Irvington Basin Master Plan Update	50,000	25,000	25,000	175,000	200,000
	Lateral Pilot Program - Condition Assessment	110,000	44,068	95,650	0	95,650
	Local Limits and Wastewater Treatability (Ammonia)	10,000	21,340	0	5,000	5,000
	NPDES Permit Renewal - Old Alameda Creek	0	0	0	75,000	75,000
	Odor Control System Evaluation	0	0	0	100,000	100,000
	Plant-wide Lighting Study	0	0	0	50,000	50,000
	Pump Station Master Plan	0	0	0	150,000	150,000
	Sea Level Rise Study	0	2,460	0	0	0
	Seismic Evaluation	100,000	100,000	0	50,000	50,000
	Sewer Service Charge Cost of Service Study	100,000	45,345	26,615	0	26,615
	Vehicle Storage Bird Netting and Light Replacement	0	0	0	67,500	67,500
	Water Recycling & Conservation Program (Funded by CPTY)	70,000	70,000	0	220,000	220,000
	<i>Sub-Total Studies & Other</i>	<i>680,000</i>	<i>438,781</i>	<i>258,568</i>	<i>1,113,500</i>	<i>1,372,068</i>
	Hayward Marsh					
	Ammonia Removal Study	50,000	56,000	0	0	0
	Rehabilitation Study	0	311,000	0	128,000	128,000
	NPDES Permit Annual Fee	2,000	2,062	0	2,100	2,100
	NPDES Permit Support Services	0	0	0	5,000	5,000
	Permit Amendment to Delay Mixing Study	30,000	16,900	13,100	0	13,100
	Regional Monitoring Plan (RMP) Annual Fee	18,000	16,935	1,065	15,145	16,210
	<i>Sub-Total Hayward Marsh</i>	<i>100,000</i>	<i>402,897</i>	<i>14,165</i>	<i>150,245</i>	<i>164,410</i>
	Total Special Projects Fund	869,500	894,344	309,683	1,398,795	1,708,478
			102.9%			196.5%

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
SPECIAL PROJECTS - Fund 30						
Beginning Balance	\$310,580	\$309,683	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC	417,027	1,398,795	600,000	600,000	600,000	600,000
Expenditures						
Studies and Projects	864,500	1,708,478	600,000	600,000	600,000	600,000
Ending Balance	(136,893)					
Estimated Carryover	(\$309,683)	\$0	\$0	\$0	\$0	\$0

PROJECTS PLANNED FOR FY '14

Project Category	Amount
Administrative & Regulatory	\$172,000
Studies & Other	1,372,068
Hayward Marsh	164,410
Total	\$1,708,478

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
RETIREE MEDICAL - Fund 40						
Beginning Balance	\$1,860	\$0	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC for ARC*	462,852	543,540	561,205	579,444	598,276	617,720
Expenditures						
Medical Expenses	(362,859)	(360,707)	(398,224)	(432,737)	(466,174)	(501,989)
Medical Reimbursement	362,859	360,707	398,224	432,737	466,174	501,989
Transfers out:						
Annual Required Contribution (ARC)	464,712	543,540	561,205	579,444	598,276	617,720
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0

* From actuarial valuation completed in FY'14

		Estimated	Projected				
Fiscal Years Ending June 30,		2014	2015	2016	2017	2018	2019
RENEWAL & REPLACEMENT VEHICLES AND EQUIPMENT - Fund 50							
Beginning Balance		\$1,150,237	\$1,075,221	\$685,421	\$635,431	\$480,290	\$755,990
Revenue							
Provisions from SSC	561,800	589,900	619,400	638,000	657,000	677,000	
Sale of surplus	25,000	38,000	39,000	37,000	18,000	26,000	
Expenditures							
Vehicles and Equipment	661,816	1,017,700	708,390	830,141	399,300	637,500	
Ending Balance		\$1,075,221	\$685,421	\$635,431	\$480,290	\$755,990	\$821,490
REPLACEMENTS SCHEDULED FOR FY '15							
Vehicles			Equipment				
QTY	Type	Repl. Cost	QTY	Type	Repl. Cost		
8	Pickup Trucks	\$338,500	2	Utility Carts	\$36,000		
2	Construction Trucks*	315,000	1	6" Portable Pump	59,000		
1	10-Yard Dump Truck*	145,000	28	Chairs	7,000		
3	Hybrid Sedans	108,000	1	Small Generator	2,800		
			2	Cutoff Saws	2,400		
			1	Super Rip Cord Blower	2,000		
			1	Hurco Blower	2,000		
Total for Vehicles		\$906,500	Total for Equipment		\$111,200		
TOTAL VEHICLES AND EQUIPMENT FY '15 BUDGET							\$1,017,700

*Carryover from FY'14

		Estimated	Projected				
Fiscal Years Ending June 30,		2014	2015	2016	2017	2018	2019
RENEWAL & REPLACEMENT INFORMATION SYSTEM - Fund 60							
Beginning Balance		\$1,368,371	\$1,143,124	\$727,124	\$490,024	\$659,624	\$555,424
Revenue							
Provisions from SSC	800,000	800,000	800,000	800,000	800,000	700,000	700,000
Expenditures							
IT/PBX/Security Replacements	167,700	311,000					
IT Master Plan Projects	857,547	905,000	1,037,100	630,400	804,200	703,500	
Ending Balance		\$1,143,124	\$727,124	\$490,024	\$659,624	\$555,424	\$551,924

SYSTEM UPGRADES & REPLACEMENTS SCHEDULED FOR FY '15

Project / System	Amount
SCADA Master Plan/Standards	\$250,000
Time/Attendance System Replacement	200,000
SCADA Upgrade	150,000
Collection System GIS Upgrade	60,000
Mobile Projects	55,000
Operating Data Management System - start	50,000
Records Management	50,000
Public Website Improvements - complete	40,000
Capital Projects Management System - complete	20,000
ECMS - complete project	15,000
Hansen 8 Complete interfaces/mobile	15,000
IT/PBX/Security Replacements	311,000
Total	\$1,216,000

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
RENEWAL & REPLACEMENT PLANT AND PUMP STATION - Fund 70						
Beginning Balance	\$158,524	\$0	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC	113,217	250,000	250,000	250,000	250,000	250,000
Expenditures						
Plant and Pump Station Equipment	220,000	220,000	200,000	200,000	200,000	200,000
Unplanned expenditures	52,388	30,000	50,000	50,000	50,000	50,000
Charged to ECB if exceeds Budget	(647)					
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0

REPLACEMENTS SCHEDULED FOR FY 2015	
Replace 6 Valve Actuators	\$45,000
Replace Parts Washer	35,000
Overhaul#1 Centrifuge	30,000
Purchase Spare PWAS Pump	30,000
Overhaul #1 NPS Pump	25,000
Replace 2 Positive Displacement Pumps	22,000
Replace Portable 6" Submersible Pump	15,000
Subtotal Planned Projects:	\$202,000
Unplanned Maintenance	\$48,000
Total for FY 2015	\$250,000
TOTAL PLANT AND PUMPSTATION R&R FY '15 BUDGET	

It is anticipated that the Plant & Pump Station Renewal & Replacement fund will be incorporated with or replaced by an asset management program in the future.

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
EMERGENCY - Fund 75						
Beginning Balance	\$2,000,000	\$2,750,000	\$3,500,000	\$4,250,000	\$5,000,000	\$5,000,000
Revenue						
Provisions from SSC	750,000	750,000	750,000	750,000	0	0
Expenditures						
	0	0	0	0	0	0
Ending Balance	\$2,750,000	\$3,500,000	\$4,250,000	\$5,000,000	\$5,000,000	\$5,000,000

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
STRUCTURAL RENEWAL & REPLACEMENT - Fund 80						
Beginning Balance	\$8,876,000	\$5,675,000	\$6,493,000	\$5,045,000	\$815,000	(\$242,000)
Revenue						
Provisions from SSC/Net Revenue	11,978,000	11,358,000	11,695,000	13,218,000	15,740,000	17,561,000
SRF Proceeds	1,479,000	3,387,000	4,294,000	169,000	1,169,000	1,169,000
Expenditures						
CIP Projects	12,700,000	11,723,000	15,233,000	14,850,000	15,199,000	14,749,000
Debt Service (SRF Repayments)	3,958,000	2,204,000	2,204,000	2,767,000	2,767,000	2,767,000
Ending Balance	\$5,675,000	\$6,493,000	\$5,045,000	\$815,000	(\$242,000)	\$972,000

Fiscal Years Ending June 30,	Estimated	Projected				
	2014	2015	2016	2017	2018	2019
PRETREATMENT - Fund 85						
Beginning Balance	\$112,797	\$106,497	\$99,497	\$92,497	\$85,497	\$78,497
Revenue						
Transfer from SSC	0	0	0	0	0	0
Enforcement Fees	11,200	0	0	0	0	0
Expenses						
Supplies/Equipment	17,500	4,000	4,000	4,000	4,000	4,000
Training	0	3,000	3,000	3,000	3,000	3,000
Ending Balance	\$106,497	\$99,497	\$92,497	\$85,497	\$78,497	\$71,497

	<i>Estimated</i>	<i>Projected</i>				
<u>Fiscal Years Ending June 30,</u>	2014	2015	2016	2017	2018	2019
CAPACITY - Fund 90						
<i>Beginning Balance</i>	\$16,093,405	\$14,802,792	\$15,211,292	\$13,971,292	\$9,025,292	\$5,173,292
<u>Revenue</u>						
Capacity Fees	3,576,000	2,700,000	2,300,000	2,300,000	2,300,000	2,300,000
SRF Proceeds	945,387	847,500	1,375,000	0	1,000,000	1,000,000
SGIP Proceeds (Cogen)	0	845,000	169,000	169,000	169,000	169,000
Interest	125,000	89,000	92,000	85,000	56,000	33,000
<u>Expenditures</u>						
CIP	5,220,000	3,150,000	4,253,000	6,390,000	6,267,000	4,557,000
Debt Servicing	717,000	923,000	923,000	1,110,000	1,110,000	1,110,000
<i>Ending Balance</i>	\$14,802,792	\$15,211,292	\$13,971,292	\$9,025,292	\$5,173,292	\$3,008,292

Annual Contract Purchases of Supplies, Services & Vehicle Renewal Replacements Over \$100,000 for Fiscal Year 2015	
ITEMS	
	<i>Estimated Expenditure</i>
Supplies*:	
Sodium Hypochlorite - One-year contract with Univar USA, Inc.	\$396,000
Ferrous Chloride, One-Year contract with Kemira Water Solutions, Inc.	395,000
Polymer, emulsion, One-Year Contract with BASF Corp.	395,000
Hydrogen Peroxide, One-Year Contract with Evoqua Water Technologies	325,000
Total Supplies:	\$1,511,000
Services:	
State Water Resources Control Board, Debt payments for seven SRF loans	\$3,127,110
PERS Retirement payments for employees	3,198,933
PERS Medical - payments for employee coverage	3,025,342
PERS Retiree Medical Trust payments - Annual Required Contribution - (ARC)	543,540
PG&E, payments for electrical service - Alvarado site	1,503,000
PG&E, payments for electrical service - Newark Pump Station	191,513
EBDA Operations & Maintenance payments	1,123,200
Biosolids, Year Four of Five-Year Contract with Synagro West	651,579
Total Services:	\$13,364,217
Vehicle & Equipment Renewal/Replacement:	
2 New Construction Trucks	340,000
1 10-Yard Dump Truck	145,000
Total Vehicle & Equipment Renewal/Replacement	\$485,000

*Chemicals are bid annually via the Bay Area Chemical Consortium (BACC).

STATEMENT OF CASH FLOW AND FUND BALANCES			
	FY '14 Budget	FY '14 Projected	FY '15 Proposed
OPERATING FUND			
Beginning Balance	\$35,467,000	\$35,467,000	\$32,330,923
<u>Revenues and Proceeds:</u>			
Sewer Service Charges	\$44,887,853	\$44,887,853	\$47,448,461
Operating Revenues	765,000	982,000	848,500
Interest Income	219,000	263,000	210,000
SGIP Rebates (Cogen)	0	0	845,000
Solar Rebates (Irvington & Carport)	180,000	180,000	189,200
SRF Loan Proceeds	3,200,000	1,479,352	2,542,000
Misc. (LAVWMA, enforcement fees)	109,500	125,000	115,000
<i>Total Revenues and Proceeds</i>	\$49,361,353	\$47,917,205	\$52,198,161
<u>Expenditures:</u>			
Operating	\$32,100,356	\$31,060,571	\$32,659,214
Special Projects	869,500	864,500	1,708,478
Retiree Medical Benefits (ARC)	462,852	462,852	543,540
R & R - Vehicles & Equipment	1,089,734	661,816	1,017,700
R & R - Information System	1,101,990	1,025,247	1,216,000
R & R - Plant & Pump Stations	250,000	197,237	250,000
Pretreatment Program	7,000	17,500	7,000
Sewer Service Fee from County	106,000	105,559	106,000
Debt Servicing	3,958,000	3,958,000	2,204,389
Capital Program - R & R Structural*	12,285,000	12,700,000	11,632,500
<i>Total Expenditures</i>	\$52,230,432	\$51,053,282	\$51,344,821
Ending Sewer Service Fund Balance	\$32,597,921	\$32,330,923	\$33,184,263
CAPACITY FUND			
Beginning Balance	\$16,093,000	\$16,093,000	\$14,801,824
<u>Revenues:</u>			
Capacity Fees	\$2,300,000	\$3,575,626	\$2,700,000
Interest Income	102,000	125,000	89,000
SGIP Rebates (Cogen)	0	0	845,000
SRF Loan Proceeds	500,000	945,387	848,000
<i>Total Revenues</i>	\$2,902,000	\$4,646,013	\$4,482,000
<u>Expenditures:</u>			
Capital Program*	\$5,220,000	\$5,220,000	\$3,150,000
Debt Servicing - SRF	718,000	717,189	923,000
<i>Total Expenditures</i>	\$5,938,000	\$5,937,189	\$4,073,000
Ending Capacity Fund Balance	\$13,057,000	\$14,801,824	\$15,210,824

*CIP Budgeted at 90%

TEN YEAR CIP FY15-FY24 EXPENDITURE PLAN
 June 2, 2014
 (All Figures x\$1,000)

ADMINISTRATIVE FACILITIES		FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
Fund	% Rank Project Name											
800	3 Additional CS (Vehicle) Storage		50	200								250
800	2 FMC Bldg. - New		700	4,000	2,000							6,700
800	2 FMC Bldgs Renovation		50	300								350
800	3 FMC Storage		50	200								250
800	3 Plant Paving			200		250						450
900	3 Solar Panels at Alvarado - Phase II		150	1,500								1,650
	Total for ADMINISTRATIVE FACILITIES	0	1,000	6,400	2,000	0	0	250	0	0	0	9,650

COLLECTION SYSTEM		FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
Fund	% Rank Project Name											
800	1 Alvarado-Niles Sewer Rehab	275	3,500									3,775
800	2 Cast Iron/Pipe Lining		500		500							1,000
800	0.75 Jarvis Ave	750										750
900	0.25 Jarvis Ave	250										250
800	2 Misc. C S Projects		250	250	300	300	300	300	300	300	300	2,600
800	2 RCP Sewer Rehab (Alvarado Basin)						200	2,000	100	1,000		3,300
800	2 RCP Sewer Rehab (Irvington Basin)				200	2,000	300	3,000				5,500
800	2 RCP Sewer Rehab (Newark Basin)					100	1,000				100	1,200
800	0.50 Newark Backyard Relocation	225	1,250	100	1,250							2,825
900	0.50 Newark Backyard Relocation	225	1,250	100	1,250							2,825
800	2 Pine St. Easement	100										100
800	2 Spot Repairs		500								500	1,000
900	2 Stevenson at Davis St.				150	1,000						1,150
800	1 Upper Hetch Hetchy	3,500									500	4,000

Collection cont'd next page

TEN YEAR CIP FY15-FY24 EXPENDITURE PLAN
 June 2, 2014
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>Total</u>
900		1	Veasy St. Sewer Improvements	100	600									700
Total for COLLECTION SYSTEM				5,425	7,850	450	3,650	3,400	1,800	5,300	400	1,300	1,400	30,975
TRANSPORT SYSTEM PROJECTS														
800	0.50	2	Alameda Creek Crossing Lift Station						250		2,000	2,000		4,250
900	0.50	2	Alameda Creek Crossing Lift Station						250		2,000	2,000		4,250
800	0.50	1	Boyce Rd. LS Replacement	150										150
900	0.50	1	Boyce Rd. LS Replacement	150										150
800		2	Cherry St. PS Improvements	50										50
900		2	Eden Marsh			1,000	1,000							3,000
900		3	Equalization Storage @ Irvington									300	3,000	3,300
900		2	Equalization Storage @ Newark					500			3,000			6,500
800	0.50	1	Fremont & PP LSI Internal Lift Pumps	100	500									600
900	0.50	1	Fremont & PP LSI Internal Lift Pumps	100	500									600
800	0.50	2	Hayward Marsh Ammonia Removal Facility			50	500							550
900	0.50	2	Hayward Marsh Ammonia Removal Facility			50	500							550
800		2	New Cherry St. PS							300	3,000			3,300
800		1	Stevenson Property Backup Comm Towe	700										700
800		3	Transport System Misc. Projects					1,000		1,000			1,000	3,000
800	0.50	1	Wet Weather Flow Management	200	200	200	2,000							4,600
900	0.50	1	Wet Weather Flow Management	200	200	200	2,000							4,600
Total for TRANSPORT SYSTEM PROJECTS				1,650	1,400	1,500	6,000	6,500	500	4,300	10,000	4,300	4,000	40,150

