

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
June 26, 2017**

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

ROLL CALL

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

STAFF: Paul Eldredge, General Manager
Leah Castella, Assistant District Counsel
Sami Ghossain, Technical Services Manager
James Schofield, Collection Services Manager
Robert Simonich, Fabrication, Maintenance, and Construction Manager
Armando Lopez, Treatment and Disposal Service Manager
Laurie Brenner, Finance and Acquisition Services Team Coach
Harriet Commons, Interim District Employee
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 12, 2017

It was moved by Director Toy, seconded by Vice President Kite, to approve the Minutes of the Meeting of June 12, 2017. Motion carried unanimously.

WRITTEN COMMUNICATIONS

There were no written communications.

ORAL COMMUNICATIONS

There were no oral communications.

**PUBLIC HEARING TO CONSIDER COLLECTION OF SEWER SERVICE CHARGES
ON THE TAX ROLLS FOR FISCAL YEAR 2018 AND ADOPTION OF A RESOLUTION
ELECTING TO COLLECT SEWER SERVICE CHARGES ON THE TAX ROLLS**

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge stated the Board approved sewer service charge rates for fiscal years 2017 – 2021 at its regular meeting held January 25, 2016. California Health and Safety Code Sections 5473

et seq. require the Board conduct a public hearing annually to enable the District to continue collecting sewer service charges on the general Alameda County tax rolls. The public hearing was scheduled at the May 22, 2017, Board meeting. Notice of the public hearing was published in the Argus newspaper June 2 and June 9, 2017, and in the Tri-City Voice newspaper May 30 and June 6, 2017.

President Handley opened the public hearing. There were no speakers.

President Handley closed the public hearing.

Board Clerk McEvoy stated the minimum number of protests needed to constitute a majority would have been 47,999. Since no protests were received, Board Clerk McEvoy determined the absence of a majority protest.

Assistant District Council Castella stated as it had been determined that the number of protests was insufficient to constitute a majority protest, the Board may then consider the proposed resolution included in the Board meeting packet.

It was moved by Director Toy, seconded by Vice President Kite, to Adopt Resolution No. 2814, Electing to Collect Sewer Service Charges on Tax Rolls for Fiscal Year 2018. Motion carried by the following roll call vote:

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

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RESOLUTION NO. 2814

RESOLUTION OF THE UNION SANITARY DISTRICT BOARD OF DIRECTORS ELECTING TO COLLECT SEWER SERVICE CHARGES ON TAX ROLLS FOR FISCAL YEAR 2018

WHEREAS, the Union Sanitary District ("District") has duly adopted Ordinance No. 31.39 which sets the sewer service charges for fiscal years 2017 through 2021; and

WHEREAS, California Health & Safety Code section 5473 provides that the District may elect to have such sewer service charges collected on the County property tax rolls; and

WHEREAS, the District Board of Directors directed the preparation of a written report on Sewer Service Charges for Collection on Tax Rolls for Fiscal Year 2018, which was duly prepared and filed with the Board Clerk (the "Report"); and

WHEREAS, the Board appointed the time and place of hearing for protests to the Report and notice was given in the manner provided by law as it appears by the Affidavits of Publication on file in the office of the Board Clerk; and

WHEREAS, the District Board of Directors, at its regular meeting of June 26, 2017, held a hearing on the Report, where the Board heard and considered all objections or protests, and protests from a majority of owners of separate parcels was not received.

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

1. All recitals above are true and incorporated by reference herein.
2. The Board finds that objections to and protests against the Report were not made by the owners of a majority of the separate parcels of property within the District against which sewer service charges for the services and facilities provided by the District were fixed.
3. The Board further finds that all objections to and protests have been heard by this Board and that any objections and protests are hereby overruled.
4. The Report is hereby adopted in full without revision, change, reduction, or modification, and sewer service charges based upon these rates and the sewer service charges for fiscal year 2018 shall be collected on the tax roll of the County of Alameda in the manner provided by law.
5. The Board Clerk is hereby directed to file with the County Auditor of Alameda County, a certified copy of the Report and this Resolution stating that the Report has been adopted by the District Board of Directors.
6. The Auditor Controller of the County of Alameda shall, upon receipt of a copy of the Report showing the amounts of the charges based upon adopted rates, enter the amounts of the charges against the respective lots or parcels as they appear on the current assessment roll for fiscal year 2018.

