



BOARD MEETING AGENDA
Monday, October 9, 2017
Regular Meeting - 7:00 P.M.

Union Sanitary District
Administration Building
5072 Benson Road
Union City, CA 94587

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

1. Call to Order.

2. Pledge of Allegiance.

3. Roll Call.

- Motion 4. Approve Minutes of the Meeting of September 25, 2017.

- Motion 5. Approve Minutes of the Special Meeting of September 26, 2017.

- Motion 6. Approve Minutes of the Special Meeting of October 2, 2017.

7. Written Communications.

8. 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.

- Motion 9. Review and Provide Direction on the Toilet Rebate Program Partnership with Alameda County Water District *(to be reviewed by the Legal/Community Affairs Committee)*.

- Motion 10. Consider a Motion to Cancel the November 27, 2017, December 11, 2017, and December 25, 2017, Board of Directors Meetings.

- Motion 11. Review and Consider Approval of Capital Assets Policy #2070 *(to be reviewed by the Budget & Finance Committee)*.

- Motion 12. Review and Consider Approval of Surplus Property Disposal Policy #2075 *(to be reviewed by the Budget & Finance Committee)*.

- Motion 13. Authorize the General Manager to Execute Task Order No. 4 with West Yost Associates for the Force Main Corrosion Repairs Project – Phase 2 *(to be reviewed by the Engineering and Information Technology Committee)*.

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| Motion | 14. Reject the Sole Bid Received for the Primary Digester No. 3 Rehabilitation Project <i>(to be reviewed by the Engineering and Information Technology Committee)</i> . |
| Information | 15. Update on Fats, Oils, and Grease (FOG) Public Outreach Campaign Image Modifications. |
| Information | 16. Agreement with Carollo Engineers for General Engineering Services <i>(to be reviewed by the Engineering and Information Technology Committee)</i> . |
| Information | 17. Report on the East Bay Dischargers Authority (EBDA) Meeting of September 21, 2017. |
| Information | 18. Check Register. |
| Information | 19. Committee Meeting Reports. <i>(No Board action is taken at Committee meetings):</i> <ul style="list-style-type: none"> a. Engineering and Information Technology Committee – Thursday, October 5, 2017, at 9:15 a.m. <ul style="list-style-type: none"> • Director Fernandez and Director Kite b. Legal/Community Affairs Committee – Thursday, October 5, 2017, at 1:30 p.m. <ul style="list-style-type: none"> • Director Handley and Director Lathi c. Budget & Finance Committee – Friday, October 6, 2017, at 9:15 a.m. <ul style="list-style-type: none"> • Director Handley and Director Toy d. Legislative Committee – will not meet. e. Audit Committee – will not meet. |
| Information | 20. General Manager’s Report. <i>(Information on recent issues of interest to the Board)</i> . |
| | 21. Other Business: <ul style="list-style-type: none"> a. Comments and questions. <i>Directors can share information relating to District business and are welcome to request information from staff.</i> b. Scheduling matters for future consideration. |
| | 22. Adjournment – The Board will adjourn to a Special Meeting in the Alvarado Conference Room on Monday, October 16, 2017, at 6:30 p.m. |
| | 23. Adjournment – The Board will then adjourn to the next Regular Meeting in the Boardroom on Monday, October 23, 2017, at 7:00 p.m. |

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

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

**ENGINEERING & INFORMATION TECHNOLOGY
COMMITTEE MEETING**

Committee Members: Director Fernandez and Director Kite

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

AGENDA

Thursday, October 5, 2017

9:15 A.M.

Karen W. Murphy
Attorney

**Alvarado Conference Room
5072 Benson Road
Union City, CA 94587**

**THIS MEETING WILL BE TELECONFERENCED WITH DIRECTOR KITE FROM THE EXTERIOR OF
35040 NEWARK BOULEVARD, NEWARK, CALIFORNIA.**

1. Call to Order

2. Roll Call

3. Public Comment

4. Items to be reviewed for the Board meeting of October 9, 2017:
 - Authorize the General Manager to Execute Task Order No. 4 with West Yost Associates for the Force Main Corrosion Repairs Project – Phase 2
 - Reject the Sole Bid Received for the Primary Digester No. 3 Rehabilitation Project
 - Agreement with Carollo Engineers for General Engineering Services

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings. 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 "Public Comment" 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 and are to be completed prior to discussion of the agenda item.

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THE PUBLIC IS INVITED TO ATTEND



LEGAL/COMMUNITY AFFAIRS COMMITTEE MEETING
Committee Members: Director Handley and Director Lathi

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

AGENDA
Thursday, October 5, 2017
1:30 p.m.

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

1. Call to Order

2. Roll Call

3. Public Comment

4. Items to be reviewed for the Board meeting of October 9, 2017:
 - Review and Provide Direction on the Toilet Rebate Program Partnership with Alameda County Water District

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

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 "Public Comment" 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 and are to be completed prior to discussion of the agenda item.

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THE PUBLIC IS INVITED TO ATTEND



BUDGET & FINANCE COMMITTEE MEETING
Committee Members: Director Handley and Director Toy

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

AGENDA
Friday, October 6, 2017
9:15 a.m.

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

1. Call to Order

2. Roll Call

3. Public Comment

4. Items to be reviewed for the Board meeting of October 9, 2017:

- Review and Consider Approval of Capital Assets Policy #2070
 - Review and Consider Approval of Surplus Property Disposal Policy #2075
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5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

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 "Public Comment" 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 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

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
September 25, 2017**

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

ROLL CALL

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

STAFF: Paul Eldredge, General Manager
Karen Murphy, District Counsel
James Schofield, Collection Services Manager
Robert Simonich, Fabrication, Maintenance, and Construction Manager
Laurie Brenner, Business Services Team Coach
Rollie Arbolante, Customer Service Team Coach
Gene Boucher, Human Resources Manager
Michael Dunning, Environmental Compliance Team Coach
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

APPROVAL OF THE MINUTES OF THE MEETING OF SEPTEMBER 11, 2017

It was moved by Secretary Fernandez, seconded by Director Toy, to approve the Minutes of the Meeting of September 11, 2017. Motion carried unanimously.

AUGUST 2017 MONTHLY OPERATIONS REPORT

This item was reviewed by the Legal/Community Affairs and Budget & Finance Committees. General Manager Eldredge provided an overview of the August Odor Report. Business Services Coach Brenner stated the Business Services Financial Reports were presented as a desk item that will be added to the Board meeting packet.

WRITTEN COMMUNICATIONS

There were no written communications.

ORAL COMMUNICATIONS

There were no oral communications.

REVIEW AND PROVIDE FEEDBACK ON USD VIDEO AND VIRTUAL PLANT TOUR

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge stated staff previously presented the USD Virtual Plant Tour Video at the Board meeting of August 14, 2017. Per Board direction, staff requested quotes for several edits to the video. Details regarding the four quotes received were included in the Board meeting packet. Staff recommended the Board review the four quotes received for edits to the Virtual Plant Tour video, and provide direction regarding next steps.

General Manager Eldredge, summarizing Board comments, stated the speed of the audio in the video would not be changed, the Board would like to add a FOG (Fats, Oils, and Grease; quote 1) call to action message, staff will obtain a new quote to combine the FOG message and the new animation component of quote 4 showing the stages of treatment throughout the video, staff will request the background music be toned down throughout the video, and the Board does not wish to proceed with quote 2, 3, or the re-recording portion of quote 4.

It was moved by Director Handley, seconded by Secretary Fernandez, to direct staff to proceed with the plan outlined by General Manager Eldredge. Motion carried unanimously.

CONSIDER A RESOLUTION TO QUITCLAIM A PORTION OF ONE EXISTING SANITARY SEWER EASEMENT AT 32111 COURTHOUSE DRIVE, IN THE UNION LANDING SHOPPING CENTER, IN THE CITY OF UNION CITY

This item was reviewed by the Legal/Community Affairs Committee. Customer Service Team Coach Arbolante stated Dyer Triangle, LLC granted a sanitary sewer easement to the District in 1999. The easement extends from Union Landing Boulevard through 32115 Courthouse Drive before terminating at 32111 Courthouse Drive in Union City. Dyer Triangle, LLC requested the District quitclaim the unused portion of the sanitary sewer easement. Staff recommended the Board consider a resolution to quitclaim an unused portion of one existing sanitary sewer easement at 32111 Courthouse Drive, in the Union Landing Shopping Center in the City of Union City.

It was moved by Director Toy, seconded by Vice President Lathi, to Adopt Resolution No. 2818 to Quitclaim a Portion of One Existing Sanitary Sewer Easement at 32111 Courthouse Drive, in the Union Landing Shopping Center, in the City of Union City, California. Motion carried unanimously.

AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE CHERRY STREET PUMP STATION FUNDING AGREEMENT

This item was reviewed by the Legal/Community Affairs Committee. Customer Service Team Coach Arbolante stated Landsea Holdings Corporation plans to construct 386

single-family dwelling units and a school site for Tract 8270 in Newark. The Cherry Street Pump station, constructed in 1990, is in need of rehabilitation and the development will increase the burden on the pump station. To offset the impacts to the District, Landsea Holdings Corporation has agreed to contribute approximately \$2.06 million towards the future upgrade or replacement of the pump station, estimated at approximately \$5 million. Staff recommended the Board consider authorizing the General Manager to execute the Cherry Street Pump Station Funding Agreement in the form attached with minor revisions as may be approved by the General Manager in consultation with General Counsel.

It was moved by Director Handley, seconded by Vice President Lathi, to Authorize the General Manager to Execute the Cherry Street Pump Station Funding Agreement in the Form Included in the Board Meeting Packet with Minor Revisions as May be Approved by the General Manager in Consultation with General Counsel. Motion carried unanimously.

DESIGNATE AND APPOINT TWO BOARD REPRESENTATIVES TO AD HOC SUBCOMMITTEE ON GENERAL MANAGER CONTRACT NEGOTIATIONS

District Counsel Murphy stated the Employment Agreement between the Union Sanitary District and Paul R. Eldredge to serve as General Manager and District Engineer, dated June 25, 2014, and amended as of September 28, 2015, and November 14, 2016, provides that the Board will review the General Manager's salary annually. Staff recommended the Board designate and appoint two representatives to an ad hoc subcommittee on the General Manager's contract negotiations.

It was moved by Director Toy, seconded by Vice President Lathi, to Appoint President Kite and Secretary Fernandez, and Director Handley as alternate, to serve as the Board Representatives to an Ad Hoc Subcommittee on General Manager Contract Negotiations. Motion carried unanimously.

INFORMATION ITEMS:

Combination Sewer Cleaner Purchase

Collection Services Manager Schofield stated the District is prepared to purchase one Combination Sewer Cleaner (Vactor) for a total equipment cost of \$492,036. Funds for the acquisition of the vehicle were included in the FY 2018 "Vehicle and Equipment Replacement" budget. This Vactor will replace a similar unit purchased in 2006 that is beyond the end of its useful life.

Check Register

All questions were answered to the Board's satisfaction.

COMMITTEE MEETING REPORTS:

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

GENERAL MANAGER'S REPORT:

General Manager Eldredge reported the following:

- The Union City State of the City Luncheon will be held October 24, 2017. Directors were asked to let staff know if they would like to be registered to attend.
- The General Manager attended the Alameda County California Special District Association meeting held at the Livermore Area Recreation and Park District.
- The Board Closed Session scheduled for September 26, 2017, will begin at 6:30 p.m. and the Board Closed Session scheduled for October 2, 2017, will begin at 5:30 p.m.

OTHER BUSINESS

President Kite stated she received an award for her participation in the Newark Days Parade held September 16, 2017.

General Manager Eldredge shared photos and a short video showcasing the recent Valute thickener pilot in the Plant.

ADJOURNMENT:

The meeting was adjourned at 7:58 p.m. to a Special Meeting in the Alvarado Conference Room on Tuesday, September 26, 2017, at 6:30 p.m.

The Board will then adjourn to the next Regular Board Meeting in the Boardroom on Monday, October 9, 2017, at 7:00 p.m.

SUBMITTED:

ATTEST:

REGINA McEVOY
BOARD CLERK

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 9th day of October 2017

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

CALL TO ORDER

President Kite called the special meeting to order at 6:35 p.m.

ROLL CALL

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

ORAL COMMUNICATIONS

There were no oral communications.

CLOSED SESSION

The Board adjourned to Closed Session for the General Manager's Performance Evaluation.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Manager

The Board reconvened to Open Session. President Kite reported there was no reportable action.

ADJOURNMENT:

The special meeting was adjourned at approximately 8:30 p.m. to a Special Meeting Closed Session in the Alvarado Conference Room on Monday, October 2, 2017, at 5:30 p.m.

The Board will then adjourn to the next Regular Board Meeting in the Boardroom on Monday, October 9, 2017, at 7:00 p.m.

SUBMITTED:

ATTEST:

REGINA McEVOY
BOARD CLERK

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 9th day of October, 2017

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
October 2, 2017**

CALL TO ORDER

President Kite called the special meeting to order at 5:30 p.m.

ROLL CALL

PRESENT: Pat Kite, President
Anjali Lathi, Vice President
Manny Fernandez, Secretary
Tom Handley, Director
Jennifer Toy, Director (arrived at 5:40 p.m.)

ORAL COMMUNICATIONS

There were no oral communications.

CLOSED SESSION

The Board adjourned to Closed Session for the General Manager's Performance Evaluation and Conference with Labor Negotiators.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Manager

CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: President Kite and Secretary Fernandez
Unrepresented employee: General Manager

The Board reconvened to Open Session. President Kite reported there was no reportable action.

ADJOURNMENT:

The special meeting was adjourned at approximately 8:00 p.m. to the next Regular Board Meeting in the Boardroom on Monday, October 9, 2017, at 7:00 p.m.

SUBMITTED:

ATTEST:

REGINA McEVOY
BOARD CLERK

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 9th day of October, 2017

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: September 29, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer

SUBJECT: Agenda Item No. 9 - Meeting of October 9, 2017
Review and Provide Direction on the Toilet Rebate Program Partnership with the Alameda County Water District

Recommendation

Review and provide direction to staff on the toilet rebate program partnership with the Alameda County Water District (ACWD).

Background

USD and ACWD have partnered for some time in rebate programs for high efficiency toilets and clothes washers (the washer program was discontinued in December of 2016). The Districts had common goals in that, ACWD wanted to encourage customers to conserve and use less water, and USD was interested in minimizing flows to the treatment plant to preserve hydraulic plant capacity. This partnership has served both Districts well and has been a good model and example of agencies working cooperatively. USD's annual contribution to this program has been \$70,000.

The flows coming into USD's plant have been steadily declining over the years due to retrofitting old plumbing fixtures, new development installing water efficient fixtures, and overall water conservation due to the drought. Below are average daily flows for the last three years, and the number of residential toilets and washing machines replaced by the program:

<u>Year</u>	<u>Flow (Average Daily, MGD)</u>
14/15	23.03
15/16	22.35
16/17	23.27

Year	Residential Toilets Replaced	High Efficiency Washers Replaced
14/15	963	2,135
15/16	1,386	1,309
16/17	1,460*	952

* - includes 683 toilets for an apartment complex retrofit

Staff is seeking feedback and input from the Board on this program. A few options the Board may consider:

1. Continue with the program as is
2. Reduce USD's annual contribution amount
3. Stop participating in the program

Should the Board proceed with option one or two above (or a similar variant), staff would come back to the Board with a more formal agreement for continued participation in this program.