TEN YEAR CIP FY15-FY24 EXPENDITURE PLAN
 June 2, 2014
 (All Figures x\$1,000)

<u>Fund</u>	<u>TREATMENT</u>	<u>Rank</u>	<u>%</u>	<u>Project Name</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>Total</u>
<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>%</u>	<u>Project Name</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>Total</u>
900		2		3rd Degritter System		100	500								600
800		2		30" ML Pipe Lining		100	500								600
800		2		Aeration Internal Lift Pumps					1,000						1,000
800	0.50	2		Aeration System Rehab	50	200	1,000	1,000							2,250
900	0.50	2		Aeration System Rehab	50	200	1,000	1,000							2,250
900		2		Aeration Tank (East) Baffling		100	500								600
800		2		Aeration Tank (East) Roof		250	2,500								2,750
800		3		Alvarado PS Roof		50									50
800		3		Blower Bldg & Channel Air Demo & Repl				100	500						600
800	0.50	1		Cogen Project	1,150										1,150
900	0.50	1		Cogen Project	1,150										1,150
800		2		Contact Tank Valve Replacement					1,000						1,000
800		2		Control Box No. 1 Improvements		150	1,500	1,500							3,150
800		2		Diffuser Replacement		100	100	150							350
800		1		Digester No. 5 Rehab	500										500
900		3		Digester No. 7										100	100
800		2		Emergency Outfall Outlet Improvements			300								300
800	0.50	2		FOG Receiving Station & Fuel Cell								250	2,500		2,750
900	0.50	2		FOG Receiving Station & Fuel Cell								250	2,500		2,750
800		2		Gravity Belt Thickener					500	2,000	3,000				5,500
800		2		Generator Controls Upgrade	200	1,000									1,200
800		2		Headworks gates, actuators and Screens			100	1,500							1,600

Treatment cont'd next page

TEN YEAR CIP FY15-FY24 EXPENDITURE PLAN
 June 2, 2014
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>Total</u>
800		1	MCC Replacement	100	600				100	600				1,400
800		2	Misc. Electrical Equipment Upgrade		500				500		500		1,000	2,500
800		2	Misc. Projects		250	250	250	300	300	300	300	300	300	2,550
800		2	Odor Scrubber System Improvements					250	2,500	300	3,000	200	2,000	8,250
800		2	Old Newark Plant Demo			100	1,000							1,100
800		3	Paint Facilities - Additional		200	1,000								1,200
800		2	Plant Facilities Improvements	300	800									1,100
800		2	Plant Master Plan Equipment Replacement					2,000	3,000	3,000	4,000	4,000	6,000	22,000
800		2	PLC Replacement		100	200	350							650
800	0.75	2	Primary Clarifier Rehab (5-6)			375	1,688	1,688						3,750
900	0.25	2	Primary Clarifier Rehab (5-6)			125	563	563						1,250
800		2	Primary Effluent (60") Pipeline Rehab	50	200									250
800		1	RAS PS Pumps, Valve & Pipe Replacement		100	600	600							1,300
800		2	Repairs to Concrete Tanks		200	200	200	200	200	200	200	200	200	1,800
800	0.75	2	Sec. Clarifiers No. 5 and 6 Rehabilitation		150	1,500	1,500							3,150
900	0.25	2	Sec. Clarifiers No. 5 and 6 Rehabilitation		50	500	500							1,050
900		3	Secondary Clarifiers No. 7 & 8									400	2,000	2,400
800		2	Seismic Retrofit of Conc. Structures				200	2,000	200	2,000	300	3,000	300	8,000
800		2	Sludge Drying (BACWA)	100	100	100								300
800		2	Sludge Recirculation Pump Replacement		200	200								400
800		2	Standby Generators 5 and 6					150	2,500					2,650
800		2	Standby Generators 7 and 8					200	4,000					4,200
900		2	Storm Water Diversion Pump Station		200	1,500								1,700

TEN YEAR CIP FY15-FY24 EXPENDITURE PLAN
 June 2, 2014
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>Total</u>
800	0.75	2	Thickener Control Bldg Improvements	4,125	4,125	375								8,625
900	0.25	2	Thickener Control Bldg Improvements	1,375	1,375	125								2,875
800		2	Thickener Mechanisms 1-2				100	2,200						2,300
800		2	Truck Scales Improvements			100								100
800		2	Water Storage Tank and Well	300										300
Total for TREATMENT				9,450	11,400	15,250	12,200	11,550	16,300	9,400	8,800	13,100	11,900	119,350
GRAND TOTAL				16,525	21,650	23,600	23,850	21,450	18,600	19,250	19,200	18,700	17,300	200,125
FUND 800 - Structural Renewal & Replacement				12,925	16,925	16,500	16,888	16,388	18,350	16,250	13,950	13,500	12,200	153,875
FUND 900 - Capacity				3,600	4,725	7,100	6,963	5,063	250	3,000	5,250	5,200	5,100	46,250

FY 2015 Budget

(all amounts x \$1,000)

ASSUMPTIONS (Long-Term)	
Interest Rate - Bonds, SRF	2.70%
CIP Inflation Rate	3.50%
Investment Rate	0.60%
CIP Funding @	90%

Amounts x\$1000, except where noted.

Debt Summary - AI 2019	
SRF Loans Outstanding - SSC	\$43,818
SRF Loans Outstanding - Capacity	21,082
Total SRF Loans & other Debt Outstanding	\$64,900
CIP Expenditures - 2015-2019	
Renewal & Replacement - SSC	\$71,753
Capacity Fund	24,616
Total CIP Expenditures @ 90%	\$96,369

Debt Summary - AI 2024	
SRF Loans Outstanding - SSC	\$30,247
SRF Loans Outstanding - Capacity	15,422
Total SRF Loans & other Debt Outstanding	\$45,669
CIP Expenditures - 2015 - 2024	
Renewal & Replacement - SSC	138,578
Capacity Fund	41,536
Total CIP Expenditures @ 90%	180,114

Capacity Fee Increase	Rate Study Impact										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
SSC Increase	10.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rate Model Time Period (must match time period below)	5.70%	5.70%	5.70%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Fiscal Years Ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Residential (EDU) Increase (Growth) - 1 year lag in rates	0.25%	0.00%	0.50%	0.50%	0.50%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
Commercial Increase (Memo only here)	0.00%	0.00%	0.00%	0.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Industrial Increase (Memo only here)	0.00%	0.00%	0.00%	0.20%	0.40%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Increase in Operations Budget	6.00%	1.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Capacity Fee Charge (whole \$)	\$5,329	\$5,596	\$5,876	\$6,170	\$6,479	\$6,803	\$7,143	\$7,500	\$7,875	\$8,269	\$8,662
Sewer Service Charge (SFC) (whole \$)	\$338	\$357	\$377	\$398	\$420	\$443	\$461	\$479	\$498	\$518	\$539

CASH FLOW PROJECTIONS

Sewer Service Fund	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Beginning Balance (Fund 80 + FPR)	\$8,876	\$5,676	\$6,494	\$5,047	\$817	(\$241)	\$973	\$721	\$3,558	\$12,227	\$21,717
Revenue											
Net Revenues (SSC+Int+OPRev-Gross ECB Exp-Prov)	11,978	11,358	11,695	13,218	15,740	17,561	18,861	20,228	21,848	22,792	26,110
Loan Payments from Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
Temporary Transfer To/From Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
SRF Loan/SGIP Proceeds	1,479	3,387	4,294	169	1,169	1,169	169	0	2,250	2,000	0
Expenditures											
CIP Expenditures	12,700	11,723	15,233	14,850	15,199	14,749	16,515	14,625	12,555	12,150	10,980
Loans to Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - New Issues	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - SRF Loan	3,958	2,204	2,204	2,767	2,767	2,767	2,767	2,767	2,874	3,152	3,152
Ending Balance	\$5,676	\$6,494	\$6,047	\$817	(\$241)	\$973	\$721	\$3,558	\$12,227	\$21,717	\$33,685
Other Designated Reserves (funds #30,40,60,70,75,85,SRF,INS,CF, Cash in bank)	26,655	26,929	28,027	29,453	30,312	31,090	31,588	32,539	32,603	34,156	34,368
Total Sewer Service Fund Balance	\$32,331	\$33,423	\$33,074	\$30,270	\$30,072	\$32,063	\$32,279	\$36,097	\$44,831	\$55,874	\$68,064

Capacity Fund (Capacity Fees)

Capacity Fund (Capacity Fees)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Beginning Balance	\$16,093	\$14,802	\$15,211	\$13,971	\$9,025	\$5,173	\$3,009	\$4,164	\$6,182	\$7,620	\$5,588
Revenue											
Interest Income	125	89	92	85	56	33	21	28	43	55	44
Capacity Fees	3,576	2,700	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Temporary Transfer To/From Existing Fund	0	0	0	0	0	0	0	0	0	0	0
SGIP Proceeds	0	845	169	169	169	169	169	0	0	0	0
SRF Loan Proceeds	945	848	1,375	0	1,000	1,000	0	3,500	5,250	2,000	0
Expenditures											
CIP Expenditures	5,220	3,150	4,253	6,390	6,267	4,557	225	2,700	4,725	4,680	4,590
Loan Payments to R & R Fund	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - SRF Loan	717	923	923	1,110	1,110	1,110	1,110	1,110	1,429	1,707	1,707
Ending Balance	\$14,802	\$15,211	\$13,971	\$9,025	\$5,173	\$3,009	\$4,164	\$6,182	\$7,620	\$5,588	\$1,835
% OF DEBT SERVICE TO GROSS REVENUES	9.3%	6.0%	6.0%	7.0%	6.7%	6.3%	6.0%	5.8%	6.1%	6.3%	6.3%
Debt Capacity Target (should not exceed 25% of Op + Debt)	13.1%	8.7%	8.4%	9.9%	9.6%	9.2%	8.9%	8.6%	9.1%	9.8%	9.5%
Ratio of debt service to SSC Net Rev (min. 1.30 per Debt policy#2060)	3.30	5.20	5.07	4.50	4.94	5.43	5.78	6.15	5.94	5.57	5.83
BONDING CAPACITY - Above 1.25 coverage	117,579	151,292	146,154	154,059	175,276	198,357	215,086	232,662	246,853	256,834	278,476



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 13, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager

SUBJECT: Agenda Item No. 17 - Meeting of June 23, 2014
Approving the New Positions of Utility Worker (Mechanic) and Painter in the FMC Workgroup

Recommendation:

Approve the addition of one Mechanic 1 and one Painter to the USD maintenance staff.

Background

During the budget preparation process in the spring of 2013, the General Manager recommended that the Board consider the addition of 6 positions at USD to address workload, backlog and overtime issues. USD had previously held the number of total positions to approximately 130 since the early 2000s. The Board approved the addition of a Construction Inspector in FY2014. This position was offset in part by reduced use of consultants for inspection and increased revenues due to new development in the Tri-Cities. The Board also approved the addition of a Senior Process Engineer to work in the Treatment and Disposal Group. This position will be charged with identifying changes in operation of the treatment plant to improve efficiency and reduce the use of chemicals and electricity, the two largest non-payroll costs incurred by the District.

At this time, the Board is being asked to approve the next two positions for addition to USD staff.

Mechanic

USD currently employs 11 mechanics that are responsible for maintaining the treatment plant, 6 pump stations and the force main pipelines that run from Irvington pump station to

the treatment plant. In 2011, benchmarking analysis revealed that USD is right at average in maintenance staff which is .75 of an employee per MGD. This data was only for maintenance of treatment plant facilities. As stated above, our employees maintain considerably more equipment, operate several pump stations and also support CIP Projects. Operating the pump stations is typically done by Operations groups at other facilities.

Over the last several years, the workload for the mechanics has increased due to two primary factors: aging mechanical equipment and facilities at the plant and pump stations, and increased involvement in supporting Capital Improvement Projects for the technical services group. Current Mechanical backlog of work is approximately 120 work orders. The mechanics have used scheduled overtime to help reduce the backlog. The FMC mechanical staff has recently been trained on, and has successfully rebuilt six Wemco Hydrostal pumps in house. These pumps were previously sent to a vendor at a cost of approx. \$35,000 each. While the in-house work on these pumps has saved the District money by reducing contracted out work, the work is labor intensive and requires two to three mechanics to complete the rebuild process.

The culture and working relationship between FMC and CIP has resulted in better designs of pump stations and equipment, as FMC staff actively participate in all phases of CIP projects to provide insight and knowledge of equipment and accessibility for maintenance activities. This commitment between the two groups has resulted in an increase in the time Mechanics are used to assist on CIP projects. As CIP projects continue to be on the horizon, this commitment will most likely continue to increase Mechanics participation in projects. During FY11 through FY13, on average 1,806 hours of time per year was recorded by the mechanics as CIP support work. Due to several ongoing CIP Projects, we expect future hours for this workload to continue to be constant and substantial.

Overtime (OT) is currently 9% of FMC's payroll. Overtime over the last 4 years has remained high due to the support that is provided to CIP Projects and maintaining a realistic backlog. Average yearly overtime hours for FY09 to FY 13 is just over 1400 hours per year. OT is also used to cover maintenance work that is disrupted due to CIP projects which potentially increase our backlog of work. OT is also used to cover vacations and sick / WC time off. The FMC Mechanics pride themselves on minimal contracting out of work, and will step up to work OT to keep work in-house.

One senior mechanic recently retired. There are three more who can retire at any time. These are employees with over 20 years of experience. While the District is actively recruiting new staff, there is a training curve to get new hires up to speed and knowledgeable of all the associated equipment. This also takes time and dedication of the remaining senior staff, which impacts productivity, as more time is required to complete jobs while training new staff. Realistically, it can take up to three years to train new staff

to full competency. In effect, FMC will be functioning with a work force reduction during the time it takes to train new staff.

Recently, the FMC workgroup initiated the PM Proficiency Project. This project involves several mechanics who are assigned to examine District assets and identify correct preventative and predictive maintenance and repair activities and improve the overall efficiency of maintenance work. They ensure correct data and procedures are entered into the new Hansen 8 software. This means that preventative maintenance work orders will be generated with the proper procedures listed, instead of mechanics having to research correct procedures and it ensures consistent maintenance is performed on equipment.

As the results of the PM Proficiency Project increasing team efficiency and new hires become more experienced and competent, it could be possible for FMC mechanical team to return to current staffing levels several years down the road.

Painter

USD has had a single painter for twenty three years that is responsible for maintaining the integrity of coating systems on equipment and other District assets at the Plant, Pump Stations, and Admin Facilities. The backlog of work has continued to grow over the years forcing us to delay a substantial amount of maintenance or contract out for painting services.

Our current backlog for the painter work alone is 51 work orders. We estimate that there are over 5000 man-hours of paint work in the painter's backlog based on the scale / scope of some of the work orders. Little progress has been made to reduce the current backlog because new work is constantly being added to the painter's list. We estimate that there are, on average, 25 work orders per month generated for mechanical work on equipment that the painter has some form of involvement in. Equipment usually needs to be coated when it is pulled for extensive maintenance. This could be as simple as painting a small part or two, up to the complete re-coating of large equipment, like the current Odor Scrubber work.

As the facilities age and are continuously exposed to chemicals and moisture, the need for coating and painting to protect against deterioration and corrosion is increasing.

Below are coating and painting costs associated with some recent CIP projects that could have been reduced with the addition of a second painter.

Newark PS Upgrade Project (2008-2009)

Ground Level - \$45,000

Intermediate Level - \$80,000 for piping and \$80,000 for walls

Lower Level - \$75,000 for piping and \$75,000 for walls

Wet Well - \$90,000 (excludes the wet well tanks)

Boyce Road LS (2012-2013)
Building Interior Concrete and Piping - \$55,000

Primary Clarifier (1-4) Rehab (2010-2011)
Clarifier Steel (Qty 4) - \$310,000
Clarifier Concrete (Qty 4) - \$380,000
Scum Pit - \$13,000
Clarifier Walkways (Qty 4) - \$28,000
Distribution Boxes at CB 1 (Qty 6) - \$70,868
Misc piping/ducting - \$30,000

Lift Station No. 1 Improvements (2013-14)
Wet Well Concrete - \$145,000

Currently, coating equipment is taking a higher priority than structures. Much time is spent coating equipment during rebuilds (ie: odor scrubbers: each scrubber takes two – three weeks to complete.) Currently, prep work on large equipment is being contracted out to a local prep shop. The addition of a second painter and new FMC shop facilities in the near future will allow us to perform this prep work in-house.