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 26th day of June, 2017.

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: None

ABSENT: None

ABSTAIN: None



TOM HANDLEY
President, Board of Directors
Union Sanitary District

Attest:



ANJALI LATHI
Secretary, Board of Directors
Union Sanitary District

CONSIDER APPROVING FINAL OPERATING AND CIP BUDGETS FOR FISCAL YEAR 2018

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge stated the Proposed Operating and CIP Budget for FY 2018 included input received at the Budget Workshop held May 16, 2017, and was presented at the regular Board meeting of June 12, 2017. Staff recommended the Board review and approve the Proposed Operating and CIP Budget for FY 2018 for adoption at the District.

It was moved by Secretary Lathi, seconded by Vice President Kite, to Approve the Proposed Operating and CIP Budget for FY 2018. Motion carried unanimously.

CONSIDER A RESOLUTION FOR INTERIM APPOINTMENT OF RETIRED ANNUITANT, HARRIET COMMONS

This item was reviewed by the Personnel Committee. General Manager Eldredge stated the District's Business Services Work Group Manager position was recently and unexpectedly vacated. The end of one and beginning of another fiscal year is a critical time for finance related teams due to year end closing activities, working with newly contracted outside financial auditors, and associated reporting prior to the beginning of the new calendar year. Harriet Commons brings specialized knowledge, experience, and expertise from her prior role as the Finance Director for the City of Fremont. Ms. Commons will be able to assist with completion of required tasks and reporting while the District recruits for a permanent Business Services Work Group Manager. Staff recommended the Board consider and adopt a one-time Resolution for the Interim Appointment of Retired Annuitant, Harriet Commons, as Interim Business Services Work Group Manager effective July 1, 2017, and ending December 31, 2017.

It was moved by Director Toy, seconded by Director Fernandez, to Adopt Resolution No. 2815, Approving the Interim Appointment of Retired Annuitant Harriet Commons. Motion carried unanimously.

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RESOLUTION NO. 2815

RESOLUTION FOR INTERIM APPOINTMENT OF RETIRED ANNUITANT HARRIET COMMONS GC section 21221(h)

WHEREAS, the Union Sanitary District Board of Directors hereby appoints Harriet Commons as an interim appointment retired annuitant to the vacant position of Interim Business Services Manager for the Union Sanitary District under Government Code section 21221(h), effective July 1, 2017; and

WHEREAS, an appointment under Government Code section 21221(h) requires an active, publicly posted recruitment for a permanent replacement; and

WHEREAS, the current status of this recruitment is open and actively being recruited; and

WHEREAS, this section 21221(h) appointment shall only be made once and therefore will end no later than December 31, 2017; and

WHEREAS, the entire employment agreement, contract or appointment document between Harriet and the Union Sanitary District has been reviewed by this body and is attached herein; and

WHEREAS, no matters, issues, terms or conditions related to this employment and appointment have been or will be placed on a consent calendar; and

WHEREAS, the employment shall be limited to 960 hours per fiscal year; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$19,803.21 and the hourly equivalent is \$114.25, and the minimum base salary for this position is \$15,088.16 and the hourly equivalent is \$87.05; and

WHEREAS, the hourly rate paid to Harriet Commons will be \$90.00; and

WHEREAS, Harriet Commons has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate; and

THEREFORE, BE IT RESOLVED, that the Union Sanitary District Board of Directors hereby certifies the nature of the appointment of Harriet Commons as

described herein and detailed in the attached employment agreement/contract/appointment document and that this appointment is necessary to fill the critically needed position of Interim Business Services Manager for the Union Sanitary District by July 1, 2017. Ms. Commons has over 35 years of financial management experience, primarily in the public sector. Her last full-time position was with the City of Fremont as Finance Director for 13 years. Ms. Commons is also a CPA, was on the Governmental Accounting Standards Advisory Council, and has been actively involved in the California Society of Municipal Finance Officers since 1992. Ms. Commons's experience and skills are necessary to assist Business Services Financial group while the recruitment for the Business Services Manager is undertaken.