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: September 29, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

SUBJECT: Agenda Item No. 10 - Meeting of October 9, 2017
Consider a Motion to Cancel the November 27, 2017, December 11, 2017, and December 25, 2017, Board of Directors Meetings

Recommendation

Consider a motion to cancel the November 27, 2017, December 11, 2017, and December 25, 2017, Board of Directors meetings.

Background

The second regularly scheduled meeting of the Board of Directors in November falls on the Monday following the Thanksgiving holiday. District offices will be closed Thursday, November 23 and Friday, November 24, in observance of the Thanksgiving holiday. Due to this two-day closure, committee meetings would have to be conducted on Wednesday, November 22, 2017. In addition, a high percentage of staff will be out of the office during this holiday week. These factors combined would make scheduling committee meetings extremely difficult. Staff recommends the Board consider the following options:

1. Conduct all committee meetings on Wednesday, November 22, 2017.
2. Do not conduct any committee meetings prior to the November 27, 2017, Board meeting.
3. Cancel the November 27, 2017, Board meeting.
4. Cancel the November 27, 2017, Board meeting and schedule a special meeting for December 4, 2017. Cancel the December 11, 2017, Board meeting and schedule a special meeting for December 18, 2017.

The second regularly scheduled meeting of the Board of Directors in December falls on Christmas Day, and District offices will be closed. The Board has canceled the second meeting in December in the past. Staff recommends the Board consider canceling the regular meeting scheduled for December 25, 2017.

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 9, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Laurie Brenner, Business Services Coach

SUBJECT: Agenda Item No. 11- Meeting of October 9, 2017
Review and Consider Approval of Policy No. 2070, Capital Assets Policy

Recommendation

Review and consider approval of Policy No. 2070, Capital Assets Policy.

Background

Policy No. 2070, the Capital Assets Policy, requires review and approval by the Board of Directors every three years.

The Business Services Coach has suggested two minor verbiage changes in the “Infrastructure Assets” definition in the policy for greater clarity only (page two, row three). We recommend adding the term “soft” in parentheses to reflect the common term for ancillary costs to prevent confusion, and suggest adding “environmental studies” to the types of costs to be considered associated with construction.

The Executive Team reviewed the policy and agrees with the proposed language updates.

Attachments:

Capital Assets Policy – Redline of Proposed Changes
Capital Assets Policy – Proposed Changes Accepted

Union Sanitary District
Policy and Procedure Manual

Effective Date: June 10, 2013 <u>October 9,</u> <u>2017</u>	Capital Assets Policy	Policy Number 2070 Page 1 of 4
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Policy

It is the policy of Union Sanitary District to safeguard District assets and properly report them according to Generally Accepted Accounting Principles.

Purpose

To provide employees with the procedures for accounting for Capital Assets at the District.

Procedure

Union Sanitary District has an obligation to safeguard the District's assets, both financial and physical. The District's capital assets are accounted for in the Financial System.

Definitions:

<i>Capital Assets</i>	Assets which are used in operations and have initial lives extending beyond one year. Also referred to as fixed assets (pre-GASB 34). Examples include land, buildings, building improvements, machinery, vehicles, and computer networks.
<i>Capitalization</i>	Accounting and reporting of capital assets by categorizing in specific asset accounts. Capital projects are capitalized as "construction in progress" until completed.
<i>Components of Capital Assets</i>	For purposes of capitalization, the threshold will generally not be applied to part of a whole unit of capital assets. For example, a keyboard, monitor and CPU will not be evaluated individually against the threshold. The entire computer system will be treated as a single capital asset. However, the threshold will be applied to individual units, for example 10 desks purchased for \$1,000 each on one purchase order would not be capitalized, even though the total is \$10,000.
<i>Depreciation</i>	The recognition of the cost of a capital asset throughout its useful life. The method the District uses is straight-line with ½ year first year convention. Depreciation expense is recorded annually. Land is not depreciated.

<i>Disposal</i>	Includes surplus, sale, and destruction of assets. Assets may be disposed of with written notification and sign-off of Management. Reasons could include obsolescence, failure, and cost of maintenance exceeds value of asset. The District records the gain or loss on disposals.
<i>Easement</i>	A legal right given to another person or entity to use land or property that person or entity does not own, for a specific limited purpose. Mains, drains and water pipes are usually covered by an easement. Rights to access are intangible even though they may attach to other tangible assets (e.g. land). An easement may be in the form of an agreement, deed restriction or covenant.
<i>Improvements (or Betterments)</i>	Costs which provide additional value by improving the operation of, and extending the expected useful life of an asset. An improvement enhances the asset's functionality (effectiveness or efficiency). These costs are normally treated as direct additions to the cost of the item improved, and capitalized.
<i>Infrastructure Assets</i>	Includes pipes, manholes, collection and treatment distribution systems. Most Capital Improvement Program (CIP) projects for USD fall into this category. All costs associated with the purchase or construction should be considered, including ancillary <u>(soft)</u> costs such as design engineering, construction management, inspection, permits, insurance, freight and transportation charges, <u>environmental studies</u> , site preparation expense, installation charges, professional fees and legal costs directly attributable to asset acquisition.
<i>Intangible Assets</i>	Assets which lack physical substance and have reasonable evidence of future benefits. Examples include right-of-way easements, other types of easements, patents, copyrights, trademarks, software. Note: Software training and maintenance should not be included in the capital cost of software. These costs should be expensed.
<i>Repairs</i>	Costs which return an asset to a useful state and <u>retain</u> value, but do not <u>extend</u> the useful life of the asset. These costs are not capitalized.
<i>Retirement</i>	Assets permanently removed from service.
<i>Tagging</i>	A mechanism to verify adequate control of capital assets and provide an accurate account of an agency's capital expenses, and to support inventory control.
<i>Threshold</i>	Generally, if an asset has a cost greater than or equal to \$10,000, and has a useful life of more than one year, then the asset should be capitalized and coded to the 8980 account.
<i>Useful Life</i>	The District has determined the following ranges of useful lives: Sewage Collection Facilities: 50-115 years Sewage Treatment Structures: 10-50 years Administrative Facilities: 10-35 years General Equipment: 3-35 years

Procedures:**Purchasing Process**

When purchasing a new asset, the requested asset should have already been included in the current year's budget. The construction and acquisition of capital assets and infrastructure assets are approved by the Board through the annual budget process. Please see District policy #2755 Purchasing Policy.

Training

The cost of training employees to utilize a newly acquired capital asset should not be capitalized since, according to Generally Accepted Accounting Principles (GAAP), costs of capital assets should include charges necessary to place the asset into its intended location and condition for use. Training affects neither the *location* of a capital asset, nor its condition; therefore, it does not meet the criteria for capitalization. Stated differently, the operative issue for capitalization is whether the *asset* is ready to use, not whether *the government* is ready to use it.

Valuation

Capital assets should be reported at historical cost. In the absence of historical cost information, the asset's *estimated* historical cost may be used. Once calculated, the amount will need to be reduced by the appropriate amount of accumulated depreciation.

Easements

Easement rights are perpetual, and therefore infinite in nature. They are recorded at the County by legal counsel. Beginning in FY'12 easements were also recorded in the financial asset register.

Record Keeping

An asset system will be maintained to identify all District capital assets, including, at a minimum: Asset number, description, acquisition cost, acquisition date, useful life, classification code, and serial number, where applicable.

Control of non-capital, but valuable items, (e.g. Laptops, tools, equipment) occurs at the workgroup or team level.

Safeguarding Assets

The District has a fiduciary responsibility to establish systems and procedures to protect its capital assets from loss or theft.

Inventory of Capital Assets

The District will perform a physical inventory of movable capital assets at least every 5 years. In general, inventory control is applied only to movable capital assets, and not to land, buildings, or

other immovable capital assets, although these may be included as well. Some assets are tagged in order to facilitate inventory tracking and control.

Disposal Process

Retiring/disposing of assets – submit information such as project closing forms to Accounting, which will remove the asset from the capital asset database.

Surplus Property – It is the policy of the District to dispose of surplus property and equipment in a manner clearly most advantageous to the public. Please see District policy #2075, Surplus Property Disposal Policy.

Business Services Responsibility

Business Services is responsible for ensuring that capital asset information is maintained in accordance with Generally Accepted Accounting Principles.

Work Group/Team Responsibility

Work Groups are responsible for maintaining control systems and ensuring that Work Group assets are adequately controlled.

This revision supersedes the versions listed below, which are no longer effective.

Title	Policy #	Effective Date
Capital Assets Policy	2070	January 8, 2007
Capital Assets Policy	2070	March 8, 2010
<u>Capital Assets Policy</u>	<u>2070</u>	<u>June 10, 2013</u>

Approved by: Board of Directors
Author/owner: Business Services Manager
Reviewers: Executive Team
Notify Person: Business Services Manager
Revision frequency: Every 3 years
Next Review: ~~June 10, 2016~~ October 9, 2020

Union Sanitary District
Policy and Procedure Manual

Effective Date: October 9, 2017	Capital Assets Policy	Policy Number 2070 Page 1 of 4
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Policy

It is the policy of Union Sanitary District to safeguard District assets and properly report them according to Generally Accepted Accounting Principles.

Purpose

To provide employees with the procedures for accounting for Capital Assets at the District.

Procedure

Union Sanitary District has an obligation to safeguard the District's assets, both financial and physical. The District's capital assets are accounted for in the Financial System.

Definitions:

<i>Capital Assets</i>	Assets which are used in operations and have initial lives extending beyond one year. Also referred to as fixed assets (pre-GASB 34). Examples include land, buildings, building improvements, machinery, vehicles, and computer networks.
<i>Capitalization</i>	Accounting and reporting of capital assets by categorizing in specific asset accounts. Capital projects are capitalized as "construction in progress" until completed.
<i>Components of Capital Assets</i>	For purposes of capitalization, the threshold will generally not be applied to part of a whole unit of capital assets. For example, a keyboard, monitor and CPU will not be evaluated individually against the threshold. The entire computer system will be treated as a single capital asset. However, the threshold will be applied to individual units, for example 10 desks purchased for \$1,000 each on one purchase order would not be capitalized, even though the total is \$10,000.
<i>Depreciation</i>	The recognition of the cost of a capital asset throughout its useful life. The method the District uses is straight-line with ½ year first year convention. Depreciation expense is recorded annually. Land is not depreciated.
<i>Disposal</i>	Includes surplus, sale, and destruction of assets. Assets may be disposed of with written notification and sign-off of Management. Reasons could include obsolescence, failure, and cost of maintenance exceeds value of asset. The District records the gain or loss on disposals.

<i>Easement</i>	A legal right given to another person or entity to use land or property that person or entity does not own, for a specific limited purpose. Mains, drains and water pipes are usually covered by an easement. Rights to access are intangible even though they may attach to other tangible assets (e.g. land). An easement may be in the form of an agreement, deed restriction or covenant.
<i>Improvements (or Betterments)</i>	Costs which provide additional value by improving the operation of, and extending the expected useful life of an asset. An improvement enhances the asset's functionality (effectiveness or efficiency). These costs are normally treated as direct additions to the cost of the item improved, and capitalized.
<i>Infrastructure Assets</i>	Includes pipes, manholes, collection and treatment distribution systems. Most Capital Improvement Program (CIP) projects for USD fall into this category. All costs associated with the purchase or construction should be considered, including ancillary (soft) costs such as design engineering, construction management, inspection, permits, insurance, freight and transportation charges, environmental studies, site preparation expense, installation charges, professional fees and legal costs directly attributable to asset acquisition.
<i>Intangible Assets</i>	Assets which lack physical substance and have reasonable evidence of future benefits. Examples include right-of-way easements, other types of easements, patents, copyrights, trademarks, software. Note: Software training and maintenance should not be included in the capital cost of software. These costs should be expensed.
<i>Repairs</i>	Costs which return an asset to a useful state and <u>retain</u> value, but do not <u>extend</u> the useful life of the asset. These costs are not capitalized.
<i>Retirement</i>	Assets permanently removed from service.
<i>Tagging</i>	A mechanism to verify adequate control of capital assets and provide an accurate account of an agency's capital expenses, and to support inventory control.
<i>Threshold</i>	Generally, if an asset has a cost greater than or equal to \$10,000, and has a useful life of more than one year, then the asset should be capitalized and coded to the 8980 account.
<i>Useful Life</i>	The District has determined the following ranges of useful lives: Sewage Collection Facilities: 50-115 years Sewage Treatment Structures: 10-50 years Administrative Facilities: 10-35 years General Equipment: 3-35 years

Procedures:**Purchasing Process**

When purchasing a new asset, the requested asset should have already been included in the current year's budget. The construction and acquisition of capital assets and infrastructure assets are approved by the Board through the annual budget process. Please see District policy #2755 Purchasing Policy.

Training

The cost of training employees to utilize a newly acquired capital asset should not be capitalized since, according to Generally Accepted Accounting Principles (GAAP), costs of capital assets should include charges necessary to place the asset into its intended location and condition for use. Training affects neither the *location* of a capital asset, nor its condition; therefore, it does not meet the criteria for capitalization. Stated differently, the operative issue for capitalization is whether the *asset* is ready to use, not whether *the government* is ready to use it.

Valuation

Capital assets should be reported at historical cost. In the absence of historical cost information, the asset's *estimated* historical cost may be used. Once calculated, the amount will need to be reduced by the appropriate amount of accumulated depreciation.

Easements

Easement rights are perpetual, and therefore infinite in nature. They are recorded at the County by legal counsel. Beginning in FY'12 easements were also recorded in the financial asset register.

Record Keeping

An asset system will be maintained to identify all District capital assets, including, at a minimum: Asset number, description, acquisition cost, acquisition date, useful life, classification code, and serial number, where applicable.

Control of non-capital, but valuable items, (e.g. Laptops, tools, equipment) occurs at the workgroup or team level.

Safeguarding Assets

The District has a fiduciary responsibility to establish systems and procedures to protect its capital assets from loss or theft.

Inventory of Capital Assets

The District will perform a physical inventory of movable capital assets at least every 5 years. In general, inventory control is applied only to movable capital assets, and not to land, buildings, or other immovable capital assets, although these may be included as well. Some assets are tagged in order to facilitate inventory tracking and control.

Disposal Process

Retiring/disposing of assets – submit information such as project closing forms to Accounting, which will remove the asset from the capital asset database.

Surplus Property – It is the policy of the District to dispose of surplus property and equipment in a manner clearly most advantageous to the public. Please see District policy #2075, Surplus Property Disposal Policy.

Business Services Responsibility

Business Services is responsible for ensuring that capital asset information is maintained in accordance with Generally Accepted Accounting Principles.

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This revision supersedes the versions listed below, which are no longer effective.

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Approved by: Board of Directors
Author/owner: Business Services Manager
Reviewers: Executive Team
Notify Person: Business Services Manager
Revision frequency: Every 3 years
Next Review: October 9, 2020

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 9, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Laurie Brenner, Business Services Coach

SUBJECT: Agenda Item No. 12 - Meeting of October 9, 2017
Review and Consider Approval of Policy No. 2075, Surplus Property Disposal Policy

Recommendation

Review and consider approval of Policy No. 2075, Surplus Property Disposal Policy.