Work that is being done on equipment today has a life expectancy of about 5-6 years, which means that even with two painters, we will essentially never run out of paint and coating work. Corrosion prevention is a continuous job. The District has the disadvantage of being located near the bay. This, coupled with the chemicals used here and the continuous damp or wet environments, contributes greatly to our issues with corrosion and deterioration.

Having a painter with more of a structural background would be a great benefit. Both painters could cross-train to assist each other as needed. FMC could do a better job of maintaining District assets by keeping up coatings on the equipment and structures, thus preventing deterioration and corrosion.

Conclusion

As the plant, pump stations and administrative facilities continue to age, additional maintenance is required to keep the infrastructure in top operating condition. The addition of these two positions will allow us to reduce our backlog, reduce overtime, and reduce the amount of work we have to contract out in order to keep up with the increasing workload.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
General Manager
District Engineer

David M. O'Hara
Attorney

DATE: June 16, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Sami Ghossain, Manager of Technical Services
Raymond Chau, CIP Coach
Chris Elliott, Associate Engineer

SUBJECT: Agenda Item No. 18 – Meeting of June 23, 2014
Awarding the Construction Contract for the Jarvis Avenue Sanitary Sewer Replacement Project to D'Arcy & Harty Construction, Inc.

Recommendation

Staff recommends the Board award the construction contract for the Jarvis Avenue Sanitary Sewer Replacement Project (Project) to D'Arcy & Harty Construction, Inc. in the amount of \$1,034,736.80 and authorize staff to issue the Notice of Award for the Project. Funds for the project have been budgeted in the Renewal and Replacement Fund.

Background

The Newark Basin Masterplan update, completed by RMC Water & Environment in December of 2012, identified the 10-inch sanitary sewer on Jarvis Ave. as having high critical ratings due to cracking and sags. Staff has reviewed the television inspections performed by Collection Services and confirmed that the sewer is in poor structural condition and that there are extensive defects that require immediate attention.

The Project will replace 2,456 feet of existing 10-inch diameter gravity sewer which runs along Jarvis Ave. from Lake Blvd. to Newark Blvd. in Newark. Please see the location map provided in Exhibit A. The project scope of work also includes abandonment of 836 feet of existing 10-inch sanitary sewer, removal or abandonment of 4 existing manholes, construction of 7 new manholes, extension of existing sewer laterals to new sewer mains and installation of cleanouts, sewage flow control, and traffic control. West Yost & Associates completed the project design in mid-April, 2014.

Bid Results

The project was advertised for bids on April 24, 2014, and May 1, 2014, and bids were opened on May 22, 2014. Staff received three (3) bids. The results are as follows:

Contractor	Total Base Bid Amount
D'Arcy & Harty Construction, Inc.	\$1,034,736.80
EPS Inc., dba Express Plumbing	\$1,089,084.00
Cratus Inc.	\$1,137,488.00

D'Arcy & Harty Construction is the lowest responsive and responsible bidder with a total base bid amount of \$1,034,736.80; approximately 1% above the Engineer's Estimate of \$1,025,000.

There were a few minor irregularities with D'Arcy & Harty Construction's bid, including clerical errors on some of the bid forms. These irregularities are administrative in nature and, after consultation with legal council and clarification from D'Arcy & Harty, staff recommends waiving them. No bid protests were received by the District. D'Arcy & Harty Construction has confirmed that they will construct the project as bid.

Bid Alternate

The Project's bid schedule included one bid alternate. Staff utilized the sum of the Total Base Bid and Bid Alternate A for the basis of award. Bid Alternate A provides for early trench excavation of 416 feet of the proposed alignment prior to commencement of the sewer pipeline installation. This will allow staff to verify the location of buried utilities and ensure that the proposed alignment and depth of the new sewer pipeline is constructible. Staff's recommendation includes awarding Bid Alternate A.

Contractor's Background

D'Arcy & Harty Construction is a General Engineering Class A licensed contractor who has constructed numerous open cut pipe replacement projects, including the Sanchez Bypass and Neighborhood Sewer Rehab for the City of Burlingame, the 2011 Marin City Sewer Rehab Project for the Sausalito Marin City Sanitary District, and several projects for the City and County of San Francisco including the Bernal Heights / Portrero District Sewer Project, the McLaren / Ingleside / Excelsior Sewer Project, and the 21st / 23rd / 24th / Hampshire Sewer Project. D'Arcy & Harty has also completed District projects in the past. In 1997, under a joint venture with another contractor, D'Arcy & Harty

constructed the Jarvis Avenue Sewer Replacement Project (USD Project No. 28-87). Staff has checked references and received satisfactory responses.

Notice to Proceed for construction of the project is anticipated to be issued in mid-July, and construction completion is expected by mid-November. Staff is currently in the process of selecting a construction management consultant for the project.

RBC/SG/RC/CE;ks

Attachments: Exhibit A
Bid Tabulation Sheet
Agreement



PROJECT LIMITS



**EXHIBIT A
JARVIS AVENUE SEWER PROJECT
LOCATION MAP**

Item	Description	Bid Schedule		D'ARCY & HARTY CONSTRUCTION, INC.		EPS INC., dba EXPRESS PLUMBING		CRATUS INC.	
		Quantity	UOM	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Mobilization and Demobilization	1	LS	\$ 45,000.00	\$ 45,000.00	\$ 20,000.00	\$ 20,000.00	\$ 48,000.00	\$ 48,000.00
2	Construct 10-inch Diameter SDR-26 PVC Sanitary Sewer by Open-Cut Method	2,456	LF	\$ 243.00	\$ 596,808.00	\$ 140.00	\$ 343,840.00	\$ 321.00	\$ 788,376.00
3	Abandon Existing 10-inch Diameter Sanitary Sewer In Place	836	LF	\$ 5.00	\$ 4,180.00	\$ 18.00	\$ 15,048.00	\$ 5.30	\$ 4,430.80
4	Construct Standard Sanitary Sewer Manhole	7	EA	\$ 7,000.00	\$ 49,000.00	\$ 17,800.00	\$ 124,600.00	\$ 8,250.00	\$ 57,750.00
5	Remove Existing Sanitary Sewer Manhole	2	EA	\$ 1,000.00	\$ 2,000.00	\$ 3,500.00	\$ 7,000.00	\$ 2,500.00	\$ 5,000.00
6	Abandon Existing Sanitary Sewer Manhole	2	EA	\$ 1,000.00	\$ 2,000.00	\$ 2,200.00	\$ 4,400.00	\$ 2,000.00	\$ 4,000.00
7	Connect Existing 6-inch Lateral to New Manhole of Connect New Sewer to Existing Manhole	4	EA	\$ 200.00	\$ 800.00	\$ 1,300.00	\$ 5,200.00	\$ 1,000.00	\$ 4,000.00
8	Extend Existing Lateral to New Sanitary Sewer Main and Install Cleanouts	5	EA	\$ 7,000.00	\$ 35,000.00	\$ 3,500.00	\$ 17,500.00	\$ 5,000.00	\$ 25,000.00
9	Sewer Flow Control	1	LS	\$ 12,000.00	\$ 12,000.00	\$ 35,000.00	\$ 35,000.00	\$ 5,000.00	\$ 5,000.00
10	Project Liaison	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 9,500.00	\$ 9,500.00	\$ 5,000.00	\$ 5,000.00
11	Traffic Control	1	LS	\$ 35,000.00	\$ 35,000.00	\$ 8,800.00	\$ 8,800.00	\$ 10,000.00	\$ 10,000.00
12	Sheeting, Shoring, and Bracing includes cost for providing all shoring and bracing on all Bid items above including but not limited to that as required by Sections 6700-6708 of the Labor Code	1	LS	\$ 75,000.00	\$ 75,000.00	\$ 52,000.00	\$ 52,000.00	\$ 22,500.00	\$ 22,500.00
13	Dewatering	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 18,500.00	\$ 18,500.00	\$ 1,000.00	\$ 1,000.00
14	Reconstruct Access Road	1	LS	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00	\$ 12,000.00	\$ 12,000.00
15	Pavement Grind and Overlay	42,412	SF	\$ 2.40	\$ 101,788.80	\$ 8.00	\$ 339,296.00	\$ 2.60	\$ 110,271.20
16	Replacement of Damaged Irrigation Systems	1	Allowance	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
17	Over Excavation and Install Rock Ballast	80	CY	\$ 30.00	\$ 2,400.00	\$ 236.00	\$ 18,880.00	\$ 65.00	\$ 5,200.00
A	Pre-Excavation Between STA 19+84 and STA 24+00	416	LF	\$ 110.00	\$ 45,760.00	\$ 95.00	\$ 39,520.00	\$ 60.00	\$ 24,960.00
Total					\$ 1,034,736.80		\$ 1,089,084.00		\$ 1,137,488.00

Engineer's Estimate = \$1,025,000

BLUE = LOW UNIT PRICE

**AGREEMENT FOR THE CONSTRUCTION OF
JARVIS AVENUE SANITARY SEWER REPLACEMENT PROJECT
PROJECT NO. 800-403**

THIS AGREEMENT, made and concluded, in duplicate, this _____ day of June, 2014, between the UNION SANITARY DISTRICT ("District"), Union City, California, and **D'Arcy & Harty Construction, Inc.** ("Contractor"), License No. 474146.

W I T N E S S E T H :

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the District, and under the conditions expressed in the two bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the District, at his/her own proper cost and expense, to do all the work and furnish all the materials necessary to construct and complete in good workmanlike and substantial manner the project entitled: **Jarvis Avenue Sanitary Sewer Replacement Project (Project No. 800-403)** in strict conformity with the plans and specifications prepared therefor, which said plans and specifications are hereby specially referred to and by said reference made a part hereof.

2. Now, therefore, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the Contractor hereby agrees to complete the work in accordance with the terms and conditions stipulated in the Contract Documents for the sum of **One Million Thirty Four Thousand Seven Hundred Thirty Six and Eighty Cents (\$1,034,736.80)** (the "Contract Price") computed in accordance with Contractor's accepted proposal dated May 22, 2014, which accepted proposal is incorporated herein by reference thereto as if herein fully set forth. Compensation shall be based upon the lump sum bid items plus the unit prices stated in the Bid Schedule times the actual quantities or units of work and materials performed or furnished. The further terms, conditions, and covenants of this Agreement are set forth in the Contract Documents, each of which is by this reference made a part hereof. Payments are to be made to the Contractor in accordance with the provisions of the Contract Documents and the Technical Specifications in legally executed and regularly issued warrants of the District, drawn on the appropriate fund or funds as required by law and order of the District thereof.

3. The District hereby promises and agrees with the said Contractor to employ, and does hereby employ, the said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the Contract Price, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the Contract Documents; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

4. The Contractor and any subcontractor performing or contracting any work shall comply with all applicable provisions of the California Labor Code for all workers, laborers and mechanics of all crafts, classifications or types, including, but necessarily limited to the following:

(a) The Contractor shall comply with all applicable provisions of Section 1810 to 1815, inclusive, of the California Labor Code relating to working hours. The Contractor shall, as a penalty to the District, forfeit the sum of twenty-five dollars (\$25) for each

worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, unless such worker receives compensation for all hours worked in excess of eight (8) hours at not less than 1-1/2 times the basic rate of pay.

(b) Pursuant to the provision of California Labor Code, Sections 1770 et. seq., the Contractor and any subcontractor under him shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Pursuant to the provisions of California Labor Code Section 1773.2, the Contractor is hereby advised that copies of the prevailing rate of per diem wages and a general prevailing rate for holidays, Saturdays and Sundays and overtime work in the locality in which the work is to be performed for each craft, classification, or type of worker required to execute the Contract, are on file in the office of the District, which copies shall be made available to any interested party on request. The Contractor shall post a copy of said prevailing rate of per diem wages at each job site.

(c) As required by Section 1773.1 of the California Labor Code, the Contractor shall pay travel and subsistence payments to each worker needed to execute the work, as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with this Section.

(d) To establish such travel and subsistence payments, the representative of any craft, classification, or type of workman needed to execute the contracts shall file with the Department of Industrial Relations fully executed copies of collective bargaining agreements for the particular craft, classification or type of work involved. Such agreements shall be filed within 10 days after their execution and thereafter shall establish such travel and subsistence payments whenever filed 30 days prior to the call for bids.

(e) The Contractor shall comply with the provisions of Section 1775 of the California Labor Code and shall, as a penalty to the District, forfeit not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of per diem wages for each craft, classification, or type of worker needed to execute the contract. The Contractor shall pay each worker an amount equal to the difference between the prevailing wage rates and the amount paid worker for each calendar day or portion thereof for which a worker was paid less than the prevailing wage rate.

(f) As required under the provisions of Section 1776 of the California Labor Code, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, and straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Said payroll shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available for inspection or furnished upon request to the District, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available upon request by the public for inspection or for copies thereof; provided, however, that a request by the public shall be made through the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to subparagraph 4(e) herein, the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the Contractor, subcontractors, and the entity through which the request was made. The public shall not be given access to the records at the principal offices of the Contractor.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.

Each Contractor shall file a certified copy of the records, enumerated in Paragraph 4(f) with the entity that requested the records within 10 days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor awarded the contract or performing the contract shall not be marked or obliterated. The Contractor shall inform the District of the location of the records enumerated under Paragraph 4(f) including the street address, city and county, and shall, within 5 working days, provide a notice of change of location and address. The Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this Paragraph 4(f). In the event that the Contractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or the District, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. Responsibility for compliance with Paragraph 4(f) lies with the Contractor.

(g) The Contractor and any subcontractors shall, when they employ any person in any apprenticeable craft or trade, apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the construction site for a certificate approving the Contractor or subcontractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected; and shall comply with all other requirements of Section 1777.5 of the California Labor Code. The responsibility of compliance with California Labor Code Section 1777.5 during the performance of this contract rests with the Contractor. Pursuant to California Labor Code Section 1777.7, in the event the Contractor willfully fails to comply with the provisions of California Labor Code Section 1777.5, the Contractor shall be denied the right to bid on any public works contract for up to three (3) years from the date noncompliance is determined and be assessed civil penalties.

(h) In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860), and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to secure the payment of compensation to its employees and for that purpose obtain and keep in effect

adequate Workers' Compensation Insurance. If the Contractor, in the sole discretion of the District satisfies the District of the responsibility and capacity under the applicable Workers' Compensation Laws, if any, to act as self-insurer, the Contractor may so act, and in such case, the insurance required by this paragraph need not be provided.

The Contractor is advised of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code and shall comply with such provisions and have Employer's Liability limits of \$1,000,000 per accident before commencing the performance of the work of this Contract.

The Notice to Proceed with the Work under this Contract will not be issued, and the Contractor shall not commence work, until the Contractor submits written evidence that it has obtained full Workers' Compensation Insurance coverage for all persons whom it employs or may employ in carrying out the work under this Contract. This insurance shall be in accordance with the requirements of the most current and applicable state Workers' Compensation Insurance Laws. In accordance with the provisions of Section 1861 of the California Labor Code, the Contractor in signing this agreement certifies to the District as true the following statement: "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

A subcontractor is not allowed to commence work on the project until verification of Workers' Compensation Insurance coverage has been obtained and verified by the Contractor and submitted to the Construction Manager for the District's review and records.

(i) In accordance with the provisions of Section 1727 of the California Labor Code, the District, before making payment to the Contractor of money due under a contract for public works, shall withhold and retain therefrom all wages and penalties which have been forfeited pursuant to any stipulation in the contract, and the terms of Chapter 1, Part 7, Division 2 of the California Labor Code (commencing with Section 1720). But no sum shall be withheld, retained or forfeited, except from the final payment, without a full investigation by either the Division of Labor Standards Enforcement or by the District.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this Agreement the instrument and the bid proposal of said Contractor, then this Agreement instrument shall control, and nothing herein contained shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

6. The Contractor agrees to provide and maintain insurance coverage, and to indemnify and save harmless the parties named and in the manner set forth in Section 00800-2.0, **LIABILITY AND INSURANCE**, of the Supplementary General Conditions of the Specifications.

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include a duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein shall be construed to require Contractor to indemnify against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

7. The Contractor shall diligently prosecute the work so that it shall be substantially completed within the time specified in Section 00800-1.1, **Time Allowed for Completion**.

8. Except as otherwise may be provided herein, Contractor hereby expressly guarantees for one (1) full year from the date of the substantial completion of the work under this agreement and acceptance thereof by the District, to repair or replace any part of the work performed hereunder which constitutes a defect resulting from the use of inferior or defective materials, equipment or workmanship. If, within said period, any repairs or replacements in connection with the work are, in the opinion of the District, rendered necessary as the result of the use of inferior or defective materials, equipment or workmanship, Contractor agrees, upon receipt of notice from District, and without expense to District, to promptly repair or replace such material or workmanship and/or correct any and all defects therein. If Contractor, after such notice, fails to proceed promptly to comply with the terms of this guarantee, District may perform the work necessary to effectuate such correction and recover the cost thereof from the Contractor and/or its sureties.

In special circumstances where a particular item of work or equipment is placed in continuous service before substantial completion of the Work, the correction period for that item may start to run from an earlier date. This date shall be agreed upon in writing by the Contractor and District on or before the item is placed in continuous service.

Any and all other special guarantees which may be applicable to definite parts of the work under this agreement shall be considered as an additional guarantee and shall not reduce or limit the guarantee as provided by Contractor pursuant to this paragraph during the first year of the life of such guarantee.