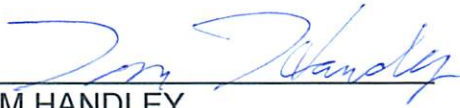
On a motion duly made and seconded, this resolution was adopted by following vote on June 26, 2017:

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: None

ABSENT: None

ABSTAIN: None


TOM HANDLEY
President, Board of Directors
Union Sanitary District

Attest:


ANJALI LATHI
Secretary, Board of Directors
Union Sanitary District

REVIEW AND APPROVE PROPOSED CHANGES TO POLICY NO. 2165, PAPERLESS BOARD AGENDA PACKET AND USE OF ELECTRONIC EQUIPMENT

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge stated Policy No. 2165 states that electronic equipment purchased by the District for use with Board Agenda packets is property of the District, and must be used in accordance with the rules outlined in the Policy. Proposed revisions to the Policy were shown via redline document in the Board meeting packet. Staff recommended the Board review and approve proposed changes to Policy No. 2165, Paperless Board Agenda Packet and Use of Electronic Equipment.

General Manager Eldredge stated the Legal/Community Affairs Committee requested a change to item number eight under the Prohibited Conduct portion of the policy. The Committee suggested additional text be added to clarify that nothing should be downloaded onto District electronic equipment, and that staff list software and apps specifically as prohibited.

It was moved by Secretary Lathi, seconded by Director Toy, to Approve Proposed Changes to Policy No. 2165, Paperless Board Agenda Packet and Use of Electronic Equipment, with the inclusion of the additional text suggested by the Legal/Community Affairs Committee. Motion carried unanimously.

REVIEW AND APPROVE PROPOSED CHANGES TO POLICY NO. 3050, BOARDMEMBER MEETINGS COMPENSATED

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge stated Policy No. 3050 sets forth a listing of meetings and service eligible for Board compensation. Proposed revisions to the Policy were shown via redline document in the Board meeting packet. Staff recommended the Board review and approve proposed changes to Board Policy No. 3050, Boardmember Meetings Compensated.

Vice President Kite requested clarification that District educational outreach would be considered a compensable meeting. General Manager Eldredge and District Counsel both indicated District educational outreach would be covered by one or more sections of the Policy.

It was moved by Vice President Kite, seconded by Director Fernandez, to Approve Proposed Changes to Policy No. 3050, Boardmember Meetings Compensated. Motion carried unanimously.

INFORMATION ITEMS:

Monthly Operations Report for April and May 2017

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge stated the April 2017 Financial Reports and Business Services Group Activities Report were presented at the May 22, 2017, Board meeting. Due to the recent departure of the Business Services Manager/CFO, the May 2017 Financial Reports and Business Services Group Activities Report will be presented at a future meeting.

General Manager Eldredge stated staff will continue to make adjustments to the Monthly Operations report in an effort to present relevant information to the Board.

Check Register

All questions were answered to the Board's satisfaction.

COMMITTEE MEETING REPORTS:

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

GENERAL MANAGER'S REPORT:

General Manager Eldredge reported the following:

- The Fremont City Council approved a resolution in March to transition from an at-large to a district-based election system in response to a letter which stated Fremont's at-large elections were in violation of the California Voting Rights Act of 2001. In a split vote, the Fremont City Council selected map C-2b on June 6, 2017.
- The Sewer Service Charge Comparison Agencies and Newsletter Content Combined Board Workshop will be held in the Alvarado Conference Room at 6:00 p.m. on June 29, 2017.
- District offices will be closed in observance of the 4th of July holiday.
- General Manager Eldredge is scheduled to present a District update at the July 18, 2017, Fremont City Council meeting.

OTHER BUSINESS

There was no other business.

ADJOURNMENT:

The meeting was adjourned at 7:18 p.m. to the Combined Board Workshop in the Alvarado Conference Room on Thursday, June 29, 2017, at 6:00 p.m.

The Board will then adjourn to the next Regular Board Meeting in the Boardroom on Monday, July 10, 2017, at 7:00 p.m.

SUBMITTED:

ATTEST:



REGINA McEVOY
BOARD CLERK



ANJALI LATHI
SECRETARY

APPROVED:



TOM HANDLEY
PRESIDENT

Adopted this 10th day of July, 2017