Background

Policy No. 2075, the Surplus Property Disposal Policy, requires review and approval by the Board of Directors every three years.

The Business Services Coach reviewed the policy and has no suggested changes.

The Executive Team reviewed the policy and has no suggested changes.

Attachments:

Surplus Property Disposal Policy – Redline of Proposed Changes (related to Effective and Next Review Dates only)

Surplus Property Disposal Policy – Proposed Changes Accepted

Union Sanitary District
Policy and Procedure Manual

Effective: 10/14/13 <u>10/9/20</u> <u>17</u>	SURPLUS PROPERTY DISPOSAL POLICY	Policy Number 2075 Page 1 of 3
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Policy

It is the policy of Union Sanitary District to dispose of surplus property and equipment in a manner most clearly advantageous to the public. District employees may only obtain surplus items by bidding with the general public for surplus property.

Purpose

To provide an efficient method of disposing of the District's surplus property, without creating any conflict of interest.

Definitions

Surplus Property District Surplus Property refers to tangible items including, without limitations, furniture, specialized equipment, scientific devices, heavy machinery and vehicles which has reached the end of its useful life due to:

- excessive repair/operation costs.
- changes in technology or popular usage.

Note: Surplus property that is disposed of as part of a capital improvement project is not subject to this policy or the procedure below. Contractors are responsible for disposal of surplus property associated with their projects.

Procedure

1. District-owned property must be declared surplus if it has a Hansen fixed asset ID number or if the original purchase price is \$2,500* or more (as determined by the requesting Work Group).
2. The Surplus Property Declaration Form must be filled out by the user and authorized by your Coach/Work Group Manager:
 - a. The Purchasing Agent may authorize disposal of surplus property valued less than \$50,000 per item.
 - b. The General Manager may authorize disposal of surplus property valued less than \$100,000 per item.

- c. The Budget & Finance Committee may authorize disposal of surplus property valued over \$100,000 per item.
 - * Note: Surplus items less than \$2,500 may be disposed of by recycle or landfill at Coach/Work Group Manager discretion.
3. The value of the surplus property shall be determined by the Purchasing Agent. The method used to establish value may be one or more of the following:
- a. Market research performed by the user work group/Purchasing Agent.
 - b. Salvage value determined at the time of purchase.
 - c. Appraisal performed by an independent appraisal firm.
4. Surplus property declarations will be approved by and the property stored and disposed of at the direction of the Purchasing Agent. The Purchasing Agent should make every effort to ensure that the best value is obtained for disposing of approved surplus property using one of the following means:
- a. Commercial auction house solicitation for sealed-bid offers, or by posting at a public auction or sale Website such as Public-Surplus. District employees may participate with the general public in bidding for property offered through the above disposal means.
 - b. Trade-in for purchase of replacement items.
 - c. Donation or transfer to a public agency or non-profit within the local service area (includes offering by e-mail solicitation). Other non-profits may be considered after first right of refusal from local service area. (Donations may also be considered if the District is unsuccessful with disposing of item(s) through a public sale).
 - d. Lawful disposal by delivery to an authorized recycler or at an appropriate landfill site.
4. Proceeds and costs associated with the sale and disposal of an item will be credited and/or charged to the budget account from which the item was initially purchased. If the budget account cannot be determined, the proceeds and costs will be posted to the Sewer Service Charge Main Fund.
5. In addition, after the sale of surplus vehicles and equipment, the Purchasing Agent or designee shall file a release of liability form with the California Department of Motor Vehicles (DMV) if the vehicle or equipment item is sold by the District.

Exceptions include:

- a. Vehicles and equipment sold on behalf of the District by a licensed vehicle dealer, such as a commercial auction company. The auction company is responsible for recording the transfer of title and release of liability with the DMV for the vehicle or equipment item.
- b. Vehicles or equipment not initially registered with the DMV (forklifts, utility carts, scissor lifts, etc.)

Auto Shop personnel shall:

- a. Remove license plates from surplus vehicles and mobile equipment.
- b. Destroy and dispose of exempt license plates properly.

Employee Responsibility

Employees are responsible for identifying surplus property and initiating the completion of the Surplus Property Declaration form in accordance with this policy.

Management Responsibility

As space is limited and surplus items tend to be a safety hazard, management should make every effort to identify surplus items and expedite their removal.

Further, management should make every effort to ensure that the best value is received in return for their disposal.

Supersedes Policy Dated: 01/08; 02/22/10, 9/2011, 10/14/13

Approved by: Board of Directors 10/14/2013

Author/Owner: Purchasing Agent

Reviewers: Executive Team

Notify Person: Purchasing Agent

Revision Frequency: Every 3 years

Next Revision: October, ~~2016~~2020

Union Sanitary District
Policy and Procedure Manual

Effective: 10/9/2017	SURPLUS PROPERTY DISPOSAL POLICY	Policy Number 2075 Page 1 of 3
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Approved by: Board of Directors 10/14/2013

Author/Owner: Purchasing Agent

Reviewers: Executive Team

Notify Person: Purchasing Agent

Revision Frequency: Every 3 years

Next Revision: October, 2020

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 2, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager / District Engineer
Sami E. Ghossain, Manager of Technical Services
Raymond Chau, CIP Coach
Chris Elliott, Associate Engineer

SUBJECT: Agenda Item No. 13 – Meeting of October 9, 2017
Authorize the General Manager to Execute Task Order No. 4 with West Yost Associates for the Force Main Corrosion Repairs Project - Phase 2

Recommendation

Staff recommends the Board authorize the General Manager to execute Task Order No. 4 with West Yost Associates in the amount of \$62,248 to provide design services for the Force Main Corrosion Repairs Project – Phase 2 (Project). Funds for the project have been budgeted in the Renewal and Replacement Fund.

Background

The District operates and maintains the transport system that consists of three pump stations and three lift stations and approximately 12½ miles of twin force main pipelines. The transport system conveys wastewater from the Irvington and Newark drainage basins to the Alvarado Wastewater Treatment Plant.

Force main facilities include 78 manholes along the pipeline alignment; please see attached Figures 1 and 2. Of the 78 manholes, 46 of them provide access into the force main pipelines via a manway inside the manholes, and each manway is sealed with a blind flange. At the other 32 manholes, appurtenances such as air release valves or blow off valves are connected to the blind flanges.

The air release valves are located at the higher elevations of the force main pipelines to allow air from the pipelines to vent in order to maintain the full hydraulic capacity of the pipelines. The blow off valves are located at the lower elevations of the force main pipelines to allow staff to drain the wastewater from the pipelines when there is a need to remove as much wastewater as possible, typically for a long-term outage for maintenance or construction activities. This doesn't happen very often but if there is a need to do so, staff will need to set up pumps and hoses to connect the blow off valves to the closest sanitary sewer manhole.

These facilities were installed almost 40 years ago, as part of the original force main construction. Over time, the presence of groundwater, moisture, and the buildup of hydrogen sulfide gas in these force main manholes have caused many of the manways, blind flanges, and appurtenances to become corroded. This corrosion is of primary concern, as failure of any single element could precipitate a leak from the force main pipeline.

Force Main Inspections

In 2011, the District conducted a condition assessment of the force main equipment located in the Irvington Valve Box, Newark Influent and Effluent Valve Boxes, and Alvarado Influent Valve Box. These valve boxes are part of the transport system that delivers wastewater to the Plant and primarily house large diameter cement mortar coated steel piping, knife gate valves, and flanged coupling adaptors (FCAs). The assessment found the existing FCAs were experiencing corrosion and recommended them for replacement. The assessment also recommended refurbishment or replacement of the valves. In 2012, the District completed two phases of the Force Main Improvements Project to replace corroded FCAs and rehabilitated and replaced knife gate valves on the force main pipelines located within the valves boxes.

In 2004, the District's Force Main Study included a condition assessment of the interior and exterior of the buried force main piping that was constructed of reinforced concrete pipelines. The study found the piping to be in good condition and recommended an internal inspection every 10 years and an external inspection every 20 years. In 2016, the District hired Woodard & Curran (formerly RMC Water and Environment) to conduct the internal inspection of the force main piping as the force main piping is taken out of service for the District's Force Main Corrosion Repairs Project and the developer's Force Main Relocation Project this year and next.

During the summer of 2015, staff performed visual inspection inside all 78 force main manholes, and conducted non-destructive testing on elements with the worst corrosion conditions. In the fall of 2015 through the spring of 2016, staff hired Carollo Engineers to review the data collected during the inspections and testing; as a result they recommended that any and all corroded elements within the 78 manholes be rehabilitated or replaced. Please see Figures 3 through 7.

Phase 1 Project

Staff hired West Yost Associates to complete preliminary design services in the fall of 2016, and final design services in the winter of 2017. West Yost completed this work while outlining a plan to accomplish the repairs in several phases. The Phase 1 Project (Phase 1) addressed corrosion repairs for manholes on the eastern force main between Newark Pump Station and the Alvarado Wastewater Treatment Plant. On June 12, 2017, the Board awarded the Phase 1 construction contract to Cratus, Inc., in the amount of \$821,000. Work began in June 2017, and is currently nearing completion in October 2017.

Task Order No. 4

The Phase 2 Project will address corrosion repairs for manholes on the western force main between Newark Pump Station and the Alvarado Wastewater Treatment Plant, as well as make minor access improvements at several sites along the force main alignment. The scope of services for Task Order No. 4 includes project management; detailed final design including plans and specifications, agency coordination and permitting, and biological services; and bid period services.

Based on the Phase 1 construction contract, the preliminary construction cost estimate for Phase 2 is between \$800,000 and \$850,000. The negotiated cost proposal is \$62,248. The total not-to-exceed fee for design services represents approximately 7.3% to 7.8% of the Phase 2 construction cost. Staff believes the fee is reasonable since much of the design effort for Phase 1 is applicable to Phase 2 and is already accomplished.

The scope of services and their respective fees are summarized as follows:

Task	Description	Amount
1	Project Management	\$8,520
2	Design	\$43,890
3	Bid Period Services	\$9,838
	TOTAL	\$62,248

Below is a summary of the task orders with West Yost Associates under the Project agreement:

Task Order	Not-to-Exceed Fee	Board Authorization Required?	District Staff Approval
Task Order No. 1 – Predesign	\$25,855	No	Sami Ghossain
Task Order No. 2 – Phase 1 Design	\$113,464	Yes	Paul R. Eldredge
Task Order No. 3 – Phase 1 Engineering Services During Construction	\$33,085	Yes	Paul R. Eldredge
Task Order No. 4 – Phase 2 Design	\$62,248	Yes	Paul R. Eldredge
Total	\$234,652		

Design of the Force Main Corrosion Repairs Project - Phase 2 is scheduled for completion in the winter of 2018, with construction to follow in the spring of 2018.

Staff recommends the Board authorize the General Manager to execute Task Order No. 4 with West Yost Associates in the amount of \$62,248 to provide design services for the Force Main Corrosion Repairs Project - Phase 2.

PRE/SEG/RC/CE:ks

Attachments: Figures 1-2 – Location Maps
Figures 3-7 – Photos
Task Order No. 4



Notes:
1. Rating 1 requires immediate attention.
2. Rating 2 requires repair in 2-3 years.
3. Rating 3 requires repair after 3 years or place on PM schedule.

Legend

- ⊕ Access Manhole
- ⊕ Access/Blow Off Combination
- △ ARV
- Blow Off
- Rating 1
- Rating 2
- Rating 3
- Not Inspected
- LS Lift Station
- PS Pump Station
- WWTP Alvarado Treatment Plant
- Twin 33" Force Mains
- Twin 39" Force Mains



Figure 2

**Newark Pump Station to
Alvarado Treatment Plant
Manhole Condition Ratings**

Union Sanitary District
Force Main Manhole Corrosion Repairs

FIGURES 3-7 (PHOTOS)

Figure 3: Manway



Figure 4: Blind Flange



FIGURES 3-7 (PHOTOS)

Figure 5: Valve



Figure 6: ARV Piping



FIGURES 3-7 (PHOTOS)

Figure 7: Blowoff Tube



FORCE MAIN CORROSION REPAIRS PROJECT

(USD Project No. 800-491)

TASK ORDER NO. 4

to

AGREEMENT

BETWEEN

UNION SANITARY DISTRICT

AND

WEST YOST ASSOCIATES, INC.

FOR

PROFESSIONAL SERVICES

Dated October 26, 2016

1. PURPOSE

The purpose of Task Order No. 4 is to authorize the final design and bid period services for Phase 2 of the Force Main Corrosion Repairs Project (Project). The purpose of the Project is to rehabilitate force main manholes as identified and prioritized during Task Order No. 1, Pre-design. Due to force main shutdown constraints and concurrent projects, the repairs will be split into multiple phases, spanning several construction seasons. Construction for Phase 1 is near completion and Phase 2 is anticipated to consist of repairs to 19 access, ARV, and blowoff manholes located on the west side of the twin force mains between Newark Pump Station and the Alvarado Wastewater Treatment Plant.

2. PROJECT COORDINATION

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

3. SCOPE OF SERVICES

The task numbers in this Scope of Services relate directly to the costs presented in Item 7, Payment to the Engineer, and the schedule presented in Item 8, Time of Completion. Deliverables to be received by the District are described in Item 4, Deliverables. Optional tasks shown shall not be performed without authorization from the District.

Task 1. Project Management

This task includes project management activities, including day-to-day administration, progress meetings and technical reviews.

Subtask 1.01—Project Administration. Monitor progress of individual tasks, budgets, and schedule; and coordinate completion of work products.

Subtask 1.02—Progress Meetings. Attend up to one progress meeting to discuss and review progress and significant action items. Engineer shall prepare and submit meeting agendas and minutes.

Subtask 1.03—Technical Reviews. Technical reviews shall be conducted by the Principal-in-Charge, Project Manager, and a senior staff member not directly involved in the project.

Task 2. Design

This task includes services for permitting, field investigations, and preparation of bid documents and cost estimates for the Project. Six sets of plans and specifications shall be submitted to the District for review at the 90 percent completion level, and one set shall be submitted at the 100 percent completion level. Engineer shall address all comments in writing and submit one set of the final bid documents to the District for printing, bid advertisement, and distribution.

At the beginning of the design work, Engineer shall hold a meeting or conference call to review RFIs, change orders, omissions, unforeseen conditions, and other issues from the Phase 1 construction. Engineer shall incorporate these lessons learned from Phase 1 into the Phase 2 design.

This task also includes the design of various access improvements (summarized as follows), and all work for the design of these improvements is assumed to be included in the subtasks described below. Construction of these improvements shall be during Phase 2, although some locations requiring extensive coordination and / or permitting may need to be deferred to Phase 3 construction. Engineer shall conduct a field meeting with District staff to confirm the scope details for each site. Coordination, permitting, and design of these improvements shall also be in accordance with recommendations provided in the Biological Resources Assessment conducted by WRA Environmental Consultants, dated April 2017, and completed during the Phase 1 design period.