9. The Contractor shall provide, on the execution of this Agreement, a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of the Contract Price, which bond shall be on the form provided by the District in Section 00610, **FORM OF PERFORMANCE BOND**, and be conditioned upon the faithful performance of all work required to be performed by the Contractor under this Agreement. Said bond shall be liable for any and all penalties and obligations which may be incurred by Contractor under this Agreement. The corporate surety bond shall be issued by a corporate surety that possesses a minimum rating from A. M. Best Company of A:VII and that is approved by the District. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

10. In addition to the bond required under Paragraph 9, hereof, Contractor shall furnish a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of the Contract Price, which bond shall be on the form provided by the District in Section 00620, **PAYMENT BOND**, and conform strictly with the provisions of Sections 9550 et seq. of the Civil Code, and all amendments thereto. The corporate surety bond shall be issued by a corporate surety that possesses a minimum rating from A. M. Best Company of A:VII and that is approved by the District. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

11. The Contractor may substitute securities for the amounts retained by the District to ensure performance of the work in accordance with the provisions of Section 22300 of the Public Contract Code.

12. The Contractor shall be provided the time period specified in Section 01340-2.0, **MATERIAL AND EQUIPMENT SUBSTITUTIONS**, for submission of data substantiating a request for a substitution of an "or equal" item.

13. As required by Section 6705 of the California Labor Code and in addition thereto, whenever work under the Contract involves the excavation of any trench or trenches five feet or more in depth, the Contractor shall submit in advance of excavations, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Industrial Safety in Title 8, Subchapter 4, Article 6, California Code of Regulations, the plan shall be prepared by a registered civil or structural engineer employed by the Contractor, and all costs therefore shall be included in the price named in the Contract for completion of the work as set forth in the Contract Documents. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the District, the Design Consultant, Construction Manager or any of their agents, consultants, or employees. The District's review of the Contractor's excavation plan is only for general conformance to the California Construction Safety Orders.

Prior to commencing any excavation, the Contractor shall designate in writing to the Construction Manager the "competent person(s)" with the authority and responsibilities designated in the Construction Safety Orders.

14. In accordance with Section 7104 of the Public Contract Code, whenever any work involves digging trenches or other excavations that extend deeper than four feet below the surface, the provisions of Section 00700-7.2, **Differing Site Conditions**, shall apply.

15. In accordance with Section 7103.5 of the Public Contract Code, the Contractor and subcontractors shall conform to the following requirements. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchases of goods, materials or services pursuant to this Contract or the subcontract. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor, without further acknowledgment by the parties.

16. In accordance with Section 4552 of the Government Code, the Contractor shall conform to the following requirements. In submitting a bid to the District, the Contractor offers and agrees that if the bid is accepted, it will assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchase of goods, materials, or services by the Contractor for sale to the District pursuant to the bid. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor.

17. Pursuant to Public Contract Code Section 7100, the acceptance by the Contractor of an undisputed payment made under the terms of the Contract shall operate as, and shall be, a release to the District, and their duly authorized agents, from all claim of and/or liability to the Contractor arising by virtue of the contract related to those amounts. Disputed contract claims in stated amounts may be specifically excluded by the Contractor from the operation of the release.

18. In accordance with California Business and Professions Code Section 7030, the Contractor is required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning the Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

19. INDEMNIFICATION. To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the District from any claims, choses in action or lawsuits, whereby any subcontractor, material or equipment supplier, laborer or any person who supplies work or materials to said work of improvement may claim damages, losses and expenses thereto arising out of or resulting from any claim for performance of work, including the legal defense of any stop notice action as well as attorney fees and costs. District may be required to engage separate legal counsel from that of the Contractor should District and Contractor be both named as defendants, cross-defendants or other parties to any such stop notice action in District's sole discretion. Contractor shall be fully liable for any judgment or damages resulting from any claim for stop notice relief or other liability regarding payment for materials, supplies, labor or equipment under this contract. In claims against any person or entity indemnified under this paragraph by an employee of Contractor, a subcontractor, anyone directly or indirectly employed by them for whose acts they may be liable, the indemnification obligation under this paragraph shall not be limited in amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor. In all cases, indemnification shall include attorney fees and court costs.

Unless arising solely out of the active negligence, gross negligence or willful misconduct of the District or the Design Consultant, the Contractor shall indemnify, defend and hold harmless: (1) the District and its Board of Directors, officers, employees, agents and representative; (ii) the Design Consultant and its consultants for the Work and their respective agents and employees; and (iii) if one is designated by the District for the work, the Construction Manager and its agents and employees (collectively "the Indemnified Parties"). The Contractor's obligations hereunder include indemnity, defense and hold harmless of the Indemnified Parties from and against any and all damages, losses, claims, demands or liabilities whether for damages, losses or other relief, including, without limitation attorney's fees and costs which arise, in whole or in part, from the Work, the Contract Documents or the acts, omissions or other conduct of the Contractor or any subcontractor or any person or entity engaged by them for the Work. The Contractor's obligations under the foregoing include without limitation: (i) injuries to or death of persons; (ii) damage to property; or (iii) theft or loss of property; (iv) stop notice claims asserted by any person or entity in connection with the Work; and (v) other losses, liabilities, damages or costs resulting from, in whole or part, any acts, omissions or other conduct of Contractor, any of Contractor's Subcontractors, of any tier, or any other person or entity employed directly or indirectly by Contractor in connection with the Work and their respective agents, officers or employees. If any action or proceeding, whether judicial, administrative, arbitration or otherwise, shall be commenced on account of any claim, demand or liability subject to Contractor's obligations hereunder, and such action or proceeding names any of the Indemnified Parties as a

party thereto, the Contractor, at its sole cost and expense, shall defend the District and the Design Consultant in such action or proceeding with counsel reasonably satisfactory to the Indemnified Parties named in such action or proceeding. In the event that there shall be any judgment, award, ruling, settlement, or other relief arising out of any such action or proceeding to which any of the Indemnified Parties are bound by, Contractor shall pay, satisfy or otherwise discharge any such judgment, award, ruling, settlement or relief. Contractor shall indemnify and hold harmless the Indemnified Parties from any and all liability or responsibility arising out of any such judgment, award, ruling, settlement or relief. The Contractor's obligations hereunder are binding upon Contractor's Performance Bond Surety and these obligations shall survive notwithstanding Contractor's completion of the Work or the termination of the Contract.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this _____ day of June, 2014.

CONTRACTOR

By: _____

Name: _____

Title: _____

Address: _____

UNION SANITARY DISTRICT

By: _____

Jennifer Toy
Board Secretary

Address: 5072 Benson Road, Union City, California 94587

ATTEST:

David M. O'Hara
Attorney for Union Sanitary District



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
General Manager
District Engineer

David M. O'Hara
Attorney

DATE: June 16, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Sami Ghossain, Manager of Technical Services
Raymond Chau, CIP Coach
Chris Elliott, Associate Engineer

SUBJECT: Agenda Item No. 19 - Meeting of June 23, 2014
Authorizing the General Manager to Execute Task Order No. 2 with West Yost Associates for Providing Design Support Services During Construction of the Jarvis Avenue Sanitary Sewer Replacement Project

Recommendation

Staff recommends the Board authorize the General Manager to execute Task Order No. 2 with West Yost Associates in the amount of \$30,936 to provide design support services during construction of the Jarvis Avenue Sanitary Sewer Replacement Project (Project). Funds for the project have been budgeted in the Renewal and Replacement Fund.

Background

The Newark Basin Masterplan update, completed by RMC Water & Environment in December of 2012, identified the 10-inch sanitary sewer on Jarvis Ave. as having high critical ratings due to cracking and sags. Staff has reviewed the television inspections performed by Collection Services and confirmed that the sewer is in poor structural condition and that there are extensive defects that require immediate attention.

The Project will replace 2,456 feet of existing 10-inch diameter gravity sewer which runs along Jarvis Ave. from Lake Blvd. to Newark Blvd. in Newark. Please see the location maps provided in Exhibit A. The project scope of work also includes abandonment of 836 feet of existing 10-inch diameter sanitary sewer, removal or abandonment of 4 existing manholes, construction of 7 new manholes, extension of existing sewer laterals to the new sewer main and installation of cleanouts, traffic control, and sewage flow control. West Yost & Associates completed the project design in mid-April, 2014.

On August 27, 2013, the General Manager executed an Agreement and Task Order No. 1 with West Yost Associates in the amount of \$102,537 for the Project design. Task Order No. 1 provided for project management, permit acquisition and coordination, surveying and mapping, geotechnical investigation, detailed design including plans and specifications, and bid period services. On May 28, 2014, the General Manager executed Amendment No. 1 to Task Order No. 1 in the amount of \$33,833 to provide for additional work not included in the original Task Order, including utilities coordination with PG&E and ACWD, and potholing.

The design was completed and the Project was advertised on April 24, 2014, and May 1, 2014, and bids were opened on May 22, 2014. The award of the construction contract to D'Arcy & Harty Construction, Inc., in the amount of \$1,034,736.80, is being recommended at the June 23, 2014 Board Meeting.

Task Order No. 2

West Yost Associates submitted a scope of work for Task Order No. 2 which staff have reviewed and determined to be appropriate. The negotiated cost proposal is \$30,936, which represents 3.0% of the construction contract. Typical fees for this kind of a project range between 2% and 3%.

The scope of work for Task Order No. 2 includes meetings and project management, submittal and request for information (RFI) review, change order assistance, and monitoring storm water pollution prevention plan (SWPPP) permit compliance. A breakdown of the Task Order is as follows:

TASK	DESCRIPTION	AMOUNT
1	Meetings and Project Management	\$6,276
2	Review Submittals and RFIs	\$16,812
3	Change Order Assistance	\$1,224
4	Monitor SWPPP Permit Compliance	\$6,624
	TOTAL	\$30,936

A summary of West Yost Associates' Task Orders and Amendment to the Agreement dated August 27, 2013, is as follows:

TASK ORDER	DESCRIPTION	AMOUNT
1	Project Design & Bid Period Services	\$102,537
AMENDMENT 1	Additional Design Services	\$33,833
2	Design Support Services during Construction	\$30,936
	TOTAL	\$167,306

Work under Task Order No. 2 will begin in early July, and the Project is expected to be completed by mid-November.

Staff recommends that the Board of Directors authorize the General Manager to execute Task Order No. 2 with West Yost Associates in the amount of \$30,936 to provide design support services during construction of the Jarvis Avenue Sanitary Sewer Replacement Project.

RBC/SG/RC/CE;ks

Attachments: Exhibit A
Task Order No. 2



PROJECT LIMITS



**EXHIBIT A
JARVIS AVENUE SEWER PROJECT
LOCATION MAP**

**JARVIS AVENUE SANITARY SEWER REPLACEMENT PROJECT
(USD Project No. 800-403)**

**TASK ORDER NO. 2
TO**

**AGREEMENT DATED AUGUST 27, 2013
BETWEEN UNION SANITARY DISTRICT
AND WEST YOST ASSOCIATES, INC. FOR
PROFESSIONAL SERVICES**

1. PURPOSE

The purpose of Task Order No. 2 is to authorize office engineering services during the construction of the Jarvis Avenue Sanitary Sewer Replacement Project (Project).

Office engineering services to be provided during construction include engineering support, attendance at meetings, submittal reviews, responses to requests for information and design clarification, review of change order requests, site visits, and SWPPP monitoring. These services are typically performed by the same engineers who worked on the design and possess detailed knowledge about the Project. District staff will update record drawings based on markups provided by the Contractor and reviewed by the Construction Manager.

2. SCOPE OF SERVICES

The task numbers in this Scope of Services relate directly to the costs presented in Item 3, Compensation, and the schedule presented in Item 4, Time of Completion. Deliverables to be received by Union Sanitary District (District) are described under each task item, where applicable.

Task 1. Project Management and Meetings

This task includes project management activities, attendance at the following meetings, and preparation of meeting minutes.

- Attend partnering and pre-construction meetings.
- Attend one community outreach meeting.
- Attend up to four (4) progress meetings during construction as requested by the District to discuss construction progress, problems or issues, to provide construction observations, advice and assistance, or to answer any questions which may arise concerning design intent and other matters affecting completion of the Project.

Task 2. Review of Submittals and RFIs

This task includes providing construction assistance services as requested by the District including:

- Answering questions
- Reviewing submittals (shop drawings, certificates, substitutions, samples, test results, methods, schedules, and manufacturer’s installation instructions required to be submitted by the construction documents for conformance with the design concept and specifications). Budget assumes 24 original submittals and 8 re-submittals at approximately 2.5 hours per submittal.
- Reviewing and responding to contractor’s requests for information and clarifications during construction. Budget assumes 4 RFIs at approximately 4 hours per RFI.

Task 3. Change Order Assistance

This task includes assisting in the review of contractor change order requests and assisting in any redesign efforts leading up to change order preparation for the construction contract up to 6 hours of WYA staff time. Additional time will be addressed in an amendment to the contract.

Task 4. Monitor SWPPP Permit Compliance

This task includes providing assistance with SWPPP permit compliance and uploading to SMARTS.

A West Yost Qualified SWPPP Developer will review the SWPPP submittal, including risk level determination, and Legally Responsible Person documents, and will prepare the Notice of Intent. During weather events, West Yost will confirm that the required inspection reports are prepared, review all information provided by the Contractor, and upload information to SMARTS.

Assumptions:

- *Uploads include one Notice of Intent, one Notice of Termination, one Annual Report, and 3 additional uploads following rain events as required for permit compliance*
- *District will pay all permit fees*

3. DELIVERABLES

Project deliverables are listed below:

- Meeting agendas and minutes.
- Responses to submittals as required.
- Responses to RFIs as required.
- Upload information to SMARTS.

4. PROJECT COORDINATION

All work related to this task order shall be coordinated through the District's Project Manager, Chris Elliott.

5. PAYMENT TO THE ENGINEER

Compensation shall be on a time and materials cost basis for services provided under Article 2 of this Agreement in accordance with the Billing Rate Schedule contained in Exhibit A (updated annually) except that subconsultants will be billed at actual cost plus 5 percent, outside services will be billed at actual cost, and mileage will be billed at prevailing IRS standard mileage rate. The billing rate schedule is generally comparable to a labor multiplier of approximately 3.22.

The estimated costs for Tasks 1 through 4 are presented in Exhibit B. Total charges to the District shall not exceed the total cost of \$30,936 without written authorization from the District.

The following table summarizes all task orders and amendments, if any, including those previously executed under the Agreement, ending with this Task Order:

Task Order / Amendment	Not to Exceed Amount	Board Authorization Required? (Yes/No)	District Staff Approval
Task Order No. 1 Detailed Design	\$102,537	Yes	Rich Currie
Amendment 1 to Task Order No. 1	\$33,833	Yes	Rich Currie
Task Order No. 2 Services During Construction	\$30,936	Yes	Rich Currie
Total	\$167,306		

6. TIME OF COMPLETION

All work defined in Item 2 is scheduled for completion of work within three weeks after completion of construction of the Jarvis Avenue Sanitary Sewer Replacement Project. Anticipated construction completion date is October 31, 2014.

7. KEY PERSONNEL

Key engineering personnel or subconsultants assigned to this Task Order are as follows:

Role	Personnel/Subconsultant
Principal-in-Charge	John D. Goodwin
Project Manager	Thea Durbin
Project Engineer	David Pezzini

Key personnel shall not change except in accordance with Article 8 of the Agreement.

IN WITNESS WHEREOF, the parties hereto have made and executed this Task Order No. 2 as of _____ and therewith incorporated it as part of the Agreement.

ENGINEER:
WEST YOST ASSOCIATES

DISTRICT:
UNION SANITARY DISTRICT

By: _____
John D. Goodwin
Vice President

By: _____
Richard B. Currie
General Manager / District Engineer

WEST YOST ASSOCIATES, INC.
2014 Billing Rate Schedule

(Effective January 1, 2014 through December 31, 2014)*

Position	Labor Charges (dollars per hr)
Principal/Vice President	240
Engineering Manager	229
Principal Engineer/Scientist	207
Senior Engineer/Scientist/GIS Analyst	186
Associate Engineer/Scientist	169
GIS Analyst	164
Engineer II/Scientist II	147
Engineer I/Scientist I	126
Construction Manager III	186
Construction Manager II	169
Construction Manager I	158
Resident Inspector III	140
Resident Inspector II	129
Resident Inspector I	115
Sr. Designer/Sr. CAD Operator	120
Designer/CAD Operator	107
Technical Specialist III	120
Technical Specialist II	104
Technical Specialist I	87
Engineering Aide	71
Administrative IV	109
Administrative III	98
Administrative II	82
Administrative I	66

Hourly labor rates include Direct Costs such as general computers, system charges, telephone, fax, routine in-house copies/prints, postage, miscellaneous supplies, and other incidental project expenses.

Outside Services such as vendor reproductions, prints, shipping, and major West Yost reproduction efforts, as well as Engineering Supplies, Travel, etc. will be billed at actual cost.

Mileage will be billed at the current Federal Rate.

Subconsultants will be billed at actual cost plus 5%.

