

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
SEPTEMBER 23, 2013**

1. CALL TO ORDER

President Lathi called the Board to Order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

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

ABSENT: None

STAFF: Rich Currie, General Manager
Rich Cortes, Manager, Business Services
Jesse Gill, Manager, Technical Support & Customer Service
Dave Livingston, Manager, Treatment & Disposal Services
Ed McCormick, Deputy General Manager
Andy Morrison, Manager, Collection Services
David O'Hara, Legal Counsel
Michelle Powell, Communications Coordinator
Maria Scott, Principal Financial Analyst
Robert Simonich, Manager, Fabrication, Maintenance & Construction
Tom Graves, Assistant to the General Manager/Board Secretary

CONSULTANTS: None

VISITORS: None

4. **APPROVAL OF THE MINUTES OF SEPTEMBER 9, 2013**

Action

On a motion made by Director Kite and seconded by Director Toy, the Minutes of the Board of Directors Meeting of September 9, 2013 were approved. The motion carried unanimously.

5. **WRITTEN COMMUNICATIONS**

There were no official written communications.

6. **ORAL COMMUNICATIONS**

There were no oral communications.

Information 7. **MONTHLY OPERATIONS REPORT FOR AUGUST, 2013**

GM Summary

GM Currie said there were three odor complaints in August, none of which were attributable to USD. There were no accidents or injuries, continuing the streak of 225+ days. Auditors were on site in August, both for a single audit and for the regular audit, as well. There were no spills for August. Hours Worked are increasing per week, and Sick Leave Usage is decreasing. And finally, we are in the middle of a major recruitment for the TSCS Manager replacement.

Financials

Maria Scott presented the Financial Report.

Director Fernandez inquired if the Capacity Fees were unexpected, and Ms. Scott replied in the affirmative.

The Board had no further questions.

8. **RESOLUTION NO. 2716, ACCEPTING THE CONSTRUCTION OF THE BOYCE ROAD LIFT STATION PROJECT FROM GSE CONSTRUCTION COMPANY, INC., AND AUTHORIZING THE ATTORNEY FOR THE DISTRICT TO RECORD A NOTICE OF COMPLETION**

TSCS Manager Jesse Gill gave a brief recap of the project, which required 67 change orders at a total cost of \$1.3M, which was 28.9% of the original contract amount. The Contractor has currently not completed all work on the Punch List and has some administrative requirements remaining. If these items are not completed by the time Notice of Completion is filed, staff will withhold 125% of the value of the work until completion.

Action

On a motion made by Director Kite and seconded by Director Handley, the Board accepted construction of the Boyce Road Lift Station from GSE Construction Co., Inc., and authorized the attorney for the District to record a Notice of Completion. The motion carried unanimously.

Director Fernandez inquired about the elevation of the electrical room, keeping in mind the presentation on sea level rise the Board received at its last meeting. GM Currie stated that the Boyce Road Lift Station was the one facility pointed out by the consultant as being unaffected by rising sea levels.

Director Lathi inquired about in-kind services negotiated in Change Order No. 54. Mr. Gill said those in-kind services would be utilized in subsequent changes to the Lift Station that staff has identified, up to \$45K.

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RESOLUTION NO. 2716

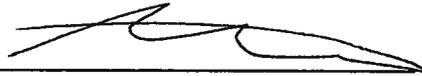
**ACCEPTING CONSTRUCTION OF THE
BOYCE ROAD LIFT STATION PROJECT FROM
GSE CONSTRUCTION COMPANY, INC.
LOCATED IN FREMONT, CALIFORNIA**

RESOLVED: That the Board of of the UNION SANITARY DISTRICT hereby accepts the Boyce Directors Road Lift Station Project from GSE Construction Company, Inc., effective September 23, 2013; and be it

FURTHER RESOLVED: That the attorney for the District is authorized to file a "Notice of Completion" for the project.

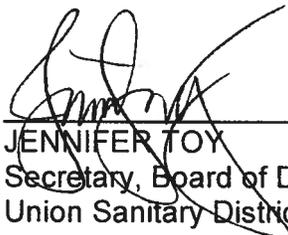
On motion duly made and seconded, this resolution was adopted by the following vote on September 23, 2013:

AYES:	Fernandez, Handley, Kite, Lathi, Toy
NOES:	----
ABSENT:	----
ABSTAIN:	----



ANJALI LATHI
President, Board of Directors
Union Sanitary District

Attest:



JENNIFER TOY
Secretary, Board of Directors
Union Sanitary District

9. **APPROVING THE PUBLICLY AVAILABLE PAY SCHEDULE**

Manager Cortes said this approval is required due to the change in Unclassified salaries as a result of the survey conducted earlier.

Action

On a motion made by Director Handley and seconded by Director Toy, the Board adopted the Publicly Available Pay Schedule. The motion carried unanimously.

10. **REVIEWING AND APPROVING PROPOSED CHANGES TO POLICY 2930, INSPECTION OF PUBLIC RECORDS AND DUPLICATION CHARGE POLICY**

GM Currie explained that this policy was up for review at this time. Minor changes have been proposed, and redline and final copies have been provided.