- Coyote Hills ARV: additional space for parking.
- Highway 84 ARV: access road, ramp build up around edges of pad, ladder modifications.
- Stevenson Blvd. Blowoff: railroad spur grade crossing, turnaround area expansion.
- Boyce Rd. Lift Station: turnaround area expansion.

Subtask 2.01—Agency Coordination & Permitting. Engineer shall update coordination and permitting as necessary for the Phase 2 scope of work. Stakeholders may include the City of Fremont, the City of Newark, the City of Union City (Cities), Alameda County Flood Control & Water Conservation District (ACFC&WCD), Union Pacific Railroad (UPRR), East Bay Regional Parks District (EBRPD), U.S. Department of Fish and Wildlife (USDFW), and private property owners. Engineer shall identify the necessary requirements for obtaining encroachment permits, right of entry agreements, and construction access. The District will pay for permitting fees and prepare right of entry agreements with private property owners. It is anticipated that no temporary construction easements will have to be obtained since the force main alignment is entirely within existing permanent easements.

Engineer's subconsultant shall determine the need, type, and scope of regulatory permits, if any, for the four access improvements sites (listed above) during design. This shall be determined based on resource impacts of the final design that are considered unavoidable. With approval by the District and if needed, Engineer's subconsultant shall engage an early consultation with the agencies to reach agreement with the agencies on the type of permits needed and possible mitigation that may be required by the agencies. This process will provide a clear path to regulatory agency authorization of the project prior to applications being prepared. This subtask does not include preparing an IS/MND or obtaining permits from the resource agencies. Such activities may be addressed later under an amendment should they be necessary.

Subtask 2.02 Jurisdictional Wetlands Delineation. Engineer's subconsultant shall conduct a Section 404 (Clean Water Act) jurisdictional wetlands delineation at the four access improvements sites (listed above) according to the standard routine level, three parameter approach required by the Corps of Engineers. Field studies including inspection of hydric soils, wetlands hydrology, and wetland classified plants shall be conducted at each site, the data collected shall be recorded on standard delineation data sheets, and a boundary between wetlands and uplands shall be determined. The boundary shall be mapped using GPS technology for later preparation of a map in office. The boundary shall also be marked in the field using wire flags or wooden stakes for easy visual location by others (project team, agency staff, etc.). In office, a delineation report shall be prepared according to Corps of Engineers requirements and standards that includes a delineation map and standard delineation data sheets. A draft report shall be prepared for review and comment by the District. A final delineation report with District's comments incorporated shall be prepared. Upon approval by the District, the final delineation report shall be submitted by Engineer's subconsultant to the Corps with a request for a final jurisdictional determination by the Corps. Engineer's subconsultant shall accompany the Corps during a delineation site review to answer questions and receive modifications to the delineation and report from the Corps, if any. If modifications are required, Engineer's subconsultant shall revise the report to reflect the modifications and request a final jurisdictional determination from the Corps.

Subtask 2.03—Design Drawings. Drawings shall be prepared using AutoCAD conforming to the District's digital submittal guidelines. The design shall include

appropriately scaled plans and details. It is assumed that approximately 12 drawing sheets will be prepared.

The Engineer shall create a drawing sheet(s) with a schedule or matrix that lists the manholes to be repaired, gives their descriptive or colloquial name for ease of future discussions, indicates which repair detail in the plans is applicable, includes any other pertinent information regarding the scope of work, and is organized to correspond with an adjacent overview map.

Pursuant to the work of Subtasks 2.01 and 2.02 above, Engineer shall design the four access improvements sites. Engineer's subconsultant shall assist the project team during design of the access improvements by making recommendations to avoid or reduce impacts to biological resources that, in turn, may avoid or reduce permitting requirements and/or compensatory mitigation. Engineer's subconsultant shall provide to the team the jurisdictional wetlands delineation map data for each of the four separate sites in a format (e.g., CAD) suitable for use in development of design site plans and drawings. Engineer's subconsultant shall coordinate with the team by communicating permitting constraints and reviewing design plans. The final plans shall be included as part of the permit application packages, if necessary.

Subtask 2.04—Specifications. Specifications shall be prepared in Microsoft Word format. Engineer shall prepare bidding and contract requirements (Division 00), general requirements (Division 01), technical specifications (Division 02), and appendices in CSI format and based on District Standards. Engineer's subconsultant shall prepare the technical specifications for Concrete Chemical Injection Grouts and High Performance Coatings. District will provide boilerplate front end specifications in Microsoft Word Format.

Subtask 2.05—Construction Cost Estimate. Engineer shall develop a construction cost estimate at the 90 and 100 percent design completion levels.

Task 3. Bid Period Services

The purpose of this task is to assist the District during the bidding phase of the Project. The District will advertise and distribute bid documents.

Subtask 3.01—Pre-bid Meeting, Bidder Inquiries, and Bid Evaluation. Engineer shall attend one pre-bid meeting, attend one site walk, and prepare meeting minutes for distribution. Engineer shall answer bidders' technical questions during the bid period. Engineer shall assist the District in bid evaluation.

Subtask 3.02—Addenda. Engineer shall prepare up to two addenda to be distributed by the District during the bid period.

Subtask 3.03—Conformed Documents. Engineer shall prepare conformed plans and specifications incorporating all addenda items.

4. DELIVERABLES

Project deliverables and their respective digital file formats are listed below:

- Meeting agendas (Microsoft Word) and minutes (Adobe PDF).
- ACFC&WCD encroachment permit application, UPRR right of entry permit application, and other permitting documents as necessary.
- Draft and Final Wetlands Delineation Reports
- Six sets of draft plans and specifications at the 90 percent completion level (Adobe PDF).
- One set of plans and specifications at the 100 percent completion level (Adobe PDF).
- One set of final bid documents (Adobe PDF).
- Cost estimates at the 90 and 100 percent completion levels (Adobe PDF).
- Drawing files in AutoCAD 2016 format submitted on a DVD or via file transfer or file sharing site.
- Addenda (Microsoft Word and Adobe PDF), pre-bid meeting minutes (Adobe PDF), and email documentation of phone conversations with bidders.

5. NOT USED

6. NOT USED

7. PAYMENT TO THE ENGINEER

Payment to the Engineer shall be as called for in Article 2 of the Agreement, shall be on a time and materials cost basis for services provided, and shall be in accordance with the Billing Rate Schedule contained in Exhibit A (updated annually) except that subconsultants will be billed at actual cost plus 5%, outside services will be billed at actual cost, and mileage will be billed at the prevailing IRS standard mileage rate. The billing rate schedule is comparable to a multiplier of 3.22 and a profit of 12.4 percent; the not-to-exceed amount shall be \$62,248. A summary of the anticipated distribution of cost and manpower between tasks is shown in Exhibit B.

The following table summarizes the previously-executed and proposed task orders and amendments under the Agreement:

Task Order / Amendment	Not to Exceed Amount	Board Authorization Required?	District Staff Approval
Task Order No. 1 – Predesign	\$25,855	No	Sami Ghossain
Task Order No. 2 – Phase 1 Design	\$113,464	Yes	Paul R. Eldredge

Task Order / Amendment	Not to Exceed Amount	Board Authorization Required?	District Staff Approval
Task Order No. 3 – Phase 1 Engineering Services During Construction	\$33,085	Yes	Paul R. Eldredge
Task Order No. 4 – Phase 2 Design	\$62,248	Yes	Paul R. Eldredge
Total	\$234,652		

8. TIME OF COMPLETION

All work defined in this Task Order shall be completed in accordance with the following schedule and subject to the conditions of Article 3 of the Agreement:

Design Schedule	
<u>Milestone</u>	<u>Date</u>
Notice to Proceed	October 9, 2017
90% Design Submittal	November 10, 2017
100% Design Submittal	December 22, 2017
Final Bid Documents	February 2, 2018

9. KEY PERSONNEL

Key engineering personnel or subconsultants assigned to Task Order No. 4 are as follows:

Role	Personnel/Subconsultant
Principal-in-Charge	John Goodwin
Project Manager/Project Engineer	Thea Durbin
Biological Services	Kate Allen, WRA
Corrosion Control Engineer	Manny Najar, V&A Consulting

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. 4 as of October _____, 2017 and therewith incorporated it as part of the Agreement.

DISTRICT

ENGINEER

Union Sanitary District

West Yost Associates

By: _____

By: _____

Name: Paul R. Eldredge, P.E.

Name: John D. Goodwin

Title: General Manager/District Engineer

Title: Vice President

2017 Billing Rate Schedule

(Effective January 1, 2017 through December 31, 2017) *

POSITIONS	LABOR CHARGES (DOLLARS PER HR)
ENGINEERING	
Principal/Vice President	\$273
Engineering/Scientist/Geologist Manager I / II	\$251 / \$263
Principal Engineer/Scientist/Geologist I / II	\$229 / \$243
Senior Engineer/Scientist/Geologist I / II	\$205 / \$215
Associate Engineer/Scientist/Geologist I / II	\$182 / \$195
Engineer/Scientist/Geologist I / II	\$147 / \$170
Engineering Aide	\$83
Administrative I / II / III / IV	\$75 / \$94 / \$114 / \$126
ENGINEERING TECHNOLOGY	
Engineering Tech Manager I / II	\$250 / \$260
Principal Tech Specialist I / II	\$230 / \$240
Senior Tech Specialist I / II	\$210 / \$220
Senior GIS Analyst	\$200
GIS Analyst	\$189
Technical Specialist I / II / III / IV	\$130 / \$150 / \$170 / \$190
CAD Manager	\$159
CAD Designer I / II	\$123 / \$138
CONSTRUCTION MANAGEMENT	
Senior Construction Manager	\$261
Construction Manager I / II / III / IV	\$159 / \$170 / \$182 / \$227
Resident Inspector (Prevailing Wage Groups 4 / 3 / 2 / 1)	\$138 / \$153 / \$170 / \$177
Apprentice Inspector	\$125
CM Administrative I / II	\$68 / \$91

- Hourly rates include Technology and Communication charges such as general and CAD computer, software, telephone, 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 and Travel will be billed at cost.
- Subconsultants will be billed at actual cost plus 5%.
- 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.

* This schedule is updated annually

2017 Billing Rate Schedule (continued)

(Effective January 1, 2017 through December 31, 2017) *

Equipment Charges

EQUIPMENT	BILLING RATES
Gas Detector	\$80/day
Hydrant Pressure Gage	\$10/day
Hydrant Pressure Recorder, Standard	\$40/day
Hydrant Pressure Recorder, Impulse (Transient)	\$55/day
Trimble GPS – Geo 7x	\$220/day
Vehicle	\$10/hour
Water Flow Probe Meter	\$20/day
Water Quality Multimeter	\$185/day
Well Sounder	\$30/day

* This schedule is updated annually

West Yost Associates	P/V/P \$273 Goodwin	SE/SS/SG II \$215 Durbin	AE/AS/AG I \$182	CAD II \$138	ADM IV \$126	Labor		Sub. V&A	Sub. WRA	Costs		
						Hours	Fee			Sub. w/ markup 5%	Other Direct	Total Costs
PROJECT: Force Main Corrosion Repairs Phase 2 Design												
Task 1	Project Management											
1.01	Project Administration	2	8				10	\$ 2,266				\$ 2,266
1.02	Progress Meetings	6	6				12	\$ 2,928			\$ 50	\$ 2,978
1.03	Technical Reviews	12					12	\$ 3,276				\$ 3,276
Subtotal, Task 1 (hours)		20	14	0	0	0	34					
Subtotal, Task 1 (\$)		\$ 5,460	\$ 3,010					\$ 8,470			\$ 50	\$ 8,520
Task 2	Design											
2.01	Agency Coordination & Permitting		24	24		4	52	\$ 10,032		\$ 725	\$ 761	\$ 10,793
2.02	Design Drawings	4	16	28	28		76	\$ 13,492		\$ 2,712	\$ 2,848	\$ 16,390
2.03	Jurisdictional Wetlands Delineation		2				2	\$ 430		\$ 4,500	\$ 4,725	\$ 5,155
2.04	Specifications	6	16	4		12	38	\$ 7,318	\$ 2,000		\$ 2,100	\$ 9,418
2.05	Construction Cost Estimate	2	4	4			10	\$ 2,134				\$ 2,134
Subtotal, Task 2 (hours)		12	62	60	28	16	178					
Subtotal, Task 2 (\$)		\$ 3,276	\$ 13,330	\$ 10,920	\$ 3,864	\$ 2,016		\$ 33,406	\$ 2,000	\$ 7,937	\$ 10,434	\$ 43,890
Task 3	Bid Period Services											
3.01	Pre-bid Meeting, Bidder Inquiries, and Bid Evaluation	2	8	8			18	\$ 3,722			\$ 50	\$ 3,772
3.02	Addenda	2	8	8		2	20	\$ 3,974				\$ 3,974
3.03	Conformed Documents		4	4		4	12	\$ 2,092				\$ 2,092
Subtotal, Task 3 (hours)		4	20	20	0	6	50					
Subtotal, Task 3 (\$)		\$ 1,092	\$ 4,300	\$ 3,640		\$ 756		\$ 9,788			\$ 50	\$ 9,838
TOTAL (hours)		36	96	80	28	22	262					
TOTAL (\$)		\$ 9,828	\$ 20,640	\$ 14,560	\$ 3,864	\$ 2,772		\$ 51,664	\$ 2,000	\$ 7,937	\$ 10,434	\$ 62,248

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 2, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Sami E. Ghossain, Manager of Technical Services
Raymond Chau, CIP Coach
Derek Chiu, Assistant Engineer

SUBJECT: Agenda Item No. 14 - Meeting of October 9, 2017
Reject the Sole Bid Received for the Primary Digester No. 3 Rehabilitation Project

Recommendation

Staff recommends the Board reject the sole bid received for the Primary Digester No. 3 Rehabilitation Project.

Background

The District has six primary and two secondary digesters at the Alvarado Wastewater Treatment Plant that require periodic cleaning to remove accumulated debris and to maintain treatment capacity. Primary Digester No. 3 was originally constructed in 1962 and was last taken out of service for cleaning and assessment in 2010. Staff removed Primary Digester No. 3 from service in spring 2017 for the purposes of cleaning it and assessing its condition. The District plans to rehabilitate Primary Digester No. 3 before placing the digester back in service.

On January 23, 2017, the Board authorized the General Manager to execute an Agreement and Task Order No. 1 with Carollo Engineers in the amount of \$158,813 to provide design services for the Primary Digester No. 3 Rehabilitation Project (Project). The Project also includes structural, mechanical, and electrical improvements at the Cogeneration Building and Thickener Control Building.

After Primary Digester No. 3 was cleaned, V&A Consulting Engineers completed a condition assessment of the structure in July 2017. The assessment revealed that the interior concrete walls and floors of the digester were in good condition. The exterior walls of the digester were in fair condition with some minor cracks and several small spalls with exposed, corroded steel reinforcement. The coating on the steel dome appeared to be in good condition with some minor corrosion at the sharp edges and crevices. Staff included these deficiencies in the Project's scope.