Computers are billed at \$25 per hour for specialty models and AutoCAD.

Expert witness, research, technical review, analysis, preparation and meetings billed at 150% of standard hourly rates. Expert witness testimony and depositions billed at 200% of standard hourly rates.

A Finance Charge of 1.5% per month (an Annual Rate of 18%) on the unpaid balance will be added to invoice amounts if not paid within 45 days from the date of the invoice.

WEST YOST ASSOCIATES, INC.

2014 Billing Rate Schedule

(Cont'd.)

(Effective January 1, 2014 through December 31, 2014)*

SURVEYING AND EQUIPMENT CHARGES

Position	Labor Charges (dollars per hr)
GPS, 3-Person	366
GPS, 2-Person	317
GPS, 1-Person	246
Survey Crew, 2-Person	268
Survey Crew, 1-Person	202

EQUIPMENT CHARGES

Equipment	Billing Rate (dollars per day)	Billing Rate (dollars per week)
DO Meter	16	81
pH Meter	5	26
Automatic Sampler	128	698
Transducer/Data Logger	40	202
Hydrant Pressure Gage	11	49
Hydrant Pressure Recorder (HPR)	—	202
Hydrant Wrench	5	32
Pitot Diffuser	29	132
Well Sounder	29	132
Ultrasonic Flow Meter	—	264
Vehicle	87	437
Velocity Meter	11	64
Water Quality Multimeter	173	946
Thickness Gage	—	70

West Yost Associates	P \$240 Goodwin	SE/SS \$186 Durbin	PE/PS \$207 Young	ESII \$147 Pezzini	ADMIV \$109	Labor		Drafting		Costs		
						Hours	Fee	Hours	Fee \$25	Sub. w/ markup 5%	Other Direct	Total Costs
PROJECT: Jarvis Ave Services During Constrction												
Task 1 Meetings and Project Management												
1.01 Project Management		6				6	\$ 1,116					\$ 1,116
1.02 Meetings	6	20				26	\$ 5,160					\$ 5,160
Subtotal, Task 1 (hours)	6	26	0	0	0	32		0				
Subtotal, Task 1 (\$)	\$ 1,440	\$ 4,836					\$ 6,276					\$ 6,276
Task 2 Review Submittals and RFIs												
2.01 Review Submittals and RFIs	8	44	4	40		96	\$ 16,812					\$ 16,812
Subtotal, Task 2 (hours)	8	44	4	40	0	96		0				
Subtotal, Task 2 (\$)	\$ 1,920	\$ 8,184	\$ 828	\$ 5,880			\$ 16,812					\$ 16,812
Task 3 Change Order Assistance												
3.01 Change Order Assistance	2	4				6	\$ 1,224					\$ 1,224
Subtotal, Task 3 (hours)	2	4	0	0	0	6		0				
Subtotal, Task 3 (\$)	\$ 480	\$ 744					\$ 1,224					\$ 1,224
Task 4 Monitor SWPPP Permit Compliance												
4.01 Monitor SWPPP Permit Compliance			32			32	\$ 6,624					\$ 6,624
Subtotal, Task 4 (hours)	0	0	32	0	0	32		0				
Subtotal, Task 4 (\$)			\$ 6,624				\$ 6,624					\$ 6,624
TOTAL (hours)	16	74	36	40	0	166		0				
TOTAL (\$)	\$ 3,840	\$ 13,764	\$ 7,452	\$ 5,880			\$ 30,936					\$ 30,936

**UNION SANITARY DISTRICT
CHECK REGISTER
05/31/2014-06/13/2014**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
154345	6/5/2014	20140507	SWRCB - STATE WATER RESOURCES	SRF LOAN #C064070110 - PLANT UPGRADE	\$1,959,314.53	\$1,959,314.53
154303	6/5/2014	3362	DW NICHOLSON CORP	LIFT STATION #1 IMPROVEMENTS	\$103,405.59	\$717,860.17
	6/5/2014	3317		COGENERATION PROJECT	\$614,454.58	
154346	6/5/2014	30102589	SYNAGRO WEST LLC	APRIL 2014 BIOSOLIDS DISPOSAL	\$54,908.32	\$57,406.72
	6/5/2014	30102601		CPI ADJ 2014 BIOSOLIDS DISPOSAL	\$2,498.40	
154418	6/12/2014	17999	RMC WATER AND ENVIRONMENT	HAYWARD MARSH REHABILITATION OPTIONS	\$39,635.56	\$39,635.56
154386	6/12/2014	86649	DEGENKOLB ENGINEERS	SEISMIC STUDY	\$22,737.50	\$22,737.50
154415	6/12/2014	117018	R-2 ENGINEERING INC	ASTD PARTS & MATERIALS	\$7,503.33	\$22,289.62
	6/12/2014	117019		1 ROTOR	\$14,786.29	
154296	6/5/2014	5761	CAL SAN RISK MNGT AUTH	WORKER'S COMP PAYROLL AUDIT	\$21,607.00	\$21,607.00
154410	6/12/2014	224720140523	PACIFIC GAS AND ELECTRIC	SERV TO 05/22/14 CS TRAINING TRAILER	\$25.06	\$19,040.19
	6/12/2014	761520140528		SERV TO 05/28/14 NEWARK PS	\$19,015.13	
154301	6/5/2014	831528A	DELTA DENTAL SERVICE	MAY 2014 DENTAL	\$2,013.82	\$17,746.82
	6/5/2014	831528C		MAY 2014 DENTAL	\$15,733.00	
154335	6/5/2014	117015	R-2 ENGINEERING INC	ASTD PARTS & MATERIALS	\$11,705.37	\$14,472.09
	6/5/2014	117001		1 STATOR C320GQ	\$2,766.72	
154306	6/5/2014	901676720	EVOQUA WATER TECHNOLOGIES	INTERNALIFT PUMP FOR LIFT STATION NO. 1	\$12,851.68	\$12,851.68

**UNION SANITARY DISTRICT
CHECK REGISTER
05/31/2014-06/13/2014**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
154328	6/5/2014	102841	MUNIQIP, LLC	M83 Mission Manhole monitor, 2 float	\$11,336.55	\$11,336.55
154290	6/5/2014	576	AUTOMATED NETWORK CONTROLS	BOYCE ROAD LIFT STATION	\$692.36	\$9,792.00
	6/5/2014	578		SCADA / PLC PROGRAMMING SERVICES	\$9,099.64	
154283	6/5/2014	4071036120140520	ALAMEDA COUNTY WATER DISTRICT	SERV TO: 05/20/14-BENSON ROAD	\$8,331.27	\$8,503.29
	6/5/2014	4071037120140520		SERV TO: 05/20/14-BENSON ROAD	\$116.07	
	6/5/2014	4071038120140520		SERV TO: 05/20/14-BENSON ROAD	\$55.95	
154324	6/5/2014	37432220140601	LINCOLN NATIONAL LIFE INS COMP	LIFE & DISABILITY INSURANCE - JUNE 2014	\$7,116.53	\$7,116.53
154354	6/5/2014	31637	WECO INDUSTRIES LLC	2 LOCATOR RIDGID NAVITRACK & 4 REMOTE TRANSMITTER SONDE	\$6,949.56	\$7,067.40
	6/5/2014	31643		2 TIGER TAIL 3'X2" WITH ROPE	\$117.84	
154349	6/5/2014	618065	UNIVAR USA INC	5,056 GALS SODIUM HYPOCHLORITE	\$2,378.40	\$7,041.13
	6/5/2014	617937		4,954 GALS SODIUM HYPOCHLORITE	\$2,330.42	
	6/5/2014	617154		4,958 GALS SODIUM HYPOCHLORITE	\$2,332.31	
154370	6/12/2014	201402	BLAKELY PICTURES INC.	SCHOOL OUTREACH VIDEO PRODUCTION	\$6,605.01	\$6,605.01
154307	6/5/2014	21453037	GLOBAL KNOWLEDGE TRAINING	SOFTWARE TRAINING - T NGUYEN	\$2,534.70	\$5,502.50
	6/5/2014	21453038		SOFTWARE TRAINING - T NGUYEN	\$2,967.80	
154319	6/5/2014	9017390192	KEMIRA WATER SOLUTIONS, INC.	8.02 DRY TONS FERROUS CHLORIDE	\$5,411.17	\$5,411.17

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154361	6/12/2014	4104560920140530	ALAMEDA COUNTY WATER DISTRICT	SERV TO: 05/28/14-MTR HYD 19866549	\$440.13	\$4,895.59
	6/12/2014	4104560820140530		SERV TO: 05/28/14-MTR HYD B33476241	\$723.46	
	6/12/2014	4104550420140530		SERV TO: 05/28/14-MTR HYD 29389774	\$440.13	
	6/12/2014	4104550220140530		SERV TO: 05/28/14-MTR HYD 19866550	\$656.00	
	6/12/2014	4104560720140530		SERV TO: 05/28/14-MTR HYD B32896064	\$605.41	
	6/12/2014	4104550320140530		SERV TO: 05/28/14-MTR HYD 29389772	\$996.68	
	6/12/2014	4104983520140530		SERV TO: 05/28/14-MTR HYD 19866540	\$1,033.78	
154425	6/12/2014	618486	UNIVAR USA INC	5,013 GALS SODIUM HYPOCHLORITE	\$2,358.17	\$4,713.53
	6/12/2014	618594		5,007 GALS SODIUM HYPOCHLORITE	\$2,355.36	
154419	6/12/2014	1031	ROCKWELL SOLUTIONS INC	ASTD PARTS & MATERIALS	\$4,534.75	\$4,534.75
154279	6/5/2014	61718	3T EQUIPMENT COMPANY INC	10 PIPEPATCH KIT - WINTER	\$4,493.88	\$4,493.88
154297	6/5/2014	247026	CURTIS & TOMPKINS LTD	8 LAB SAMPLE ANALYSIS	\$124.00	\$4,446.00
	6/5/2014	246911		9 LAB SAMPLE ANALYSIS	\$357.00	
	6/5/2014	247025		13 LAB SAMPLE ANALYSIS	\$335.00	
	6/5/2014	247000		31 LAB SAMPLE ANALYSIS	\$1,120.00	
	6/5/2014	246937		11 LAB SAMPLE ANALYSIS	\$260.00	
	6/5/2014	246977		21 LAB SAMPLE ANALYSIS	\$1,760.00	
	6/5/2014	246976		20 LAB SAMPLE ANALYSIS	\$490.00	
154356	6/12/2014	61734	3T EQUIPMENT COMPANY INC	10 PIPEPATCH KIT - WINTER	\$4,397.51	\$4,397.51

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154385	6/12/2014	109A2	DCM CONSULTING INC	DUMBARTON TRANSIT-ORIENTED DEV & USD FORCE MAINS	\$3,397.40	\$3,397.40
154353	6/5/2014	20140601	VISION SERVICE PLAN - CA	JUNE 2014 VISION STMT	\$3,159.47	\$3,159.47
154377	6/12/2014	44070773	CINTAS FIRE PROTECTION	INSPECTION, ANNUAL ALARM SYSTEM	\$3,110.00	\$3,110.00
154341	6/5/2014	1584728001	SAN LEANDRO ELECTRIC SUPPLY	6 CONDUIT FITTING STEEL BOXES	\$93.42	\$3,011.99
	6/5/2014	1586828001		ASTD PARTS & MATERIALS	\$863.22	
	6/5/2014	1583251004		ASTD PARTS & MATERIALS	\$493.12	
	6/5/2014	1586828002		ASTD PARTS & MATERIALS	\$777.79	
	6/5/2014	1589005001		ASTD PARTS & MATERIALS	\$236.57	
	6/5/2014	1583251002		5 CONDUIT CONNECTOR 3/4 STRAIT LIQUID	\$216.89	
	6/5/2014	1583251003		ASTD PARTS & MATERIALS	\$288.60	
	6/5/2014	1583251005		6 CONDUIT FITTING STEEL BULLET HUB	\$42.38	
154379	6/12/2014	20140520	COLLISON ENGINEERING	HAYWARD MARSH PERMIT METAL STUDY	\$3,000.00	\$3,000.00

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154376	6/12/2014	54323134	CINTAS CORPORATION	UNIFORM LAUNDERING SERVICE	\$306.79	\$2,869.08
	6/12/2014	54323135		UNIFORM LAUNDERING SERVICE	\$311.41	
	6/12/2014	54320789		UNIFORM LAUNDERING SERVICE	\$313.38	
	6/12/2014	54323143		ASTD DUST MOPS, WET MOPS & TERRY TOWELS	\$97.16	
	6/12/2014	54325457		2 CS DOC MARTEN BALSAM	\$190.15	
	6/12/2014	54325464		UNIFORM LAUNDERING SERVICE	\$307.43	
	6/12/2014	54318468		ASTD DUST MOPS, WET MOPS & TERRY TOWELS	\$99.45	
	6/12/2014	54318469		UNIFORM LAUNDERING SERVICE	\$302.41	
	6/12/2014	54318470		UNIFORM LAUNDERING SERVICE	\$311.32	
	6/12/2014	54320790		UNIFORM LAUNDERING SERVICE	\$313.40	
	6/12/2014	54325463		UNIFORM LAUNDERING SERVICE	\$316.18	
154292	6/5/2014	5134569	BAY AREA NEWS GROUP EAST BAY	NEWARK FLAT TOPS AREA SEWER RELOCATION PHASE 1	\$899.92	\$2,842.12
	6/5/2014	5142017		UPPER HETCH HECTCHY SS REHABILITATION	\$950.04	
	6/5/2014	5143152		BOYCE ROAD LIFT STATION	\$992.16	
154367	6/12/2014	5411105	AT&T	SERV: 04/20/14 - 05/19/14	\$2,690.42	\$2,706.77
	6/12/2014	5416903		SERV: 04/20/14 - 05/19/14	\$16.35	

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154406	6/12/2014	87848240	MCMASTER SUPPLY INC	2 EA HEAVY DUTY BATCH CANS	\$134.25	\$2,605.28
	6/12/2014	88412287		ASTD PARTS & MATERIALS & TOOLS	\$212.88	
	6/12/2014	88461675		6 EA CANS LUBRICANT	\$75.02	
	6/12/2014	88699747		2 EA VENTED OIL-LEVEL INDICATORS	\$31.73	
	6/12/2014	88742011		ASTD PARTS & MATERIALS	\$285.36	
	6/12/2014	87804389		1 EA PLASTIC OUTDOOR STORAGE BUILDING	\$781.10	
	6/12/2014	88069142		1 EA STEEL GARDEN HOSE REEL	\$217.33	
	6/12/2014	87853542		ASTD PARTS & MATERIALS	\$531.47	
	6/12/2014	88079398		600 FEET POLYPROPYLENE ROPE	\$99.39	
	6/12/2014	88500222		100 FEET HARSH ENVIRONMENT CABLE	\$236.75	
154412	6/12/2014	7379	PACIFIC PLUMBING & SEWER SERV	REFUND # 17238	\$2,500.00	\$2,500.00
154417	6/12/2014	916002086403	REPUBLIC SERVICES #916	RECYCLE & ROLL OFF - MAY 2014	\$1,776.91	\$2,372.52
	6/12/2014	916002104200		ROLL OFF ON CALL - MAY 2014	\$595.61	
154388	6/12/2014	9141324	ELAP	RENEW: ANNUAL CERTIFICATE	\$2,359.00	\$2,359.00
154381	6/12/2014	12616	CRANE WORKS INC	NPS CRANE TESTING	\$2,240.00	\$2,240.00
154402	6/12/2014	2230589	LAB SUPPORT	TEMP LABOR-PATEL, N., WKEND 05/11/14	\$810.75	\$2,207.37
	6/12/2014	2231621		TEMP LABOR-PATEL, N., WKEND 05/18/14	\$655.50	
	6/12/2014	2230619		TEMP LABOR-ALBINO, E., WKEND 05/11/14	\$741.12	