Action

On a motion by Director Kite and seconded by Director Fernandez, the Board approved changes to Policy 2930, Inspection of Public Records and Duplication Charge Policy. The motion carried unanimously.

11. **ADOPTING AN INVESTMENT POLICY FOR FY 2014**

Principal Financial Analyst Scott presented the changes in the policy.

Director Handley asked how the quarterly review of the LAIF website policies in lieu of maintaining a LAIF Answerbook would be documented. He suggested that because the new change indicates the Manager of BS "shall" review, there should be a mechanism to show that it was done. Ms. Scott said she would make sure documentation was there.

Director Lathi asked if reviewing the summary of the portfolio holdings now includes reviewing the additional website information. Mr. Cortes said that was not the case.

Action

On a motion made by Director Toy and seconded by Director Fernandez, the Board adopted the investment Policy for FY2014. The motion carried unanimously.

INFORMATION ITEMS

12. REVIEWING THE DRAFT NEWSLETTER AND PROVIDING COMMENTS TO STAFF

The Board reviewed the draft newsletter and provided feedback to staff. The Board was pleased with the changes recommended by the Committee, shown in a handout to the Board. A revised draft will be sent to the Board during the week. For the next newsletter, the Board suggested a meeting with the Legal/Community Affairs Committee well in advance to review newsletter preparation/design options.

13. CHECK REGISTER

Director Handley asked about charges for window cleaning.

13.1 EBDA COMMISSION MEETING REPORT

Director Handley delivered the report. There were no questions from the Board.

14. The following committees met: Personnel, Budget & Finance, Legal/Community Affairs and Construction.

15. GENERAL MANAGER'S REPORT

GM Currie said there have been two more odor complaints at the District so far this month, and while the first complaint was more than likely related to the bay, the second complaint may have had something to do with the secondary clarifiers. The affected resident said he intends to make a "formal" complaint, but what that means is unclear. We will continue to be in contact with him, and will keep working with him to identify the source of these odors.

Director Handley suggested that we also make sure the resident is aware of our efforts around odor control, including the odor wall, raising the stacks, etc.

A Construction Inspector has been hired who previously worked for Castro Valley.

GM Currie said that the District received positive correspondence with Eric Tsai, who had complained earlier about the lack of information on our public website.

15. GENERAL MANAGER'S REPORT (continued)

There was a near miss incident experienced by one of our collection crews, caused by an electrical line that PG&E had not properly identified. We were fortunate that there were no injuries, and PG&E should have a permanent fix there soon.

Finally, the District has received a letter from the Alameda County Grand Jury requesting information on employee benefits.

Director Handley suggested that in answering the questionnaire, we be sure to mention to the Grand Jury the steps the District took last year in this regard.

16. OTHER BUSINESS

Director Lathi inquired if Mr. Tsai had scheduled a tour, and Mr. Currie said no.

Director Kite reported that she had attended a meeting of the Alameda County Special Districts Association, and that the presentation on the history of the Alameda County Watershed by Paul Sethy was especially interesting.

Director Handley requested that the Legal/Community Affairs Committee meet to discuss EBDA issues.

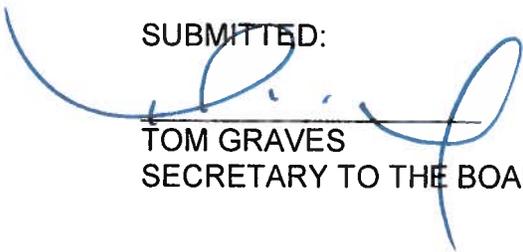
17. ADJOURNMENT

At 7:46 p.m., the Board adjourned to a Closed Session to discuss the discipline of a public employee in accordance with Ca. Government Code Section 54957.

18. ADJOURNMENT

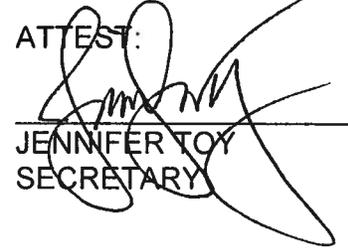
At 8:05 p.m., the Board adjourned to the next Regular Board Meeting on Monday, October 14, 2013 at 7:00 p.m. in the Boardroom.

SUBMITTED:



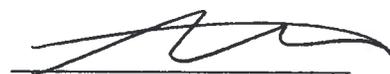
TOM GRAVES
SECRETARY TO THE BOARD

ATTEST:



JENNIFER TOY
SECRETARY

APPROVED:



ANJALI LATHI
PRESIDENT

Adopted this 14th day of October, 2013.

NOTICE OF CLOSED SESSION

The Board of Directors will now adjourn this meeting to a closed session to discuss the discipline, dismissal or release of a public employee.

It is my opinion, as District Legal Counsel, that a closed session to discuss this matter is permitted by Government Code Section 54957, authorizing closed sessions to meet privately to consider these personnel matters.

Date: September 23, 2013

Respectfully submitted,



David M. O'Hara

Attorney for Union Sanitary District