Scope of Work

Carollo Engineers completed the design in August 2017. The Project's major elements are as follows:

- Repair of the foam insulation on the cover of Primary Digester No. 3.
- Recoating of the interior and exterior appurtenances of Primary Digester No. 3 (i.e., steel dome cover, center column, mixing nozzles, piping, covers, center water seal, and others).
- Installation of a lining system on the interior of Primary Digester No. 3 to stop seepage through the cracks in the wall.
- Repair of minor cracks, spalled concrete, and dome coating identified from the condition assessment.
- Addition of new circular viewports and the removal of existing rectangular ones.
- Addition of two new side manways to Primary Digester No. 3 to permit at-grade access into the digester.
- Replacement of the mixing piping between Primary Digester No. 3 and Heating and Mixing Building No. 2.
- Temporary removal of the center column of Primary Digester No. 3 and CCTV inspection of the two 14-inch diameter sludge pipelines under the digester.
- Modifications to the digester gas piping on top of Primary Digester No. 3.
- Modifications to the sludge recirculation piping at Heating and Mixing Building No. 2.
- Replacement of the existing digester gas flow meters at Primary Digesters No. 1, 2, and 3.
- Modifications to the electrical panel of the digester gas conditioning system blowers at the Cogeneration Building.
- Installation of new emergency lights at the Cogeneration Building, Thickener Electrical Building, and Heating and Mixing Building No. 1.
- Modifications of the piping, valves, pipe supports, and lighting power supply at the Thickener Control Building.
- Structural modifications to the thickener scum pits at the Thickener Control Building.

- Installation of new maintenance platform and associated piping and valves at the Thickener Control Building.

Bid Results

Staff advertised the Project for bids on August 15, 2017. Staff received and opened a single bid on September 13, 2017. The bid results are summarized in the table below and in the attached Table 1.

Contractor	Total Base Bid Plus Bid Alternate A
D. W. Nicholson Corporation Hayward, CA	\$2,016,158
Engineer's Estimate	\$1,750,000

D. W. Nicholson Corporation was the sole bidder with a bid of \$2,016,158, which is 15% higher than the Engineer's Estimate of \$1,750,000. There was an arithmetic error of \$50 in one of the D. W. Nicholson's unit price bid items and the total above reflects the corrected Total Base Bid. The Notice Inviting Bids provides that "the District reserves the sole right to reject any and all bids."

Four contractors attended the mandatory pre-bid conference and site visit on August 23, 2017. Staff contacted the other three contractors after the bid opening to inquire about their reasons for not bidding. One contractor did not bid due to their schedule and inability to staff the project. The other two contractors were prepared to submit their bids but did not meet the experience qualifications outlined in the District's bid documents.

Staff will re-evaluate the experience qualifications and the project scope to determine if any modifications should be made. Additionally, when the Project is re-bid, staff will reach out to more general contractors.

Staff recommends the Board reject the sole bid received from D. W. Nicholson Corporation for the Primary Digester No. 3 Rehabilitation Project.

PRE/SEG/RC/DC:ks

Attachments: Figure 1 – Site Plan
Table 1 – Bid Tabulation

FIGURE 1 – PRIMARY DIGESTER NO. 3 REHABILITATION PROJECT



Table 1 - Bid Tabulation Sheet

Primary Digester No. 3 Rehabilitation Project No. 800-493
Bid Opening: 2:00 pm, September 13, 2017
Engineer's Estimate: \$1,750,000

Item	Description	Quantity	Unit	D. W. Nicholson Corporation (Hayward, CA)	
				Unit Price	Total
1	Completion of all Work included as part of Contract Documents for Project No. 800-493, except as specified under Bid Items 2-11, for the amount of:	1	LS	\$1,422,000	\$1,422,000
2	Replacement of overflow box piping on the south side of Primary Digester No. 3.	1	LS	\$82,300	\$82,300
3	All work at Thickener Control Building, Digester No. 2, and Sludge Pump Rooms Nos. 1 and 3 as detailed in Appendix A.	1	LS	\$319,600	\$319,600
4	Allowance for time and material costs associated with any additional piping replacements as directed by the District.	1	LS	\$10,000	\$10,000
5	Foam insulation repair on Primary Digester No. 3.	250	SF	\$181	\$45,325
6	Replacement of grating supports on Primary Digester No. 3.	42	LF	\$539	\$22,638
7	Structural concrete repair in Primary Digester No. 3: Type 1 Repair	200	SF	\$124	\$24,860
8	Structural concrete repair in Primary Digester No. 3: Type 2 Repair	200	SF	\$163	\$32,540
9	Structural concrete repair in Primary Digester No. 3: Type 3 Repair	50	SF	\$319	\$15,955
10	Structural concrete repair in Primary Digester No. 3: Polyurethane injection	300	LF	\$85	\$25,440
11	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	\$500	\$500
Total Base Bid					\$2,001,158
Bid Alternate A	Add Builder's Risk Insurance coverage described in Section 00800-Article 2.1.3a	1	LS	\$15,000	\$15,000
Basis of Award: Contract Price (Total Base Bid + Bid Alternate A)					\$2,016,158

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 2, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Michelle Powell, Communications and Intergovernmental Relations Coordinator

SUBJECT: Agenda Item No. 15 – October 9, 2017
Information Item: **Update on Fats, Oils, and Grease (FOG) Public Outreach Campaign Image Modifications**

Recommendation

Receive an update regarding current Fats, Oils, and Grease (FOG) campaign image modifications and provide feedback as necessary.

Background

It has been the goal of staff to periodically update USD's Fats, Oils, and Grease (FOG) public outreach campaign. The original campaign was launched in 2012 with the primary intent of reaching out to targeted residential neighborhoods in which FOG "hot spots" were found in USD's mains. The outreach materials contained messages about actions customers could take to help control FOG in sewers, with the effect of protecting property and the environment.

In response to feedback received, including concern that the current photos depict actions that are negative and could possibly be misunderstood by customers, staff extensively researched the materials of other agencies to assess whether an existing program might be used as a basis for USD's updated campaign. It was determined that other existing programs do not offer imagery or design that would stand out as strongly and uniquely as the District desires.

Staff drafted modified materials to depict positive actions customers can take to appropriately dispose of residential FOG and presented them to the Board at its August 28, 2017 meeting.

The Board provided feedback regarding the options presented, which staff will incorporate into further development of new concepts.

For the upcoming holiday season, staff proposed slightly modifying USD's current design to help better clarify the intent of the program. The attachments to this staff report include adjustments made in response to feedback given at the August 28, 2017 Board meeting. After review of several options, staff felt that a "Stop Sign" image showing a hand with an opaque white fill is the strongest, most easily-understood illustration.

Attachments:

FOG holiday ad artwork with added "Stop Sign" imagery
FOG 5 x 7 postcard with added "Stop Sign" imagery



DELICIOUS.



Disastrous.

Don't ruin a good meal.
Dispose of **fats, oils** and **grease** properly.





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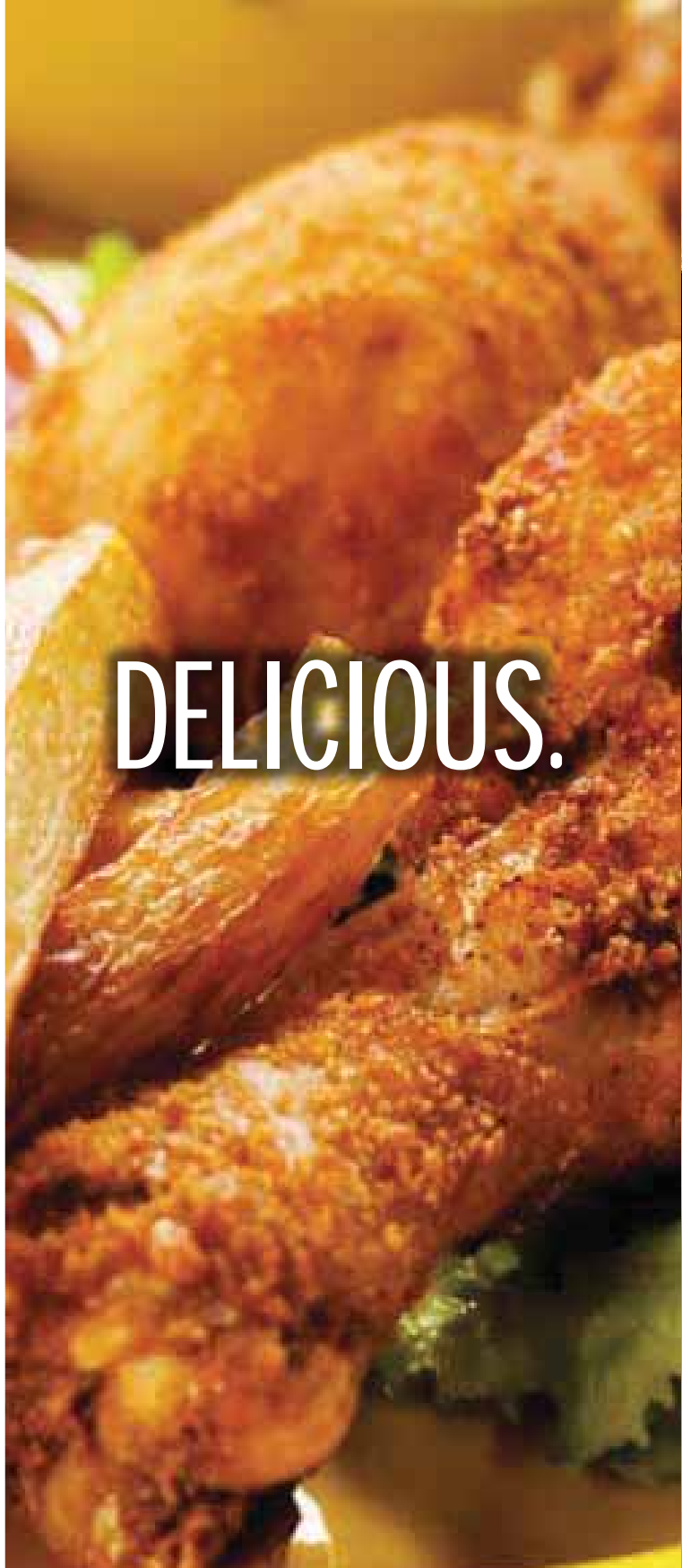
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DELICIOUS.



Disastrous.



Don't ruin a good meal . Dispose
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63 of 112





DELICIOUS.

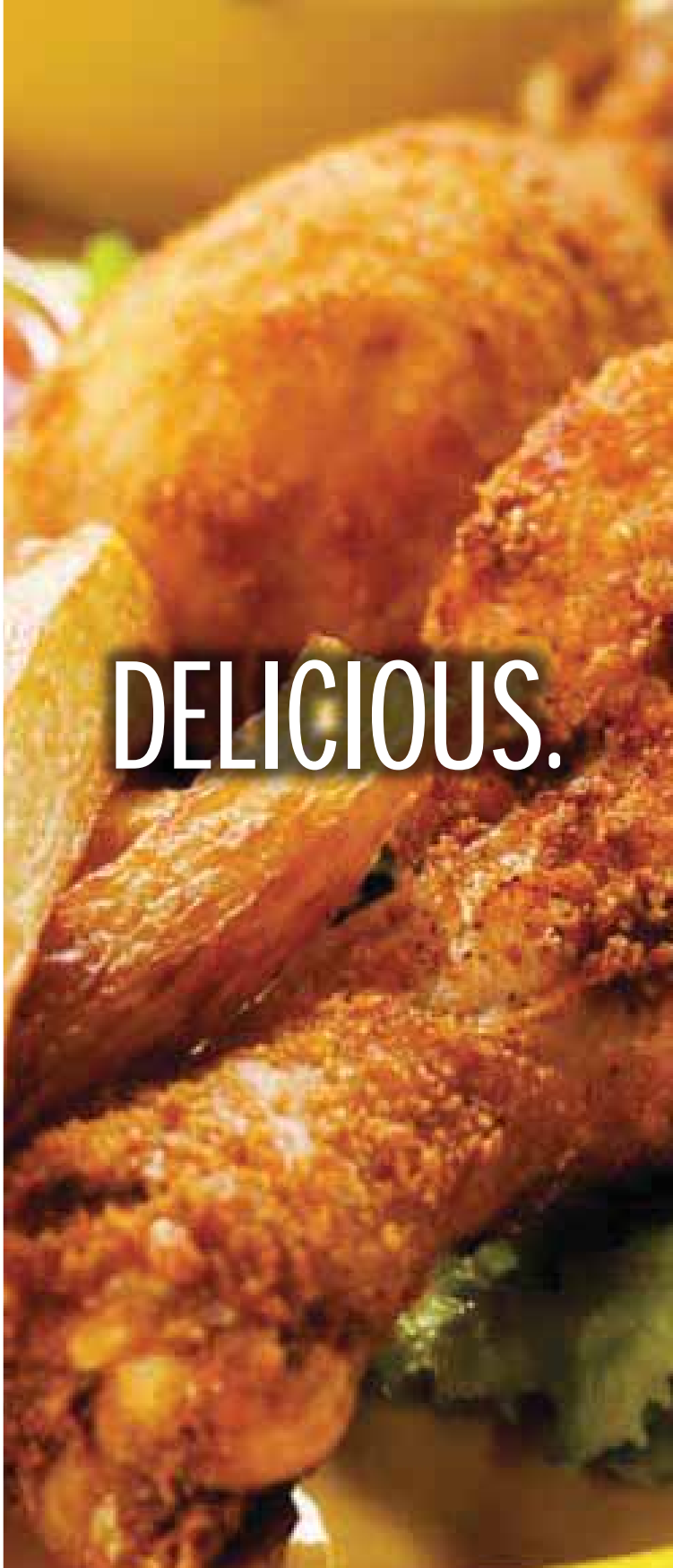


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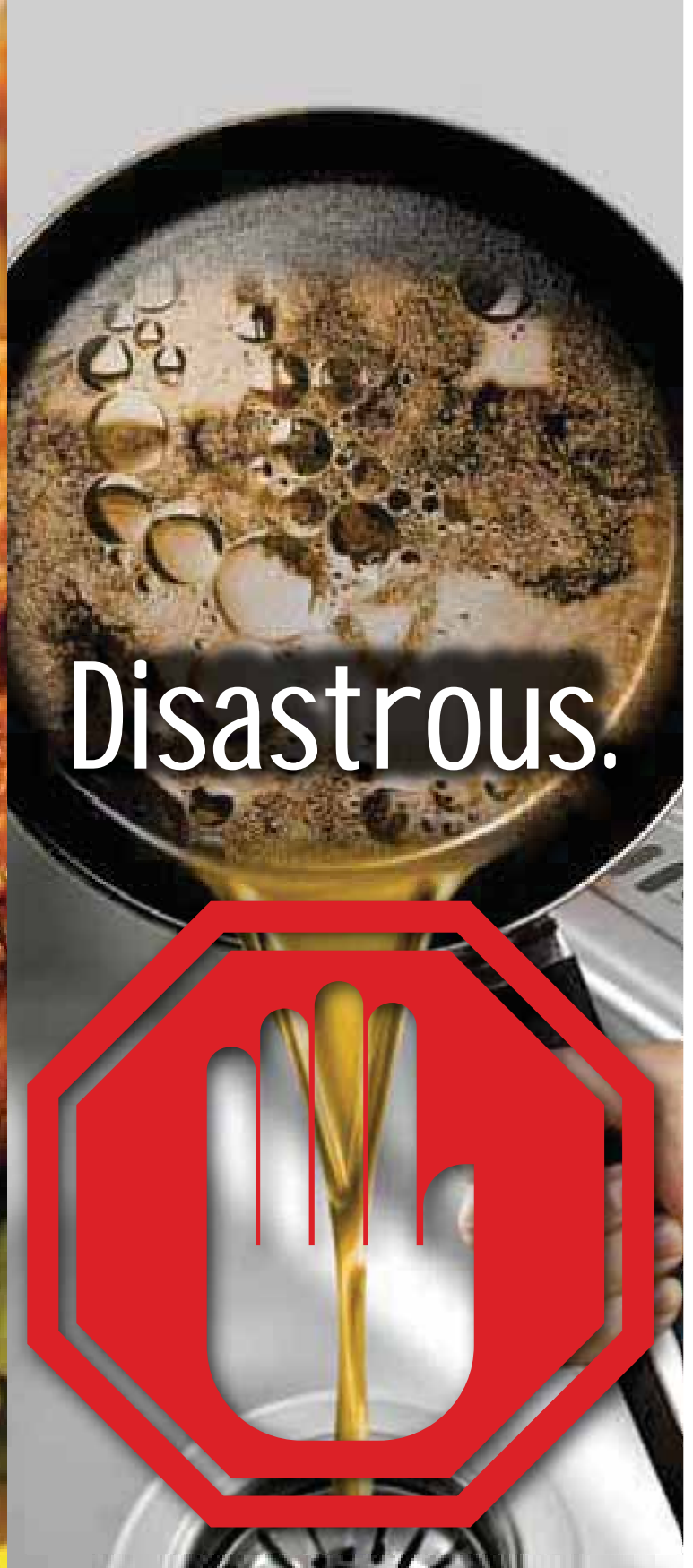
Don't ruin a good meal . Dispose
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64 of 112