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154295	6/5/2014	416427	BRENNTAG PACIFIC, INC.	2564 LBS SODIUM HYDROXIDE	\$1,416.95	\$2,125.41
	6/5/2014	416428		1282 LBS SODIUM HYDROXIDE	\$708.46	
154372	6/12/2014	418283	BRENNTAG PACIFIC, INC.	3846 LBS SODIUM HYDROXIDE	\$2,125.41	\$2,125.41
154340	6/5/2014	2422298001	S & S SUPPLIES & SOLUTIONS	ASTD SAFETY SUPPLIES - GLOVES & EAR PLUGS	\$1,151.87	\$2,067.29
	6/5/2014	2411355003		40 HARD HAT SMALL BRIM	\$915.42	
154339	6/5/2014	17953	RMC WATER AND ENVIRONMENT	HAYWARD MARSH REGULATORY COMPLIANCE	\$2,022.74	\$2,022.74
154374	6/12/2014	20140606	CALPELRA	CONF REG & MEMBERSHIP RENEWAL : P. O'NEAL & J. BERZON	\$1,990.00	\$1,990.00
154312	6/5/2014	8827882	HACH COMPANY	1 EA PROBE	\$1,977.22	\$1,977.22
154351	6/5/2014	25541	VALLEY OIL COMPANY	2 DRS MOBIL PEGASUS 805 OIL	\$1,835.41	\$1,835.41
154348	6/5/2014	180487814	TRENCH PLATE RENTAL COMPANY	3 DAYS 8X8 ALUMINUM QUIK BOX RENTAL	\$682.30	\$1,826.01
	6/5/2014	180478814		3 QTS QS SHORE FLUID	\$34.86	
	6/5/2014	180480914		3 DAYS HD QUIK-SHOR RENTAL	\$891.00	
	6/5/2014	180487014		4 DAYS HD QUIK-SHOR RENTAL	\$13.89	
	6/5/2014	180486914		4 DAYS HD QUIK-SHOR RENTAL	\$25.46	
	6/5/2014	180480714		28 DAYS HD QUIK-SHOR RENTAL	\$97.20	
	6/5/2014	180486414		3 DAYS HD QUIK-SHOR RENTAL	\$81.30	
154411	6/12/2014	20140609	PACIFIC GAS AND ELECTRIC	COGENERATION PROJECT	\$1,727.23	\$1,727.23
154280	6/5/2014	6731798	ABC IMAGING, INC.	MISC. SS SPOT REPAIRS PHASE V	\$1,594.51	\$1,594.51
154316	6/5/2014	1003534	INDUSTRIAL SAFETY SUPPLY	ASTD CALIBRATION GAS FOR ELECTRICIANS	\$1,478.75	\$1,478.75

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154305	6/5/2014	722140	ENVIRONMENTAL RESOURCE ASSOC	WP STUDY	\$1,404.43	\$1,404.43
154369	6/12/2014	768286	BAY AREA NEWS GROUP EAST BAY	AD: TRI CITY INDUSTRIES	\$342.12	\$1,338.96
	6/12/2014	771137		MISC. SS SPOT REPAIRS PHASE V	\$996.84	
154318	6/5/2014	15057	JENSEN INSTRUMENT COMPANY	1 EA ROSEMOUNT TEMPERATURE TRANSMITTER	\$1,278.35	\$1,278.35
154408	6/12/2014	40025030	MISSION COMMUNICATIONS LLC	MANHOLE MONITORING	\$1,250.67	\$1,250.67
154416	6/12/2014	45040429	RAIN FOR RENT	28 DAYS TANK POLY 2450 RENTAL	\$1,164.00	\$1,164.00
154366	6/12/2014	475349	A-PRO PEST CONTROL INC	GROUND SQUIRREL ABATEMENT	\$150.00	\$1,155.00
	6/12/2014	474855		MAY PEST CONTROL	\$1,005.00	
154342	6/5/2014	8122768052214	SIERRA SPRING WATER COMPANY	BOTTLESS COOLERS RENTAL	\$239.00	\$1,153.34
	6/5/2014	4868173052214		WATER SERVICE 04/25/14 - 05/22/14	\$914.34	
154409	6/12/2014	20140530	NAPA AUTO PARTS	MONTHLY AUTO PARTS STMT - MAY 2014	\$1,120.62	\$1,120.62
154285	6/5/2014	221277	ALLIANT INSURANCE SERVICES INC	04/14-04/15 CRIME RENEWAL	\$1,114.00	\$1,114.00
154323	6/5/2014	180526	LIEBERT CASSIDY WHITMORE	LEGAL SERVICES	\$1,099.00	\$1,099.00
154422	6/12/2014	3232993932	STAPLES CONTRACT & COMMERCIAL	6 PROFESSIONAL PADFOLIO WITH VIEW TAB	\$99.40	\$1,077.11
	6/12/2014	3232993930		ASTD OFFICE SUPPLIES - INVENTORY	\$593.12	
	6/12/2014	3232993931		ASTD OFFICE SUPPLIES - INVENTORY	\$384.59	
154403	6/12/2014	18353184	LABOR READY	TEMP LABOR-PERRY R., WK END 05/16/14	\$1,020.36	\$1,020.36

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154311	6/5/2014	986007	GROENIGER AND COMPANY	ASTD VICTAULIC COUPLINGS, GASKETS	\$664.56	\$1,009.94
	6/5/2014	994150		ASTD PARTS & MATERIALS	\$42.34	
	6/5/2014	995953		3.325 FT HW PVC GJ SWR PIPE	\$303.04	
154294	6/5/2014	10238920	BLAISDELL'S	1 FOOTREST	\$38.31	\$1,009.42
	6/5/2014	10238130		ASTD OFFICE SUPPLIES	\$67.86	
	6/5/2014	10238730		1 BX PANEL WALL CLIPS	\$11.63	
	6/5/2014	10238890		1 BX STAPLES	\$13.68	
	6/5/2014	10242920		ASTD OFFICE SUPPLIES	\$18.85	
	6/5/2014	10238710		1 BLK LSR TONER	\$191.61	
	6/5/2014	10215380		1 CHAIR, INTERNET, HI BACK/SM SEAT	\$512.61	
	6/5/2014	10239730		ASTD OFFICE SUPPLIES	\$154.87	
154405	6/12/2014	20140611	MCGUIRE & HESTER	EMERGENCY STANDBY RETAINER, 2014	\$1,000.00	\$1,000.00
154313	6/5/2014	3H3592	HARRINGTON INDUSTRIAL PLASTICS	20 EA 1" ADAPTER	\$46.65	\$987.17
	6/5/2014	3H3680		ASTD PVC FITTINGS	\$940.52	
154394	6/12/2014	9429119937	GRAINGER INC	1 EA ENCLOSURE & PANEL	\$169.69	\$912.10
	6/12/2014	9429119929		15 EA HARD HAT NECK SHADES	\$295.33	
	6/12/2014	9432168285		1 EA PRESSURE WASHER HOSE	\$141.97	
	6/12/2014	9432661982		1 EA PILOT LIGHT	\$207.44	
	6/12/2014	9432168277		1 EA PRESSURE WASHER HOSE	\$97.67	

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154287	6/5/2014	5396839	AT&T	SERV: 04/13/14 - 05/12/14	\$94.29	\$800.16
	6/5/2014	5387558		SERV: 04/13/14 - 05/12/14	\$705.87	
154373	6/12/2014	6011	BURLINGAME ENGINEERS INC	ASTD MILTON ROY PUMP PARTS	\$780.77	\$780.77
154360	6/12/2014	140502253	AIRTECH MECHANICAL INC	SERVICE CALL: CONTROL BLDG	\$734.50	\$734.50
154358	6/12/2014	60968	AIR & TOOL ENGINEERING COMPANY	1 AIR FORCE PREMIUM DIAMOND CHAIN	\$717.23	\$717.23
154429	6/12/2014	20140606	WQI	GRADE V REVIEW-BERLING	\$700.00	\$700.00
154281	6/5/2014	169632	ALAMEDA COUNTY TREASURER	PERMIT - NEWARK PUMP STATION	\$692.00	\$692.00
154300	6/5/2014	20140525.10	DALE HARDWARE INC	05/14 - ASTD PARTS & MATERIALS	\$675.48	\$675.48
154288	6/5/2014	87896581205252014	AT&T	SERV: 04/18/14 - 05/17/14	\$671.55	\$671.55
154398	6/12/2014	601148858	HILLYARD/SAN FRANCISCO	ASTD JANITORIAL SUPPLIES	\$661.37	\$661.37
154320	6/5/2014	18340749	LABOR READY	TEMP LABOR-PERRY R., WK END 05/09/14	\$660.93	\$660.93
154286	6/5/2014	475348	A-PRO PEST CONTROL INC	GROUND SQUIRREL ABATEMENT	\$150.00	\$625.00
	6/5/2014	475310		ANIMAL TRAPPING	\$475.00	
154325	6/5/2014	87916820	MCMASTER SUPPLY INC	ASTD PARTS & MATERIALS	\$148.01	\$506.57
	6/5/2014	87135529		7 EA SEALED LEAD-ACID BATTERIES	\$358.56	
154413	6/12/2014	20140606	PETTY CASH	PETTY CASH REPLENISHMENT	\$500.38	\$500.38
154332	6/5/2014	20140602	ALEXANDER PAREDES	EXP REIMB: NACWA CONFERENCE MINNEAPOLIS	\$500.23	\$500.23
154304	6/5/2014	7365	E Z PLUMBING	REFUND # 17223	\$500.00	\$500.00
154317	6/5/2014	7387	JD PLUMBING	REFUND # 17224	\$500.00	\$500.00

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154321	6/5/2014	7346	LALO'S SEWER & DRAIN	REFUND # 17225	\$500.00	\$500.00
154333	6/5/2014	7310	SAMINA PARTAPURWALA	REFUND # 17235	\$500.00	\$500.00
154347	6/5/2014	7362	THE PLUMBING MINISTRY	REFUND # 17227	\$500.00	\$500.00
154357	6/12/2014	7134	ABOVE ALL PLUMBING, INC.	REFUND # 17252	\$500.00	\$500.00
154368	6/12/2014	7305	AVA CONSTRUCTION	REFUND # 17249	\$500.00	\$500.00
154389	6/12/2014	32519	EXECUTRAIN	MS ACCESS TRAINING	\$500.00	\$500.00
154392	6/12/2014	7282	FRESH AIR MECHANICAL	REFUND # 17241	\$500.00	\$500.00
154401	6/12/2014	7398	BAKHTIAR KHAN	REFUND # 17250	\$500.00	\$500.00
154407	6/12/2014	7399	JOHN MIRANDA	REFUND # 17251	\$500.00	\$500.00
154326	6/5/2014	24823182	MOTION INDUSTRIES INC	1 EA BLADDER PULL RODS	\$142.05	\$469.84
	6/5/2014	24823274		ASTD PARTS & MATERIALS	\$327.79	
154331	6/5/2014	30189095	OLDCASTLE ENCLOSURE SYSTEMS	ASTD MANHOLE STEPS & CONES	\$465.55	\$465.55
154423	6/12/2014	20140605	SWRCB - CERTIFICATIONS	GRADE V CERT EXAM-BERLING	\$440.00	\$440.00
154414	6/12/2014	20140610	RIC PIPKIN	EXP REIMB: CA BIORESOURCES ALLIANCE	\$413.28	\$413.28
154390	6/12/2014	119882	FASTENAL	ASTD PARTS & MATERIALS	\$401.43	\$401.43
154399	6/12/2014	997720140528	HOME DEPOT CREDIT SERVICES	MONTHLY HARDWARE STMT - MAY 2014	\$398.13	\$398.13
154310	6/5/2014	20140604.2	TIMOTHY GRILLO	EXP REIMB: LAB TEAM SAFETY RECOG LUNCH	\$82.23	\$382.23
	6/5/2014	20140604		EXP REIMB: CWEA ANNUAL CONF REGIS FEE	\$300.00	
154330	6/5/2014	20140522	DAVID M. O'HARA - REIMB	EXP REIMB: CASA ATTORNEY'S MEETING - COSTA MESA	\$377.75	\$377.75

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154420	6/12/2014	2422298002	S & S SUPPLIES & SOLUTIONS	ASTD SAFETY SUPPLIES	\$276.71	\$373.45
	6/12/2014	2411355004		2 PRS KNEE BOOTS RUBBER WITH SAFETY TOE	\$96.74	
154334	6/5/2014	20140602	MICHELLE POWELL	TUITION REIMB - SPRING SEMESTER 2014	\$337.00	\$337.00
154400	6/12/2014	20140606	MIKE HOVEY	TUITION REIMBURSEMENT - SPRING 2014 LEADERSHIP	\$319.96	\$319.96
154327	6/5/2014	20140603	BRODERICK MOY	EXP REIMB: CWEA MEMBERSHIP & CERT RENEWALS	\$317.00	\$317.00
154383	6/12/2014	47663	DATCO	JUN 2014 SERVICE FEE	\$309.40	\$309.40
154364	6/12/2014	3875	ALLIED PACKING AND SUPPLY CO	2 SETS MOYNO PACKING	\$303.96	\$303.96
154362	6/12/2014	5914	ALAMEDA COUNTY WATER DISTRICT	COST-SHARING HET/HEU REBATE PROGRAM	\$150.00	\$300.00
	6/12/2014	5913		COST-SHARING HEW REBATE PROGRAM	\$150.00	
154378	6/12/2014	14199	COHEN GROUP	EH&S SERVICES	\$300.00	\$300.00
154352	6/5/2014	20140603	AUDREY VILLANUEVA	PROJ 394 LUNCH & REFRESHMENTS	\$295.15	\$295.15
154428	6/12/2014	8057726349	VWR INTERNATIONAL LLC	2 PKS TAPE WRITE-ON 1INX40YD	\$71.61	\$292.45
	6/12/2014	8057733129		2 PKS FILTERS MEMBRANE 90MM	\$220.84	
	6/12/2014	8057347583		6 BDH BUFFER REF STD PH7 YELLOW 4L	\$290.33	
	6/12/2014	8057506140		CREDIT 6 BDH BUFFER REF STD PH7 YELLOW	\$-290.33	
154337	6/5/2014	20140603	LOUIS RIVERA III	TUITION REIMB - SPRING SEMESTER 2014	\$290.99	\$290.99
154395	6/12/2014	8839000	HACH COMPANY	1 EA DO PROBE SOFTWARE CABLE & DIGITAL TERMINATION BOX	\$283.27	\$283.27
154291	6/5/2014	305836	BAY AREA BARRICADE SERVICE INC	6 CS MARKING PAINT	\$272.66	\$272.66
154427	6/12/2014	9725569657	VERIZON WIRELESS	WIRELESS SERV 04/21/14-05/20/14	\$249.54	\$249.54

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154380	6/12/2014	20140603	CAROL COURTEMANCHE	EXP REIMB: GRADE II OPERATOR RENEWAL	\$230.00	\$230.00
154404	6/12/2014	20140605	DAVID LEATH	EXP REIMB: RETIREMENT GIFT - ROBERT LEE	\$225.00	\$225.00
154309	6/5/2014	9424782416	GRAINGER INC	1 EA PREMIUM MINI SWCH	\$3.01	\$217.29
	6/5/2014	9427199576		10 EA MALE ELBOWS	\$35.04	
	6/5/2014	9427308987		ASTD CONNECTORS	\$156.36	
	6/5/2014	9427308995		10 EA MALE CONNECTORS	\$22.88	
154336	6/5/2014	1690000008506	RED WING SHOE STORE	SAFETY SHOES - LAM	\$208.00	\$208.00
154355	6/5/2014	20140604	WEF-WATER ENVIRONMENT FEDERATI	WEF MEMBERSHIP T GRILLO	\$202.00	\$202.00
154329	6/5/2014	20140603	SHAWN NESGIS	EXP REIMB: AIRFARE - MSA E-BOARD MTG - SAN DIEGO	\$184.00	\$184.00
154387	6/12/2014	20140611	KATHRYN DESTAFNEY	EXP REIMB: DEBRIEF LUNCH BS EOC SECTION DRILL	\$178.49	\$178.49
154382	6/12/2014	247071	CURTIS & TOMPKINS LTD	10 LAB SAMPLE ANALYSIS	\$164.00	\$164.00
154338	6/5/2014	240228	RKI INSTRUMENTS INC	1 SENSOR, CO, ES-81, FOR EAGLE	\$160.14	\$160.14
154371	6/12/2014	20140606	LAURIE BRENNER	EXP REIMB: AMERICAN SOCIETY FOR QUALITY MEMBERSHIP RENEWAL	\$156.00	\$156.00
154308	6/5/2014	74073	GORILLA METALS	ASTD METAL, STEEL, STAINLESS, AND ALUMINUM	\$142.03	\$142.03
154298	6/5/2014	20140603	CWEA-NRTC	DINNER REG: 4 FMC EMPLOYEES	\$135.00	\$135.00
154343	6/5/2014	20140604	KRISTINA SILVA	PROJ 414 LUNCH & REFRESHMENTS	\$125.23	\$125.23
154315	6/5/2014	515854	HULBERT LUMBER SUPPLY	ASTD LUMBER SUPPLIES	\$69.80	\$108.95
	6/5/2014	516242		ASTD LUMBER SUPPLIES	\$39.15	
154314	6/5/2014	5460653	HOSE & FITTINGS ETC	1 EA F471TC-06-39-04-04-209	\$106.79	\$106.79