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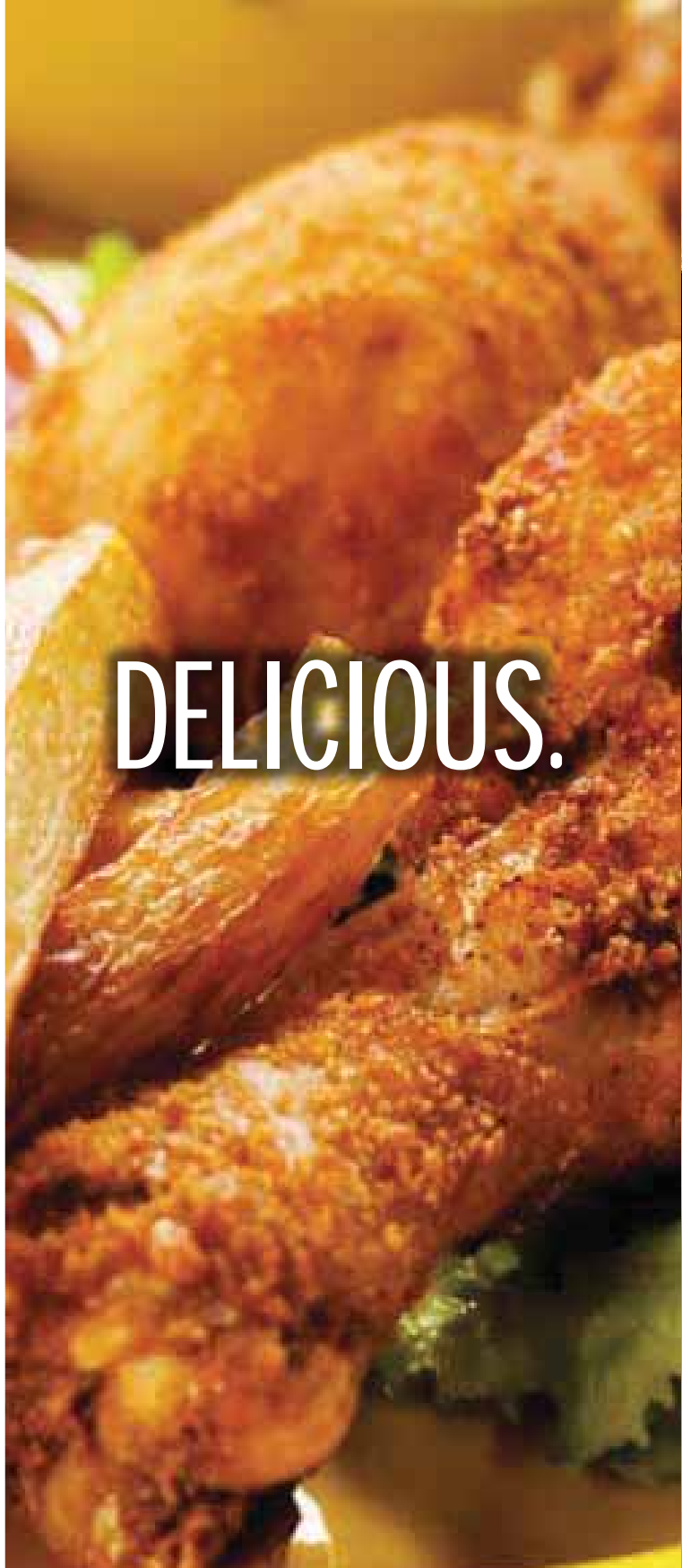


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66 of 112





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67 of 112





Directors
Manny Fernandez
Tom Handley
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Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

DATE: October 2, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer
Sami E. Ghossain, Manager of Technical Services
Raymond Chau, CIP Coach

SUBJECT: Agenda Item No. 16 - Meeting of October 9, 2017
Information Item: Agreement with Carollo Engineers for General Engineering Services

Recommendation

Information only.

Background

Staff had previously executed four agreements with Carollo Engineers to provide general engineering services to the District. The agreement provided a timesaving process for staff to obtain engineering services without having to negotiate separate agreements for tasks for the design of small projects and engineering evaluations. Carollo has completed numerous studies and designs for the District since 1990 and is very knowledgeable of the District's treatment plant and pump station facilities.

On July 6, 2015, staff executed the last agreement at a total not-to-exceed amount of \$50,000 for a two-year period. The agreement expired on July 6, 2017. There were three task orders approved under this agreement at a total not-to-exceed amount of \$36,163, and they are summarized in Table 1.

On September 1, 2017, staff executed Amendment No. 1 to the agreement with Carollo to extend the term by one additional year to July 6, 2018. The amendment also raised the total agreement

not-to-exceed amount to \$62,000, an increase of \$12,000. This increase will provide a budget up to \$25,000 for the third year of the agreement.

Table 1 – Summary of Task Orders for Agreement (2015-2018)

Task Order Number	Task Order Execution Date	Description	Not-to-Exceed Amount	Amount Paid
1	July 7, 2015	Examine the Fuel Island Canopy for Structural Damage	\$1,000	\$1,000.00
2	September 1, 2015	Assess the Contingencies during Complete Utility and Generator Power Outage at Newark Pump Station during Boost Mode	\$15,261	\$15,081.66
3	June 26, 2017	Evaluate the Potential Impacts on the Force Main Hydraulics of Additional Flows to Cherry Street Pump Station from Potential Development	\$19,902	\$14,782.21
		Total	\$36,163	\$30,863.87

PRE/SEG/RC/ks

Attachment: Amendment No. 1
Agreement

GENERAL ENGINEERING SERVICES

AMENDMENT NO. 1

TO

AGREEMENT

BETWEEN

UNION SANITARY DISTRICT

AND

CAROLLO ENGINEERS

FOR

PROFESSIONAL SERVICES

Dated July 6, 2015

1. PURPOSE

The purpose of Amendment No. 1 is to extend the term and increase the total fee under the General Engineering Services Agreement.

2. PROJECT COORDINATION

All work related to this agreement shall be coordinated through the District's Project Engineer or Manager as designated in each individual task order.

3. SCOPE OF SERVICES

The Scope of Services for this agreement shall be as outlined in each individual task order.

4. COMPENSATION

Payment to the Engineer shall be as called for in Article 2 of the Agreement and as agreed in each individual task order. The total compensation of the agreement will be increased by \$12,000 for an overall compensation not to exceed \$62,000 for all task orders executed under the General Engineering Services Agreement. The annual compensation shall remain unchanged and shall not exceed \$25,000 per year.

Amendment No. 1 – General Engineering Services
Carollo Engineers

The following table summarizes all task orders and amendments executed and proposed under the Agreement:

Contract	Not to Exceed Amount	Board Authorization	District Staff Approval
Task Order 1 – Evaluate Fuel Island Canopy Damage	\$1,000	No	Raymond Chau
Task Order 2 – Evaluate Operation of Boost Line Modulating Valve During Power Outage	\$15,261	No	Sami Ghossain
Task Order 3 – Evaluate capacity of the Cherry Street Pump Station	\$19,902	No	Sami Ghossain
	\$36,163		

5. TIME OF COMPLETION

The agreement shall be extended for a period of one year for a total of three years from the original agreement date. The agreement shall expire on July 6, 2018.

6. KEY PERSONNEL

Engineer's personnel shall be proposed in each individual task order.

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment No. 1 to the Agreement as of July 6, 2017 and therewith incorporate it as part of the Agreement.

DISTRICT:

Union Sanitary District


ENGINEER:

Carollo Engineers

By:


Paul R. Eldredge, P.E.
General Manager/District Engineer

By:


Scott E. Parker
Senior Vice President

Date:

9-1-2017

Date:

7/5/17

**GENERAL ENGINEERING SERVICES
AGREEMENT
BETWEEN
UNION SANITARY DISTRICT
AND
CAROLLO ENGINEERS
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT MADE AS OF July 6, 2015, BETWEEN UNION SANITARY DISTRICT (hereinafter referred to as District), and CAROLLO ENGINEERS (hereinafter referred to as Engineer).

WITNESSETH:

WHEREAS, District intends to perform multiple projects that will require on-call services for engineering evaluations and engineering design (hereinafter referred to as Project), and,

WHEREAS, District requires certain professional services in connection with the Project (hereinafter referred as Services); and

WHEREAS, Engineer is qualified and prepared to provide such Services;

NOW, THEREFORE, in consideration of the promises contained herein, the parties agree as follows:

ARTICLE 1 - SERVICES TO BE PERFORMED BY ENGINEER

- 1.1 Specific Services and the associated scope of services, payment, schedule, and personnel will be defined in specific Task Order as mutually agreed by District and Engineer.
- 1.2 All Task Orders will by reference incorporate the terms and conditions of this Agreement, and become formal amendments hereto.

ARTICLE 2 - COMPENSATION

- 2.1 Compensation for consulting services performed under this Agreement shall include:

- (1) Direct labor costs, multiplied by an agreed upon fixed factor (the Multiplier), to compensate for fringe benefits, indirect costs, and profit.
- (2) Non-labor direct project charge not included in the fixed factor and acceptable, without any markup.
- (3) Subconsultant costs, with a maximum markup of 5%.

Definitions are as follows:

- (a) Direct labor is salaries and wages paid to personnel for time directly chargeable to the project. Direct labor does not include the cost of Engineer's statutory and customary benefits, such as sick leave, holidays, vacations, and medical and retirement benefits nor the cost of the time of executive and administrative personnel and others whose time is not identifiable to the project.
- (b) Fringe benefits include Engineer's statutory and customary benefits, such as sick leave, holidays, vacations, medical and retirement benefits, incentive pay, tuition, and other costs classified as employee benefits.
- (c) Indirect costs are allocations of costs that are not directly chargeable to a specific engagement and are commonly referred to as Engineer's overhead. Indirect costs include provisions for such things as clerical support, office space, light and heat, insurance, statutory and customary employee benefits, and the time of executive and administrative personnel and others whose time is not identifiable to the Project or to any other project. Under no circumstances can the same labor costs be charged as direct labor and also appear at the same time as indirect costs, and vice versa.
- (d) The Multiplier is a multiplicative factor which is applied to direct labor costs, and compensates Engineer for fringe benefits and indirect costs (overhead) and profit.
- (e) Other non-labor direct project charges shall be included in the overhead and these charges include typical expenses as cost of transportation and subsistence, printing and reproduction, computer time and programming costs, identifiable supplies, outside consultant's charges, subcontracts, and charges by reviewing authorities.

Alternatively, the District and the Engineer may agree to utilize the fully-encumbered hourly rates and fees for Services performed by the Engineer. These hourly rates and fees shall be based on the Engineer's rate schedule published at the time this Agreement or Task Order is executed and shall be attached to each applicable Task Order.

- 2.2 Reimbursement for mileage shall not exceed the prevailing Internal Revenue Service's standard mileage rate.
- 2.3 A *Cost Ceiling* will be established for each Task Order which is based upon estimated labor-hours and cost estimates. Costs as described above, comprising direct labor, overhead cost, and other direct costs, shall be payable up to a Cost Ceiling as specified in the Task Order. A *Maximum Fee Ceiling*, or *Task Order Firm Ceiling*, will also be established for each Task Order which includes the Cost Ceiling plus the Professional Fee.
- 2.4 Engineer shall invoice District monthly for the actual costs incurred, and a pro-rated portion of the Professional Fee for work performed during the previous month. If the Maximum Fee Ceiling is reached, the Engineer will complete the agreed-upon work for the Maximum Fee Ceiling. With District staff approval, labor hours may be reallocated within the tasks without renegotiation in such a manner so as not to exceed the Maximum Fee Ceiling.
- 2.5 The Engineer shall provide the District with a review of the budget amounts when 75 percent of the Cost Ceiling for any task has been expended. Engineer may request a revision in the Cost Ceiling for performance of this Agreement, and will relate the rationale for the revision to the specific basis of estimate as defined in the Scope of Services. Such notification will be submitted to the District at the earliest possible date. The authorized Cost Ceiling shall not be exceeded without written approval of the District.
- 2.6 The Professional Fee will not be changed except in the case of a written amendment to the Agreement which alters the Scope of Services. District and Engineer agree to negotiate an increase or decrease in Cost Ceiling and Professional Fee for any change in Scope of Services required at any time during the term of this Agreement. Engineer will not commence work on the altered Scope of Services until authorized by District.
- 2.7 Direct labor rates are subject to revision to coincide with Engineer's normal salary review schedule. Adjustments in direct labor rates shall

not affect the firm ceiling without prior written authorization of the District.

- 2.8 District shall pay Engineer in accordance with each Task Order for Services.
- 2.9 Engineer shall submit monthly statements for Services rendered. District will make prompt monthly payments in response to Engineer's monthly statements.

ARTICLE 3 - PERIOD OF SERVICE

- 3.1 Engineer's services will be performed and the specified services rendered and deliverables submitted within the time period or by the date stipulated in each Task Order.
- 3.2 Engineer's services under this Agreement will be considered complete when the services are rendered and/or final deliverable is submitted and accepted by District.
- 3.3 If any time period within or date by which any of the Engineer's services are to be completed is exceeded through no fault of Engineer, all rates, measures and amounts of compensation and the time for completion of performance shall be subject to equitable adjustment.

ARTICLE 4 - DISTRICT'S RESPONSIBILITIES

District will do the following in a timely manner so as not to delay the services of Engineer.