**UNION SANITARY DISTRICT
CHECK REGISTER
05/31/2014-06/13/2014**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
154396	6/12/2014	253550	HANIGAN COMPANY INC	3 BOXES BUSINESS CARDS: BOSICK, LAM, & BAILE	\$99.91	\$99.91
154391	6/12/2014	265682477	FEDERAL EXPRESS CORPORATION	SHIPPING SERVICE - TS	\$90.81	\$90.81
154299	6/5/2014	20140604	CWEA-NRTC	CERT RENEWAL - T. GRILLO	\$82.00	\$82.00
154359	6/12/2014	9027617575	AIRGAS NCN	ASTD PARTS & MATERIALS	\$67.94	\$67.94
154289	6/5/2014	20140603	MICHAEL AUER	EXP REIMB: LUNCH MEETING "WHERE DOES IT GO" VIDEO GROUP	\$65.87	\$65.87
154393	6/12/2014	74151	GORILLA METALS	ASTD METAL, STEEL, STAINLESS, AND ALUMINUM	\$60.97	\$60.97
154302	6/5/2014	615320140818	DISH NETWORK	JUN 2014 - SERVICE FEE	\$60.86	\$60.86
154344	6/5/2014	20140529	JENNIFER SIO-KWOK	EXP REIMB: LUNCH UTILITY WORKER/MECHANIC INTERVIEW PANEL	\$60.33	\$60.33
154421	6/12/2014	20140609	JAMES SCHOFIELD	EXP REIMB: 30 DAY SAFETY RECOG GIFT	\$57.90	\$57.90
154375	6/12/2014	435686	CENTERVILLE SAW AND TOOL	SERVICE ECHO-HC165	\$55.83	\$55.83
154284	6/5/2014	20140602	ALCO-EMA	MEMBERSHIP RENEWAL	\$50.00	\$50.00
154365	6/12/2014	1718451	ANALYSTS INC	2 LAB SAMPLE ANALYSIS	\$44.00	\$44.00
154426	6/12/2014	9853204.0	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 05/17/14	\$43.72	\$43.72
154350	6/5/2014	9853194.0	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 05/10/14	\$36.92	\$36.92
154424	6/12/2014	20140610	UNION CITY CHAMBER OF COMMERCE	ANNUAL SPIRIT AWARDS LUNCH - M FERNANDEZ	\$35.00	\$35.00
154282	6/5/2014	1266	ALAMEDA COUNTY TREASURER	9 ASSESSOR'S MAPS	\$27.00	\$27.00
154384	6/12/2014	20140609	DOUGLAS DATTAWALKER	REIMB LIVE SCAN FEE	\$25.00	\$25.00
154397	6/12/2014	35569020020140527	HAYWARD WATER SYSTEM	WATER SERV 03/18/14 - 05/19/14	\$24.70	\$24.70
154293	6/5/2014	20140603	MAKEDA BENTON	REIMBURSEMENT: LIVE SAN FEE	\$20.00	\$20.00

**UNION SANITARY DISTRICT
CHECK REGISTER
05/31/2014-06/13/2014**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
154363	6/12/2014	5097252	ALL INDUSTRIAL ELECTRIC SUPPLY	3 - 1 MTR PIGTAIL CONN	\$17.57	\$17.57
154322	6/5/2014	20140529	ANJALI LATHI	EXP REIMB: MEAL - SPECIAL BOARD MEETING	\$9.71	\$9.71

Invoices:

Credit Memos :	1	-290.33
\$0 - \$1,000 :	185	58,859.32
\$1,000 - \$10,000 :	51	145,902.25
\$10,000 - \$100,000 :	10	224,316.40
Over \$100,000 :	3	2,677,174.70
Total:	250	3,104,962.34

Checks:

\$0 - \$1,000 :	86	28,797.44
\$1,000 - \$10,000 :	53	159,866.47
\$10,000 - \$100,000 :	10	239,123.73
Over \$100,000 :	2	2,677,174.70
Total:	151	3,104,962.34



EAST BAY DISCHARGERS AUTHORITY
2651 Grant Avenue
San Lorenzo, CA 94580-1841
(510) 278-5910
FAX (510) 278-6547

A Joint Powers Public Agency

COMMISSION MEETING AGENDA

Thursday, June 19, 2014

10:00 A.M.

City of Hayward
Water Pollution Control Facility
3700 Enterprise Avenue
Hayward, CA 94545

1. Call to Order
2. Roll Call
3. Public Forum

CONSENT CALENDAR

MOTION

4. Commission Meeting Minutes of May 15, 2014
5. List of Disbursements for May 2014
6. Treasurer's Report for May 2014

REGULAR CALENDAR

INFORMATION

7. General Manager's Report
(The General Manager will report on EBDA issues.)

INFORMATION

8. Report From the Managers Advisory Committee
(The General Manager will report on the meeting of June 18, 2014.)

MOTION

9. Report From the Financial Management Committee
(The General Manager will report on the meeting of June 16, 2014.)

RESOLUTION

10. Resolution Authorizing Amendment No. 3 to the Fee Contract by and Between East Bay Dischargers Authority and Meyers Nave, a Professional Law Corporation
(The Committee will consider a resolution authorizing Amendment No. 3 to the Authority's fee contract with Meyers Nave.)

- RESOLUTION 11. Resolution Approving Revisions to Sections I Through X, Financial Management System Policy and Procedures Manual**
 (The Committee will consider a resolution approving updates to the Financial Management System Policy and Procedures Manual that includes the Authority's Investment Policy.)
- MOTION 12. Report From the Regulatory Affairs Committee**
 (The General Manager will report on the meeting of June 17, 2014.)
- MOTION 13. Report From the Operations & Maintenance Committee**
 (The General Manager will report on the meeting of June 16, 2014.)
- RESOLUTION 14. Resolution Approving Asset Management Plan / Renewal and Replacement Fund Schedule Fiscal Year 2014/2015**
 (The Committee will consider a resolution approving the Asset Management plan / Renewal and Replacement fund schedule for fiscal year 2014/2015.)
- RESOLUTION 15. Resolution Approving an Agreement Between East Bay Dischargers Authority and Univar USA, Inc. for Sodium Bisulfite 25% Solution in FY 2014/2015 in an Amount Not to Exceed \$250,000 Without Prior Commission Approval**
 (The Committee will consider a resolution authorizing the General Manager to issue a Purchase Order to Univar USA in the amount not to exceed \$250,000 for the purchase of Sodium Bisulfite 25% solution in FY 2014/15.)
- INFORMATION 16. Items From the Commission**
 (The Commission will comment on miscellaneous items of interest.)
- 17. Adjournment**
- (Any member of the public may address the Commission at the commencement of the meeting on any matter within the jurisdiction of the Commission. This should not relate to any item on the agenda. It is the policy of the Authority that each person addressing the Commission limit their presentation to three minutes. Any member of the public desiring to provide comments to the Commission on an agenda item should do so at the time the item is considered. It is the policy of the Authority that oral comments be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available in the Boardroom and are to be completed prior to speaking.)
- (In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in an Authority meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Administrative Assistant at the EBDA office at (510) 278-5910. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the Authority staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.)
- (In compliance with SB 343, related writings of open session items are available for public inspection at East Bay Dischargers Authority, 2651 Grant Avenue, San Lorenzo, CA 94580. For your convenience, agenda items are posted on the East Bay Dischargers Authority website located at <http://www.ebda.org>.)

**The next Commission meeting will be held
 Thursday, July 17, 2014 at 9:30 a.m.**



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 16, 2014

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principle Financial Analyst

SUBJECT: Agenda Item No. 20d - Meeting of June 23, 2014
Information Item: **Pension Actuary Scope of Work**

Recommendation

Information Only.

Background

At the Board Workshop on *Status of PERS Retirement Program*, held on May 19, 2014, the Board inquired about options to paying off the District's pension unfunded liability quicker than PERS 30 year horizon. The proposed attached scope of work from Bartel Associates is responsive to the Board's question.

At the Board meeting we will discuss the scope, any changes needed, and the preferred way to contract if we proceed.

June 3, 2014

Rich Cortes
Business Services Manager
Union Sanitary District
5072 Benson Road
P.O. Box 5050 94587-8550
Union City, CA 94587-2508

Re: Union Sanitary District– CalPERS Projections

Dear Mr. Cortes:

Bartel Associates would be happy to provide Union Sanitary District actuarial consulting services.

Background

The District participates in CalPERS, providing Miscellaneous employees hired before January 1, 2013 and classic employees hired on or after January 1, 2013 the 2.5% @55 for Tier 1 and the 2.0% @55 benefit formula for Tier 2, with the PEPRA 2.5% @67 benefit formula for new members hired on or after January 1, 2013. Recent CalPERS changes will result in higher District contribution rates starting 2015/16. The District has asked for assistance in analyzing its options for funding the Plan, including:

1. Under what conditions/assumptions does it make economic sense for the District to pay more than the CalPERS required pension payment? What risk does this involve?
2. What stream of extra payments would be required to achieve 100% funding in 15 years and in 20 years vs. the current program under CalPERS for 30 years?
3. What would be the impact if the District made a lump sum prepayment each year vs. the current monthly payments? What risk does this involve?
4. Are there other prepayment options the District should consider?
5. What would be the impact of future downturns with CalPERS current strategy, with selected prepayment options described above?

Project Scope and Fees

In order to fully understand the effects of accelerating the Plan's funding, and especially to consider the risks related to investment return, we believe a detailed contribution rate projection is required. This includes:

- Projection of CalPERS contribution rates for each fiscal year through 2021/22 and for 30 years showing the impact of:
 - CalPERS new contribution policy,
 - CalPERS approved assumption changes,
 - Accelerated funding – 15 years and 20 years, addressing #2 above,
 - Asset return sensitivity (typically 25th, 50th, and 75th percentiles) addressing #5 above.
- The contribution rate projection incorporates the effect of the 2nd Tier and PEPRA benefits.
- Discussion of items #1, #3, and #4 above, without specific numerical analysis.
- Meeting with the District to discuss results.
- We can provide contribution analyses under additional investment return scenarios for an extra charge.



We believe the District will find the contribution projections useful for budgeting even if accelerated funding is not implemented. Our fees for this project are estimated to be \$7,500. We understand the District budgeting needs and agree not to charge more than \$8,500 without prior approval.

Additionally, the District may be interested in the following services which are not included above:

- *Executive Summary*—The project scope includes a written discussion outline with significant detail. This document is not meant to be a stand-alone explanation of results that the District should give to a Board. An Executive Summary is a stand-alone report summarizing results. Preparation fees are approximately \$1,500 to \$2,000.
- *Presentation to the District Board*—Additional fees to present results at a Board meeting are approximately \$1,500 to \$2,000

Please note:

- We will bill the District at our 2014 hourly rates (however, much of the time for the above project would be at the Partner level):

Partner	\$255 - \$310	Actuarial Analyst	\$130
Assistant Vice President	\$205 - \$230	Administrative Support	\$80
Associate Actuary	\$155		
- We will not bill for travel time.
- The above fees are estimated based on the project scope outlined above and do not include more than 1 meeting. Additional projections, scenarios or meetings will increase the above fees by actual meeting and preparation time.

Data

To complete our review, please provide:

- Screenshot of benefit summaries, including effective dates, for each benefit tier from My|CalPERS,
- CalPERS PEPRA letters “BENEFIT FORMULA AND CONTRIBUTION RATES FOR NEW MEMBERS EFFECTIVE JANUARY 1, 2013” – The District should have received in December 2012 with your new member rates,
- Information about any additional pension tiers implemented prior to January 1, 2013,
- Other CalPERS correspondence, if appropriate,
- We will obtain the June 30, 2010 through 2012 actuarial valuations from CalPERS’ website.

We are prepared to begin this project immediately and can set a meeting date as soon as we receive the above information. Initial meeting dates are usually set approximately 3-4 weeks after we receive the actuarial information. We look forward to working with you and the District.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John E. Bartel'.

John E. Bartel
President
c Mary Beth Redding, Bianca Lin, Bartel Associates, LLC

\\bartc\afs01\bartel_associates\prospects\union sanitary district\calpers 2014\ba unionsd 2014-06-02 calpers fee letter.docx

UNION SANITARY DISTRICT

LEGAL/COMMUNITY AFFAIRS COMMITTEE MEETING

Wednesday, June 18, 2014
5:00 p.m.

AGENDA

- Board Communication and E-Mail

*Committee meetings are open to the public; however, **only written comments** from the public **will be permitted**. Written comments must be received at the Union Sanitary District office, 5072 Benson Road, Union City, CA 94587, at least one working day prior to the committee meeting. No Board action will be taken.*

6/12/14

UNION CITY

Hillside project headed for vote

Initiative would allow building senior housing on protected land

By Chris De Benedetti
cdebenedetti@
bayareanewsgroup.com

UNION CITY — City residents in November will decide whether to put houses, stores and elder-care facilities on a portion of land in protected hillside open space.

The City Council on Tuesday put an initiative on the November ballot asking voters whether 63 acres of protected land should be developed.

If voters agree, the Union City Flatlands Initiative would allow the Masonic Home of Union City to build affordable senior homes, low-density housing, retail space and elder-care facilities near the Hayward border.

The project would be built below the Masonic Home, a 116-year-old care center for about 270 senior citizens above Mission Boulevard.

"We've got an aging baby boomer community that absolutely needs senior services, and we can provide those services," said Gary Charland, executive vice president of Masonic Homes of Cali-

See INITIATIVE, Page 2

"We've got an aging baby boomer community that absolutely needs senior services, and we can provide those services."

— Gary Charland, executive vice president,
Masonic Homes of California

Initiative

Continued from Page 1

fornia, owner of the Union City facility.

The development will create about 50 jobs in fields ranging from health care to maintenance to food services, Charland said.

"We think this is an exciting opportunity for the community," he said.

Even before Masonic Home leaders last month submitted about 5,000 signatures in support of the initiative, vocal opponents emerged, suggesting that it will be one of the fall election's more hotly contested issues.

Members of Save Our Hills, a Tri-City-area group working to spare the hills from development, say they oppose the plan. That's because the property is part of 6,100 acres protected by Union City's Hillside Area Plan and Measure II — known as the Hillside Protection Measure — both of which were approved in the mid-1990s.

As an alternative to putting the initiative on the ballot, the City Council could have opted to reject it or delayed a decision pending

further debate, City Manager Larry Cheeves said.

Save Our Hills members, such as Rebecca Spindler, gathered outside of City Hall before the meeting Tuesday.

"This is this area's last pristine view of the hills," Spindler said, noting that the land has been protected for 20 years. "It seems we have to fight this over and over again. How many times does the public have to say no?"

The development would be built near the Hayward Fault, leading opponents to claim the housing units would be unsafe for its residents.

However, state law requires that any construction at the site would be subject to the Bay Area's seismic codes, Charland said.

"There are very strict building codes regarding what can or cannot be built in a fault zone, and we'll have to comply with all of them," he said.

"The City Council did the right thing," Charland said. "Now it's up to Union City voters to decide."

Contact Chris De Benedetti at 510-353-7011. Follow him at Twitter.com/cdebenedetti.

Fremont: Developers pledge to build school in Warm Springs days before voters decide Measure E

By Chris De Benedetti The Argus San Jose Mercury News

Posted: Sun Jun 01 01:00:00 MDT 2014

MercuryNews.com

FREMONT -- In a deal struck days before voters decide on a school bond measure, developers of the Warm Springs/South Fremont mixed-use project have pledged to build an elementary school on land they will donate to the school district.

Land developers -- including Lennar Homes, Warm Springs Station Group and San Jose-based Valley Oak Partners -- have signed a letter of intent with the Fremont Unified School District, saying they will spend about \$25 million to build a 750-student campus on five acres near the Tesla factory.

The developers also will spend \$14.2 million on classrooms and other campus improvements at Walters Junior High and Kennedy High schools, district leaders have announced.

"The financial commitment ... is an unprecedented offer that no developer has made in recent memory," said school board President Lara Calvert-York. "It will provide ... educational facilities for students from this new development at no cost to the district."

During this election season, some opponents to Measure E, a \$650 million bond on Tuesday's ballot, have feared that the money might be used for a new Warm Springs school, instead of improving the district's aging facilities.

Opponents also criticized developers for not spending more to offset the effects new housing will have on Fremont's crowded campuses.

Kathryn McDonald, a bond measure opponent, questions the timing of the letter of intent, which was announced less than a week before Election Day.

"The announcement of the deal might be tied to the bond measure," said McDonald, a Fremont parent. "But even if it's not, the issues with the bond remain."

The deal was announced this week because developers are at a critical juncture in building out the project, not because of the election, said Superintendent of Schools James Morris.

"We've been in discussions with developers (over the new school) for almost a year," Morris said. "The school solution sets a new standard for Fremont, and it says to the community that if we're building new housing then we have to make sure there are high-quality schools to attend in the neighborhood."

Meantime, McDonald and other opponents say the school bond -- Alameda County's largest ever -- would be wasteful because about \$410 million would be spent on school improvements, with around \$240 million set aside for inflation and cost overruns.

"That's nearly 60 percent set aside for overruns," McDonald said. "That's not a sensible way to manage your finances."

The bond measure would be the district's first since 2002, when voters approved a \$157 million health and safety bond. The district is still paying it off. Fremont property owners each year pay nearly \$31 per \$100,000 of assessed value for the 12-year-old bond measure, district leaders said.

Measure E opponents also note that the Fremont school board recently approved salary hikes for teachers and other employees, costing the district \$10.5 million each year in compensation.

"That money is coming out of our general fund, which we could use to repair our facilities," McDonald said. "I don't begrudge the teachers, but couldn't we have waited until the bond election first, to make sure the money is there? Making those kinds of decisions is how we got to this point in the first place."

More than 33,600 students attend 42 campuses at Fremont Unified. Enrollment has grown by 2,000 students in the past six years, and 1,500 more are expected by 2017.

In a growing district, Fremont Unified leaders have said that the plan to develop as many as 4,000 housing units near the Warm Springs/South Fremont BART station opening next year would cause a crisis in Fremont's already crowded schools.

Warm Springs Elementary, for example, already has 951 students, well above the ideal maximum, 850 students, for an elementary campus.