- 4.1 Provide all criteria and full information as to District's requirements for the services assignment and designate in writing a person with authority to act on District's behalf on all matters concerning the Engineer's services.
- 4.2 Furnish to Engineer all existing studies, reports and other available data pertinent to the Engineer's services, obtain or authorize Engineer to obtain or provide additional reports and data as required, and furnish to Engineer services of others required for the performance of Engineer's services hereunder, and Engineer shall be entitled to use and rely upon all such information and services provided by District or others in performing Engineer's services under this Agreement.
- 4.3 Arrange for access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services hereunder.

- 4.4 Perform such other functions as are indicated in each Task Order related to duties of District.
- 4.5 Bear all costs incident to compliance with the requirements of this Section.

ARTICLE 5 - STANDARD OF CARE

- 5.1 Engineer shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional Engineer under similar circumstance and Engineer shall, at no cost to District, re-perform services which fail to satisfy the foregoing standard of care.

ARTICLE 6 - OPINIONS OF COST AND SCHEDULE

- 6.1 Since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over contractors', subcontractors' , or vendors' methods of determining prices, or over competitive bidding or market conditions or economic conditions, Engineer's cost estimate and economic analysis shall be made on the basis of qualification and experience as a professional engineer.
- 6.2 Since Engineer has no control over the resources provided by others to meet contract schedules, Engineer's forecast schedules shall be made on the basis of qualification and experience as a professional Engineer.
- 6.3 Engineer cannot and does not guarantee that proposals, bids or actual project costs will not vary from his cost estimates or that actual schedules will not vary from his forecast schedules.

ARTICLE 7 - SUBCONTRACTING

- 7.1 No subcontract shall be awarded by Engineer until prior written approval is obtained from the District.

ARTICLE 8 - ENGINEER-ASSIGNED PERSONNEL

- 8.1 Engineer shall designate in writing an individual to have immediate responsibility for the performance of the services and for all matters relating to performance under this Agreement. Key personnel to be assigned by Engineer will be stipulated in each Task Order. Substitution of any assigned person shall require the prior written approval of the District, which shall not be unreasonably withheld. If

the District determines that a proposed substitution is not responsible or qualified to perform the services then, at the request of the District, Engineer shall substitute a qualified and responsible person.

ARTICLE 9 - OWNERSHIP OF DOCUMENTS

- 9.1 All work products, drawings, data, reports, files, estimate and other such information and materials (except proprietary computer programs, including source codes purchased or developed with Engineer monies) as may be accumulated by Engineer to complete services under this Agreement shall be owned by the District.
- 9.2 Engineer shall retain custody of all project data and documents other than deliverables specified in each Task Order, but shall make access thereto available to the District at all reasonable times the District may request. District may make and retain copies for information and reference.
- 9.3 All deliverables and other information prepared by Engineer pursuant to this Agreement are instruments of service in respect to this project. They are not intended or represented to be suitable for reuse by District or others on extensions of this Project or on any other project. Any reuse without written verification or adaptation by Engineer for the specific purpose intended will be at District's sole risk and without liability or legal exposure to Engineer; and District shall indemnify and hold harmless Engineer against all claims, damages, losses, and expenses including attorney's fees arising out of or resulting from such reuse. Any such verification or adaptation will entitle Engineer to further compensation at rates to be agreed upon by District and Engineer.

ARTICLE 10 - RECORDS OF LABOR AND COSTS

- 10.1 Engineer shall maintain for all Task Orders, records of all labor and costs used in claims for compensation under this Agreement. Records shall mean a contemporaneous record of time for personnel; a methodology and calculation of the Multiplier for fringe benefits and indirect costs; and invoices, time sheets, or other factors used as a basis for determining other non-labor Project charges. These records must be made available to the District upon reasonable notice of no more than 48 hours during the period of the performance of this Agreement.
- 10.2 After delivery of Services (completion of Task Orders) under this Agreement, the Engineer's records of all costs used in claims for compensation under this Agreement shall be available to District's

accountants and auditors for inspection and verification. These records will be maintained by Engineer and made reasonably accessible to the District for a period of three (3) years after completion of Task Orders under this Agreement.

- 10.3 Engineer agrees to cooperate and provide any and all information concerning the Project costs which are a factor in determining compensation under this Agreement as requested by the District or any public agency which has any part in providing financing for, or authority over, the Services which are provided under the Agreement.
- 10.4 Failure to provide documentation or substantiation of all Project costs used as a factor in compensation paid under Article 2 hereof will be grounds for District to refuse payment of any statement submitted by the Engineer and for a back charge for any District funds, including interest from payment; or grant, matching, or other funds from agencies assisting District in financing the Services specified in this Agreement.

ARTICLE 11 - INSURANCE

Engineer shall provide and maintain at all times during the performance of the Agreement the following insurances:

- 11.1 Workers' Compensation and Employer's Liability Insurance for protection of Engineer's employees as required by law and as will protect Engineer from loss or damage because of personal injuries, including death to any of his employees.
- 11.2 Comprehensive Automobile Liability Insurance. Engineer agrees to carry a Comprehensive Automobile Liability Policy providing bodily injury liability. This policy shall protect Engineer against all liability arising out of the use of owned or leased automobiles both passenger and commercial. Automobiles, trucks, and other vehicles and equipment (owned, not owned, or hired, licensed or unlicensed for road use) shall be covered under this policy. Limits of liability for Comprehensive Automobile Liability Insurance shall not be less than \$1,000,000 Combined Single Limit.
- 11.3 Comprehensive General Liability Insurance as will protect Engineer and District from any and all claims for damages or personal injuries, including death, which may be suffered by persons, or for damages to or destruction to the property of others, which may arise from the Engineer's operations under this Agreement, which insurance shall name the District as additional insured. Said insurance shall provide a minimum of \$1,000,000 Combined Single Limit coverage for personal

injury, bodily injury, and property damage for each occurrence and aggregate. Such insurance will insure Engineer and District from any and all claims arising from the following:

1. Personal injury;
2. Bodily injury;
3. Property damage;
4. Broad form property damage;
5. Independent contractors;
6. Blanket contractual liability.

11.4 Engineer shall maintain a policy of professional liability insurance, protecting it against claims arising out of negligent acts, errors, or omissions of Engineer pursuant to this Agreement, in an amount of not less than \$1,000,000. The said policy shall cover the indemnity provisions under this Agreement.

11.5 Engineer agrees to maintain such insurance at Engineer's expense in full force and effect in a company or companies satisfactory to the District. All coverage shall remain in effect until completion of the Project.

11.6 Engineer will furnish the District with certificates of insurance and endorsements issued by Engineer's insurance carrier and countersigned by an authorized agent or representative of the insurance company. The certificates shall show that the insurance will not be cancelled without at least thirty (30) days' prior written notice to the District. The certificates for liability insurance will show that liability assumed under this Agreement is included. The endorsements will show the District as an additional insured on Engineer's insurance policies for the coverage required in Article 11 for services performed under this Agreement, except for workers' compensation and professional liability insurance.

11.7 Waiver of Subrogation: Engineer hereby agrees to waive subrogation which any insurer of Engineer may acquire from Engineer by virtue of the payment of any loss. Engineer agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the District for all work performed by the Engineer, its employees, agents and subconsultants.

ARTICLE 12 - LIABILITY AND INDEMNIFICATION

- 12.1 Having considered the risks and potential liabilities that may exist during the performance of the Services, and in consideration of the promises included herein, District and Engineer agree to allocate such liabilities in accordance with this Article 12. Words and phrases used in this Article shall be interpreted in accordance with customary insurance industry usage and practice.
- 12.2 Engineer shall indemnify and save harmless the District and all of their agents, officers, and employees from and against all claims, demands, or causes of action of every name or nature to the extent caused by the negligent error, omission, or act of Engineer, its agents, servants, or employees in the performance of its services under this Agreement.
- 12.3 In the event an action for damages is filed in which negligence is alleged on the part of District and Engineer, Engineer agrees to defend District. In the event District accepts Engineer's defense, District agrees to indemnify and reimburse Engineer on a pro rata basis for all expenses of defense and any judgment or amount paid by Engineer in resolution of such claim. Such pro rata share shall be based upon a final judicial determination of negligence or, in the absence of such determination, by mutual agreement.
- 12.4 Engineer shall indemnify District against legal liability for damages arising out of claims by Engineer's employees. District shall indemnify Engineer against legal liability for damages arising out of claims by District's employees.
- 12.5 Indemnity provisions will be incorporated into all Project contractual arrangements entered into by District and will protect District and Engineer to the same extent.
- 12.6 Upon completion of all services, obligations and duties provided for in the Agreement, or in the event of termination of this Agreement for any reason, the terms and conditions of this Article shall survive.
- 12.7 To the maximum extent permitted by law, Engineer's liability for District's damage will not exceed the aggregate compensation received by Engineer under this Agreement or the maximum amount of professional liability insurance available at the time of any settlement or judgment, whichever is greater.

ARTICLE 13 - INDEPENDENT CONTRACTOR

Engineer undertakes performance of the Services as an independent contractor and shall be wholly responsible for the methods of performance. District will have no right to supervise the methods used, but District will have the right to observe such performance. Engineer shall work closely with District in performing Services under this Agreement.

ARTICLE 14 - COMPLIANCE WITH LAWS

In performance of the Services, Engineer will comply with applicable regulatory requirements including federal, state, and local laws, rules, regulations, orders, codes, criteria and standards. Engineer shall procure the permits, certificates, and licenses necessary to allow Engineer to perform the Services. Engineer shall not be responsible for procuring permits, certificates, and licenses required for any construction unless such responsibilities are specifically assigned to Engineer in Task Order.

ARTICLE 15 - NONDISCLOSURE OF PROPRIETARY INFORMATION

Engineer shall consider all information provided by District and all drawings, reports, studies, design calculations, specifications, and other documents resulting from the Engineer's performance of the Services to be proprietary unless such information is available from public sources. Engineer shall not publish or disclose proprietary information for any purpose other than the performance of the Services without the prior written authorization of District or in response to legal process.

ARTICLE 16 - TERMINATION OF CONTRACT

- 16.1 The obligation to continue Services under this Agreement may be terminated by either party upon seven days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
- 16.2 District shall have the right to terminate this Agreement or suspend performance thereof for District's convenience upon written notice to Engineer, and Engineer shall terminate or suspend performance of Services on a schedule acceptable to District. In the event of termination or suspension for District's convenience, District will pay Engineer for all services performed and costs incurred including termination or suspension expenses. Upon restart of a suspended project, equitable adjustment shall be made to Engineer's compensation.

ARTICLE 17 - UNCONTROLLABLE FORCES

- 17.1 Neither District nor Engineer shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to uncontrollable forces, the effect of which, by the exercise of reasonable diligence, the nonperforming party could not avoid. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the control of the nonperforming party. It includes, but is not limited to, fire, flood, earthquake, storms, lightening, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either District or Engineer under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint.
- 17.2 Neither party shall, however, be excused from performance if nonperformance is due to uncontrollable forces which are removable or remediable, and which the nonperforming party could have, with the exercise of reasonable diligence, removed or remedied with reasonable dispatch. The provisions of this Article shall not be interpreted or construed to require Engineer or District to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The nonperforming party shall, within a reasonable time of being prevented or delayed from performance by an uncontrollable force, give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement. The Engineer will be allowed reasonable negotiated extension of time or adjustments for District initiated temporary stoppage of services.

ARTICLE 18 - MISCELLANEOUS

- 18.1 A waiver by either District or Engineer of any breach of this Agreement shall not be binding upon the waiving party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach.
- 18.2 The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way effect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the

Agreement did not contain the particular portion or provision held to be void.

ARTICLE 19 - INTEGRATION AND MODIFICATION

- 19.1 This Agreement (consisting of pages 1 to 14), together with all Task Orders executed by the undersigned, is adopted by District and Engineer as a complete and exclusive statement of the terms of the Agreement between District and Engineer. This Agreement supersedes all prior agreements, contracts, proposals, representations, negotiations, letters, or other communications between the District and Engineer pertaining to the Services, whether written or oral.
- 19.2 The Agreement may not be modified unless such modifications are evidenced in writing signed by both District and Engineer.

ARTICLE 20 - SUCCESSORS AND ASSIGNS

- 20.1 District and Engineer each binds itself and its directors, officers, partners, successors, executors, administrators, assigns and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this Agreement.
- 20.2 Neither District nor Engineer shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Engineer from employing such independent engineers, associates, and subcontractors as he may deem appropriate to assist him/her in the performance of the Services hereunder and in accordance with Article 7.
- 20.3 Nothing herein shall be construed to give any rights or benefits to anyone other than District and Engineer.

ARTICLE 21 – INFORMATION SYSTEM SECURITY

When the District determines this article is applicable, the Engineer shall obtain written approval from the District representative prior to accessing District internal

systems through real-time computer connections. Upon approval, the Engineer will use only in-bound connections to accomplish a legitimate business need and a previously defined and approved task. As a condition of approval, the Engineer shall:

- a) Be running a current operating system supported by the District with up-to-date security patches applied as defined in the District COE/Non-COE document.
- b) Have anti-virus software installed on his/her personal computer with up-to-date virus signatures.
- c) Have personal firewall software installed and enabled on their computer.
- d) Understand and sign the District's Electronic Equipment Use Policy, number 2160.

The District reserves the right to audit the security measures in effect on Engineer's connected systems without prior notice. The District also reserves the right to terminate network connections immediately with all Engineer's systems not meeting the above requirements.

ARTICLE 22 – EMPLOYEE BACKGROUND CHECK

When the District determines this article is applicable, the Engineer, at no additional expense to the District, shall conduct a background check for each of its employees, as well as for the employees of its subconsultants and subcontractors, who will have access to District's computer systems, either through on-site or remote access (collectively "Engineer Employees"), or whose contract work requires a presence on the District's premises. The minimum background check process for any District consultant shall include, but not be limited to, the following:

- 1. Criminal felony and misdemeanor records search of the employee's county and state of residence, and
- 2. Federal criminal records search of the National Criminal Database.

The background check shall be conducted and the results submitted to the District prior to initial access by Engineer Employees. If at any time it is discovered that any Engineer Employee has a criminal record that includes a felony or misdemeanor, the Engineer is required to inform the District immediately and the District will assess the circumstances surrounding the conviction, time frame, nature, gravity, and relevancy of the conviction to the job duties, to determine whether the Engineer Employee will be placed on a District assignment. The District may withhold consent at its sole discretion. The District may also conduct its own criminal background check of the Engineer Employees. Failure of the Engineer to comply with the terms of this paragraph may result in the termination of its contract with the District.

ARTICLE 23 - EXCEPTIONS

23.1 Add new Article 2.10 to read as follows:

"2.10 Total compensation shall not exceed \$25,000 per year for two (2) years. Overall compensation shall not exceed \$50,000."

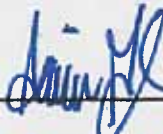
23.2 Add new Article 3.4 to read as follows:

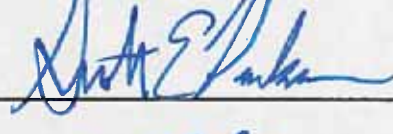
"3.4 The term of this Agreement shall be two (2) years from the date of this Agreement."