However, the developers' pledge to build a school there likely will ease those worries, district leaders said.

The new campus removes a key obstacle in the city's goal of "creating a regional job center" in a development that will include housing, retail and office space on 880 acres in Warm Springs, said Mayor Bill Harrison.

"I am proud of the partnership the city and school district have recently forged, and I am pleased with the commitment developers have presented to the school district," he said.

Contact Chris De Benedetti at 510-353-7011. Follow him at [Twitter.com/cdebenedetti](https://twitter.com/cdebenedetti).

EFFECTIVE JULY 1

6/11/14

EBMUD raises water rates to shore up system

9.5% increase, similar to 2013 hike, will help maintain pipes, equipment

By Denis Cuff

dcuff@bayareanewsgroup.com

OAKLAND — Customers in the East Bay's largest water district will pay 9.5 percent more for water starting next month, the second large rate increase in two years.

The East Bay Municipal Utility District board voted 7-0 Tuesday to approve the increase, which district managers say is needed to step up pipe and equipment maintenance that had been deferred during the lean economic years from 2008 to 2012.

"We are having to replumb our older service areas," said Abby Figueroa, a district spokeswoman. "Half of our pipes are more than 50 years old. We are shoring up our water system and its finances."

See **EBMUD**, Page 8

EBMUD

Continued from Page 1

The increase goes into effect July 1.

The district supplies water to 1.3 million people in areas stretching from Richmond and Crockett to the north, Oakland and Berkeley to the west, Danville and San Ramon to the east and San Leandro to the south.

In a related move Tuesday, the EBMUD board approved 8.5 percent higher sewage rates for 650,000 people living in western Contra Costa and Alameda counties.

The higher sewer rates also go into effect July 1.

The latest increase boosts the district's average residential water bill by about \$4.50 a month, from \$46.70 to \$52.20 for about 270 gallons a day, officials estimate.

The average is higher in warmer suburban areas with bigger lawns in Central Contra Costa County and the San Ramon Valley and less in cooler areas such as Oakland, Berkeley, Richmond and San Leandro.

A similar water rate increase of 9.75 percent went into effect in July 2013 — the first of what district officials said will be several years of increases.

The higher rates, officials said, also are needed to help the district refinance and pay off its \$2 billion in debt from projects that include EBMUD's \$460 million share of a project that delivered Sacramento

River water to the East Bay for the first time this year. Arrival of that water helped the district avoid water rationing and drought rates this summer and instead continue with voluntary conservation.

As a result, the water rate increase approved Tuesday is not aimed specifically at nudging customers to use less water — although the district has permanent tiered rates that charge higher rates for larger amounts used.

Still, EBMUD's rate increases in the past two years are making some customers think about using less.

"Two substantial increases probably does make people think more about ways to use less water," said Charles Brydon, a Danville resident who has closely monitored district rates for years. "This will affect people more in the warmer parts of the district."

Kathy Wheadon, an Oakland townhouse owner, said the escalating cost of water is one of several reasons her homeowners group is looking into the possibility of installing individual meters on housing units instead of sharing a single meter for the complex.

The individual meters would let residents in each unit know how much they use and base bills on that.

"For me personally, it's not about the money," Wheadon said. "It's about living in a drought and being careful with the water we use."

Contact Denis Cuff at 925-943-8267. Follow him at [Twitter.com/deniscuff](https://twitter.com/deniscuff).

Readers' letters

Clause in water hike shouldn't be allowed

In reading the brochure Alameda County Water District mailed to me regarding water rate surcharges proposed during the drought, I noticed some particularly disturbing language.

Under the heading Effective Date and Proration, it says:

"If adopted by the Board of Directors, all drought surcharges would become effective on July 21, 2014 and would remain in effect until rescinded by the board."

This is completely unconscionable. With such language we can (and should) assume that ACWD, following its own precedent, would never rescind that surcharge. ACWD has, as long as I have been a homeowner in Fremont, raised our water rates every single year. Not once has ACWD lowered the rates.

My water bill has risen more than 300 percent — and I'm using much less water than ever. I'm in favor of conservation, and I do conserve. I don't mind paying a fair price for my water, but that clause in their proposal makes their proposal unacceptable.

Mary Barnett
Fremont

6/10/14

Readers' letters

6/13/14

Must stop the water district's madness

The Alameda County Water District's proposed drought surcharge is a disguised rate increase to generate revenue to pay for their bloated employee compensation and no cost benefits. It has nothing to do with conserving water.

More than 90 percent of employees earn more than \$100,000 in total compensation, 60 percent more than \$150,000 and 18 percent more than \$200,000.

Employees received a 20 percent pay increase during the 2007-12 recession, when people lost jobs and homes. Only four months ago it raised water rates 7 percent after giving employees another 13 percent pay raise through 2017.

Now it is back for more, calling this a drought surcharge, which has no ending date, meaning this will be permanent because the district needs the additional revenue to continue to give its employees generous pay raises and no-cost benefits for life.

The district will also be increasing the base water usage rate every year going forward because it is built into its financial model.

By law we can stop this surcharge if a majority protests to: droughtsurchargeprotest@acwd.com. Include your name, phone number and address before July 17. Stop the madness.

Dean Nishimura
Fremont

Newark might add 100 new homes

6/7/14

The Bay Area's housing boom has come to Newark, where council members on Thursday will consider building 100 new residences.

First, the City Council will vote on a plan to build 85 townhomes on a vacant 4.3-acre lot at the northeast corner of Cedar Boulevard and Mowry School Road.

Local

San Francisco Chronicle

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Gold Rush family's last bit of land goes to East Bay parks



Tuesday marked the end of the line for the Patterson family's 150-year reign as Bay Area land barons, but it was a \$10 million day for the East Bay Regional Park District.

The Patterson family, Bay Area stalwarts since the Gold Rush, donated the last chunk of their once vast land holdings to the park district on a sunny morning in

Image 5 out of 12

Paul Chinn/The Chronicle

A wire fence marks the previous boundary of Coyote Hills Regional Park from private land (background) in Fremont, Calif. on Tuesday, June 3, 2014. The fence will soon come down after the Patterson family donated a large parcel of ranch land to the East Bay Regional Parks District, significantly increasing the size of the Coyote Hills open space.

Fremont. The gift – nearly 300 acres of willows and pickleweed near San Francisco Bay – is the most valuable piece of property obtained by the district in its 80-year history.

The \$10 million appraisal was on the low end. Real estate developers put the value closer to \$500 million if the land were zoned for housing.

"It's a bittersweet day," said Wilcox Patterson of Portola Valley, who got one last glimpse of the property Tuesday before it transferred to public ownership. "I used to tramp around here as a boy, hunting pheasants and ducks. But we inherited this land, and with inheritance comes an obligation to give back. ... I'm thrilled to see this land go to public use, for public enjoyment."

Fourteen-year fight

The deal was more than 14 years in the works, as family members, developers, neighbors and Fremont officials feuded over the fate of the parcel, which is strategically located near Highway 84 and housing-starved Silicon Valley.

Complicating matters, the land is also wedged between Coyote Hills and Ardenwood parks, large tracts of open space that the Pattersons previously donated.

The battle began in the late 1990s, when a developer unfurled plans to build nearly 2,000 homes and a golf course on the site.

This didn't sit well with Fremont residents who felt increasingly crowded by the boom in housing and office parks.

"We were at a community meeting, and the developer said, 'We can do 1,800, 1,500 or 1,400 homes. Which would you prefer?' We said, 'How about *no* homes?' " said Dan Ondrasek, a member of Friends of Coyote Hills, one of the groups that fought to retain the land as open space.

"The crowd went nuts, and that's when this whole process started," Ondrasek said.

Bay Trail section

In the end, the park district won. An adjacent parcel of about 100 acres will be set aside for 500 or so housing units, but 296 acres will be permanent open space. Ultimately, the land will include a section of the Bay Trail, other hiking paths, educational panels and an organic farm.

"It was a tortuous route to get here, but nothing great ever comes easily," said the district's general manager, Bob Doyle. "Thanks to all that work, we've been able to conserve a really valuable piece of land and a really important piece of history."

The land was originally home to American Indian settlements. George Washington Patterson, an Indiana farmer, bought it in the 1850s after giving up his mining efforts on the American River.

He had better luck with tomatoes and cauliflower than with gold, and was soon expanding his farm operations to ship produce to an ever-expanding San Francisco. At its peak, the family holdings included 3,700 acres in Fremont, Union City and Newark, plus a 5,000-acre cattle ranch near Livermore.

The family began selling off bits of property to developers in the 1950s. But they also donated large portions to the public, including a 5,000-acre parcel near Livermore that is now part of the Alameda County Water District open space watershed.

Tuesday's gift was the last piece, and by far the most valuable. But there's no dollar figure on its natural beauty – the land is home to one of the last wild willow groves along the bay shoreline, and in spring is covered with wildflowers and hosts countless butterflies.

Developer Charles Keenan, who worked on the transaction, was gratified to see the property saved and the feuds resolved.

"You never get all the kittens in the box," he said, "but in this case we got 99 percent of them."

Carolyn Jones is a San Francisco Chronicle staff writer. E-mail: carolynjones@sfchronicle.com

Twitter: [@carolynajones](https://twitter.com/carolynajones)

HEARST *newspapers*

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Argus

c/o Bay Area News Group-East Bay
37468 Fremont Blvd.
Fremont, CA 94536
Legal Advertising
(800) 595-9595 opt. 4

UNION SANITARY DISTRICT
ATTN: ACCOUNTS PAYABLE, PO BOX 5050
UNION CITY CA 94587

PROOF OF PUBLICATION

FILE NO. USD Sewer Servi

In the matter of

Argus

The Argus

I am a citizen of the United States; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of The Argus, a newspaper published in the English language in the County of Alameda, State of California.

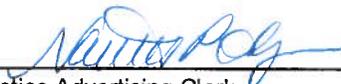
I declare that the Argus is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order, dated June 12, 1961, in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of The Argus as a Newspaper of General Circulation, Case Number 314854, and as amended, April 25, 1967. Said order, as amended, states "'The Argus' has been established, printed and published in the County of Alameda, State of California; [] That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of a general character and has a bona fide subscription list of paying subscribers; and ... THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED: ... That 'The Argus' is a newspaper of general circulation for the County of Alameda, California." Said order as amended, has not been revoked.

I declare that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

5/31/2014, 6/7/2014

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated: June 9, 2014


Public Notice Advertising Clerk

Legal No.

0005188801

UNION
SANITARY DISTRICT

NOTICE OF PUBLIC
HEARING ON

SEWER SERVICE
CHARGES

NOTICE IS HEREBY GIVEN that pursuant to Sections 5471 and 5473, et seq. of the Health and Safety Code of the State of California and Union Sanitary District Ordinance No. 31, the Board of Directors of Union Sanitary District will consider adoption of Ordinance No. 31.37 which establishes Sewer Service Charges for the Fiscal Year ending June 30, 2015. The new sewer service charge is proposed to increase by \$19.25 per year. The new rate would be \$357.02 per year for a single family residence. All other categories of use are proposed to increase approximately 5.7%. This is the second year of the three-year rate change as identified in the notice of rate change sent to all property owners in the USD service area in April of 2013. Additional information can be found at www.unionsanitary.ca.gov. The District has elected to collect its charges for sewer services on the tax roll, in the same manner as general taxes.

NOTICE IS FURTHER GIVEN that on Monday, the 23rd day of June 2014, at the hour of 7:00 p.m., at the Union Sanitary District Boardroom, 5072 Benson Road, Union City, California, in said District, said Board will hear and consider all protests and objections to said proposed rates and to collect charges for sewer services on the tax roll, in the same manner as general taxes.

By order of the Board of Directors of Union Sanitary District.

UNION SANITARY
DISTRICT
Secretary
Board of Directors
AR #5188801
May 31; June 7, 2014

Argus

c/o Bay Area News Group-East Bay
37468 Fremont Blvd.
Fremont, CA 94536
Legal Advertising
(800) 595-9595 opt. 4

UNION SANITARY DISTRICT
ATTN: ACCOUNTS PAYABLE, PO BOX 5050
UNION CITY CA 94587

PROOF OF PUBLICATION FILE NO. USD Capacity Fee

In the matter of

Argus

The Argus

I am a citizen of the United States; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of The Argus, a newspaper published in the English language in the County of Alameda, State of California.

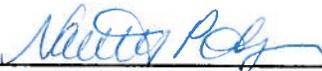
I declare that the Argus is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order, dated June 12, 1961, in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of The Argus as a Newspaper of General Circulation, Case Number 314854, and as amended, April 25, 1967. Said order, as amended, states "'The Argus' has been established, printed and published in the County of Alameda, State of California; [] That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of a general character and has a bona fide subscription list of paying subscribers; and ... THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED: ... That 'The Argus' is a newspaper of general circulation for the County of Alameda, California." Said order as amended, has not been revoked.

I declare that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

5/31/2014, 6/7/2014

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated: June 9, 2014



Public Notice Advertising Clerk

Legal No.

0005188780

UNION SANITARY
DISTRICT

NOTICE OF PUBLIC
HEARING ON
CAPACITY FEES

NOTICE IS HEREBY GIVEN that pursuant to Sections 5471 and 5473, et seq. of the Health and Safety Code of the State of California and Union Sanitary District Ordinance No. 35, the Board of Directors of Union Sanitary District will consider adopting and establishing the Capacity Fee Ordinance No. 35.21. Ordinance 35.21 would set the Capacity Fees for the Fiscal Year ending June 30, 2015. The Capacity Fee for a new single family dwelling connecting to the sewer is proposed at \$5,595.66. All other categories of capacity fees for connection to the sewer are proposed to increase by approximately 5%. Copies of the proposed Ordinance 35.21 are available for review at the office of the Union Sanitary District, 5072 Benson Road, Union City, California.

NOTICE IS FURTHER GIVEN that on Monday, the 23rd day of June 2014, at the hour of 7:00 p.m., at the Union Sanitary District Boardroom, 5072 Benson Road, Union City, California, in said District, said Board will hear and consider all protests and objections to said proposed Ordinance 35.21.

By order of the Board of Directors of Union Sanitary District.

UNION SANITARY
DISTRICT
Secretary

AR #5188780
May 31; June 7, 2014

Fremont Innovation District: Public-Private Partnership at its best



By Kelly Kline
Economic Development Director

places seek to build – a thriving environment for entrepreneurs, manufacturers and industrial powerhouses in the Bio and Cleantech sectors – Fremont stakeholders, including the City and Fremont Chamber, have taken an important step in nurturing innovation activity by designating an official “Fremont Innovation District.” By wrapping a boundary in a red bow, creating a visible branding identity and nurturing entrepreneurial activity, Fremont is not leaving business growth to chance.

The Fremont Innovation District (F.I.D.) was developed as

—FAST
page 6

Recognizing that Fremont has already achieved what so many

FAST

from page 1

part of Fremont’s Advanced & Sustainable Technology (‘FAST’) Strategy, an economic plan to encourage sustainable advanced manufacturing growth through proactive partnerships. FAST leverages existing innovative technology companies clustered around Warm Springs and Baylands to more broadly promote the area as a transit-accessible hub for innovation, education and thought leadership.

The boundaries of the F.I.D. encompass an area of high business activity in South Fremont.

- Automall Parkway to the north
- Baylands to the west
- Highway 680 to the east, and
- Dixon Landing to the south

The area was chosen because of the existing concentration of innovative businesses located in the area. The area is primed for future growth with the opening of the new BART station in 2015 and a vast supply of available land zoned for transit-orientated industrial development.

The main facets of the F.I.D. include:

- Branding of the district through physical signage and partnership with businesses, property owners and the real estate industry
- Encouragement of education events and incubator activity related

to key industries including advanced manufacturing, Cleantech and Life Sciences

- Creation of an “innovation center” that can serve as a hub for all of these activities

We are asking companies located in Fremont Innovation District to place the logo on their website to self-identify as part of the F.I.D. and to place window decals in their business entrance. Please contact Kim Marshall at 510-284-4026 for a copy to display on-line or on-site. You can find additional information on our website at: www.thinksiliconvalley.com/FID

Interested in getting involved? The FAST working group meets monthly and includes representatives from the City, Fremont Chamber, Economic

Development Commission, California Technology Center and key supporting sectors including real estate, finance, education and business consulting. For more information, contact Jennifer Chen at 510-284-4023.

Finally, we hope to stay engaged with the larger community on economic development activities. In addition to our Facebook page, we tweet daily on @Fremont4biz. Our award winning business website www.ThinkSiliconValley.com encourages public dialogue through a bi-weekly blog: “Takes from Silicon Valley East”. Please subscribe and let us know how we can keep improving our business resources.

As Fremont’s Economic Development Director, Kelly Kline serves as a vital link to the city’s business community. Kelly has chalked up 20 years of city government experience with a special emphasis on business development, downtown revitalization and retail recruitment. She is passionate about creating a strong and diverse local economy and fostering public-private partnerships. Kelly has a B.S. in Journalism and Political Science and a Master’s of Public Administration from San Jose State University. She is also a graduate of the Senior Executives in State and Local Government program at Harvard University’s John F. Kennedy School of Government.