IN WITNESS THEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

UNION SANITARY DISTRICT

CAROLLO ENGINEERS

By: 

By: 

Name: SAMI GHOSAIN

Name: SCOTT E. PARKER

Title: Manager of Technical Services

Title: Senior Vice President

Date: 7/16/15

Date: 7/1/2015



**Summary of the EBDA Commission Meeting
Thursday, September 21, 2017, at 9:30 a.m.**

Prepared by: P. Eldredge

- Commissioners Becker, Peixoto, Johnson, and Toy were present.
- The Consent Calendar was approved unanimously and included the Commission Meeting Minutes, List of Disbursements, and Treasurer's Report.
- The Commission unanimously approved the reports from the Managers Advisory, Financial Management, Regulatory Affairs, Operations & Maintenance, Personnel, and Ad Hoc committees. The following items were discussed:
- **General Managers Report** - The General Manager advised the Commission that a Special Meeting of the Commission would immediately follow the EBDA Commission for a timely issue. Due to the voting requirements of the EBDA JPA Item 14 is postponed until the October 19, 2017 Commission. The General Manager discussed the effect of sea level rise on the MDF and the benefits of using peracetic acid. The Superintendent of Operations and Maintenance presented a slideshow of the Peracetic Pilot.
- **Managers Advisory Committee (MAC)** – The MAC discussed the peracetic acid study and the transport system inspection. There were extensive discussion of the proposed JPA revisions and what topics could be expanded.
- **Financial Management Committee** met with the General Manager on September 19, 2017 and reviewed the August list of disbursements and Preliminary Treasurer's Report. The Committee reviewed the Preliminary Fourth Quarter Expense Summary for FY2016/17. The Authority is about 2% (\$87K) over-budget for FY 2016/17 mostly due to the heavy rains this past wet weather season and the bacterial regrowth in the transport system. The Financial Management Committee was updated on the Authority's CERBT Fund, financial audit, and CalPERS annual valuation for the pension plan. The Committee supports the resolution for North Bay Pensions actuarial services.
- **Regulatory Affairs Committee** met with the General Manager on September 19, 2017 and reviewed permit compliance. The Committee reviewed San Francisco Estuary Institute's draft report on harmful algal blooms.

- **Operations and Maintenance (O&M) Committee** met with the General Manager on September 18, 2017 and discussed the status of EBDA facilities. The Committee was updated on the status of the AEPS No. 1 and No. 6 effluent pumps; Hayward MCC replacement project and No. 2 effluent pump; OLEPS fuel tank replacement and Pumps No. 1 and 4 replacement project.

The Committee recommends approval of a resolution for a contract with SilMan Construction for the OLEPS fuel tank project. The resolution authorizing Amendment No. 1 to the Pump Repair Service Company agreement has been postponed for lack of quorum for amendments, but the Committee recommended that it proceed expeditiously.

- **The Personnel Committee** met on September 18, 2017 and reviewed the General Manager's travel report, the O&M Manager transition, and a medical waiver benefit option. The Personnel Committee supports a medical waiver benefit option for the O&M Manager. However, they recommended that the General Manager develop a specific resolution for the medical waiver benefit.
- **The Ad Hoc Committee** met on September 20, 2017 and discussed the proposed draft language of JPA amendments. Item g. was amended to include the words *withdrawal date* at the end of the second line completing the first sentence.

- **Resolution Authorizing the General Manager to Issue a Purchase Order to North Bay Pensions LLC in the Amount of \$2,800 for Actuarial Services for 2017-2018 Other Post-Employment Benefits**

Commissioner Becker introduced the resolution authorizing a purchase order for North Bay Pensions LLC to provide actuarial services for the July 1, 2017 CERBT fund valuation and determination of GASB 75 accruals. The motion was seconded by Commissioner Johnson and carried unanimously, 4-0.

Ayes: Commissioners Becker, Toy, Johnson, and Chair Peixoto

Noes: None

Absent: Commissioner Cutter

Abstain: None

- **Resolution Authorizing The General Manager To Enter Into A Contract With SilMan Construction In The Amount Of \$191,890 Less A Negotiated Change Order In The Amount of \$12,121, And A Reserve Change Order Not To Exceed \$17,977 For A Contract Total Not To Exceed \$197,746 for The In Place Closure Of Two 6,000-Gallon Underground Fuel Tanks And The Installation of One 8,000-Gallon Above Fuel Tank for the Oro Loma Effluent Pump Station**

Commissioner Becker introduced a resolution authorizing a contract with SilMan Construction in the amount of \$197,746 for the Oro Loma Effluent Pump Station fuel tank project. The motion was seconded by Commissioner Johnson and carried unanimously, 4-0.

Ayes: Commissioners Becker, Toy, Johnson, and Chair Peixoto

Noes: None

Absent: Commissioner Cutter

Abstain: None

- **Resolution Authorizing the General Manager to Issue Amendment No. 1 to The Contract With Pump Repair Service Company Inc. Dated June 14, 2017, in the Amount Of \$13,970 For A Total Not To Exceed \$35,855 for the Additional Work Necessary To Complete The Overhaul of the No. 6 Effluent Pump at the Alvarado Effluent Pump Station**

The resolution authorizing Amendment No. 1 to the Pump Repair Service Company agreement was postponed until the October 19, 2017, Commission due to the voting requirements of the EBDA JPA.

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165602	9/28/2017	8508	DW NICHOLSON CORP	HYPO TANKS AND PIPING REPLACEMENT	\$145,029.54	\$145,029.54
165554	9/21/2017	170120170907	PACIFIC GAS AND ELECTRIC	SERV TO 08/24/17 PLANT	\$106,965.57	\$106,965.57
165597	9/28/2017	160399	CAROLLO ENGINEERS	PLANT SOLIDS SYSTEM/CAPACITY ASSESSMENT	\$22,471.28	\$58,431.09
	9/28/2017	160404		RAS CONTROL INTERIM IMPROVEMENTS	\$31,644.07	
	9/28/2017	160412		CHERRY STREET PUMP STATION CAPACITY PROJECT	\$4,315.74	
165531	9/21/2017	4546	CITY OF FREMONT	SACGISA	\$28,966.99	\$28,966.99
165576	9/21/2017	2032894	WEST YOST ASSOCIATES	HYPO TANKS AND PIPING REPLACEMENT	\$2,620.25	\$21,375.25
	9/21/2017	2032891		FM RELOCATION NEAR HICKORY STREET	\$819.00	
	9/21/2017	2032892		FORCE MAIN CORROSION REPAIRS - WEST	\$15,037.00	
	9/21/2017	2032893		3RD SLUDGE DEGRITTER SYSTEM	\$2,899.00	
165525	9/21/2017	903232291	EVOQUA WATER TECHNOLOGIES	4375 GALS HYDROGEN PEROXIDE	\$20,358.63	\$20,358.63
165571	9/21/2017	832624	UNIVAR USA INC	4797 GALS SODIUM HYPOCHLORITE	\$2,353.33	\$16,699.43
	9/21/2017	835866		4800 GALS SODIUM HYPOCHLORITE	\$2,354.80	
	9/21/2017	835008		4801 GALS SODIUM HYPOCHLORITE	\$2,355.29	
	9/21/2017	836231		4799 GALS SODIUM HYPOCHLORITE	\$2,354.30	
	9/21/2017	835038		4999 GALS SODIUM HYPOCHLORITE	\$2,452.41	
	9/21/2017	835045		4849 GALS SODIUM HYPOCHLORITE	\$2,378.83	
	9/21/2017	835325		4995 GALS SODIUM HYPOCHLORITE	\$2,450.47	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165511	9/21/2017	217106	BURKE, WILLIAMS & SORENSON LLP	COGEN - JULY 2017	\$5,033.60	\$15,072.20
	9/21/2017	217104		GENERAL LEGAL - JULY 2017	\$2,545.40	
	9/21/2017	217105		GENERAL LEGAL/CIP - JULY 2017	\$7,493.20	
165523	9/21/2017	1164	EAST BAY MUNI UTILITY DISTRICT	FY17-18 BACWA PARTICIPATION FEES	\$12,000.00	\$12,000.00
165582	9/28/2017	407136120170920	ALAMEDA COUNTY WATER DISTRICT	SERV TO: 09/19/17-BENSON ROAD	\$9,973.95	\$10,811.44
	9/28/2017	4071037120170920		SERV TO: 09/19/17-BENSON ROAD	\$739.37	
	9/28/2017	4071038120170920		SERV TO: 09/19/17-BENSON ROAD	\$98.12	
165535	9/21/2017	9525773926	GRAINGER INC	1 HANDHELD PRESSURE CALIBRATOR	\$8,297.10	\$9,907.55
	9/21/2017	9528434310		4 HID BALLAST KIT	\$437.03	
	9/21/2017	9531765742		ASTD PARTS & MATERIALS	\$1,040.66	
	9/21/2017	9527557590		1 STATION LOCKOUT	\$40.43	
	9/21/2017	9528434302		1 HEAD LAMP	\$62.25	
	9/21/2017	9531529247		2 SAFETY GLASSES	\$9.25	
	9/21/2017	9536833750		1 HEAD LAMP - CREDIT	\$-62.25	
	9/21/2017	9552489149		2 HALOGEN BEAM LAMP	\$67.73	
	9/21/2017	9531529239		1 VOLTAGE DETECTOR	\$15.35	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165637	9/28/2017	836833	UNIVAR USA INC	4999 GALS SODIUM HYPOCHLORITE	\$2,452.41	\$9,614.92
	9/28/2017	837157		4800 GALS SODIUM HYPOCHLORITE	\$2,354.80	
	9/28/2017	837212		5001 GALS SODIUM HYPOCHLORITE	\$2,453.41	
	9/28/2017	837385		4799 GALS SODIUM HYPOCHLORITE	\$2,354.30	
165512	9/21/2017	31601	CALIFORNIA WATER TECHNOLOGIES	42,700 LBS FERROUS CHLORIDE	\$4,529.88	\$8,927.88
	9/21/2017	31642		42,860 LBS FERROUS CHLORIDE	\$4,398.00	
165573	9/21/2017	17070	V&A CONSULTING ENGINEERS	DIGESTER NO. 3 INSP & REHAB	\$7,568.50	\$7,568.50
165510	9/21/2017	305160700	BUCKLES SMITH ELECTRIC	ASTD PARTS & MATERIALS	\$6,417.52	\$6,417.52
165629	9/28/2017	24642	RMC WATER AND ENVIRONMENT	FORCE MAIN CONDITION ASSESSMENT	\$5,495.20	\$5,495.20
165568	9/21/2017	130989	TOTAL WASTE SYSTEMS INC	AUGUST 2017 GRIT DISPOSAL	\$5,424.48	\$5,424.48
165515	9/21/2017	JXX8472	CDW GOVERNMENT LLC	17 SETS OF DELL MONITOR/KEYBOARD/MOUSE	\$4,872.65	\$4,957.65
	9/21/2017	KDK8672		CREDIT FY2017 RANDR - DUPLICATE BILLING	\$-1,346.40	
	9/21/2017	KBH1007		17 WYSE THINOS MAINTENANCE 1YR	\$85.00	
	9/21/2017	KDK9382		CREDIT - CENTERVILLE PROJECTOR SCREEN - DUPLICATE CHARGE	\$-798.62	
	9/21/2017	JNG3834		CENTERVILLE PROJECTOR SCREEN - DUPLICATE CHARGE	\$798.62	
	9/21/2017	JVS9005		FY2017 RANDR - DUPLICATE BILLING	\$1,346.40	
165578	9/28/2017	67278	3T EQUIPMENT COMPANY INC	8 PIPE PATCH KITS/ 4 LEADER HOSE COUPLINGS	\$4,758.71	\$4,758.71
165593	9/28/2017	31661	CALIFORNIA WATER TECHNOLOGIES	44,200 LBS FERROUS CHLORIDE	\$4,591.32	\$4,591.32

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165524	9/21/2017	279867	ENTHALPY ANALYTICAL LLC	9 LAB SAMPLE ANALYSIS	\$570.00	\$3,885.00
	9/21/2017	279850		63 LAB SAMPLE ANALYSIS	\$2,990.00	
	9/21/2017	279987		17 LAB SAMPLE ANALYSIS	\$325.00	
165505	9/21/2017	170901459	AIRTECH MECHANICAL INC	SERVICE CALL: REPAIRS CONTROL TRANSFORMER ON CHILLER 1	\$749.88	\$3,721.20
	9/21/2017	170801458		SERVICE CALL: REPAIRS TO LAB HOOD VENT	\$1,827.50	
	9/21/2017	170801460		SERVICE CALL: REPAIRS TO 2ND FLR ADMIN BLDG AC	\$1,143.82	
165522	9/21/2017	10184452028	DELL MARKETING LP C/O DELL USA	1 GM LAPTOP/MONITOR/KEYBOARD/BRIEFCASE/ADOBE ACROBAT	\$3,373.69	\$3,373.69
165588	9/28/2017	20170921	ANDREW BAILE	PC LOAN	\$3,300.00	\$3,300.00
165513	9/21/2017	17659949	CANON SOLUTIONS AMERICA INC	MONTHLY LEASE 6 CANON COLOR COPIERS	\$3,154.15	\$3,154.15
165526	9/21/2017	16231	FARWEST CORROSION CONTROL CO.	CATHODIC PROTECTION TROUBLESHOOTING	\$3,000.00	\$3,000.00
165635	9/28/2017	5628	SIGNET TESTING LABS INC	FORCE MAIN CORROSION REPAIRS - WEST	\$2,874.85	\$2,874.85
165579	9/28/2017	155564	ADVANCED CHEMICAL TRANSPORT	CONSULTING SVCS AUGUST 2017	\$2,700.00	\$2,700.00
165627	9/28/2017	29596979	PAN PACIFIC SUPPLY COMPANY	1 CHESTERTON 442 SEAL RSC/CB/FKM	\$2,528.05	\$2,528.05
165605	9/28/2017	20170476	ENVIRO SAFETECH INC	CONFINED SPACE RESCUE STANDBY TEAM	\$2,440.00	\$2,440.00
165586	9/28/2017	20170922	ASCE-AMERICAN SOC OF CIVIL EN	MEMBERSHIP DUES 8 CIP EMPLOYEES	\$2,360.00	\$2,360.00
165552	9/21/2017	XCTZ027	PACHECO BROTHERS GARDENING INC	WEED ABATEMENT WORK SEPTEMBER 2017	\$915.00	\$2,280.00
	9/21/2017	XCTZ026		LANDSCAPE MAINTENANCE SERVICES SEPTEMBER 2017	\$1,365.00	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165613	9/28/2017	9537170483	GRAINGER INC	1 SPOOL GUN	\$1,359.20	\$2,043.66
	9/28/2017	9532069987		10 SAFETY GLASSES	\$46.21	
	9/28/2017	9532069979		1 SMALL TOWER POWER CONDITIONER	\$382.01	
	9/28/2017	9536138226		1 FIBERGLASS FISH TAPE	\$102.15	
	9/28/2017	9538726283		72 SAFETY GLASSES	\$154.09	
165606	9/28/2017	317262	ENVIROSIM ASSOCIATES LTD	BIOWIN ANNUAL LICENSE RENEWAL	\$2,000.00	\$2,000.00
165631	9/28/2017	8905	ROOTER HERO	REFUND # 20315	\$500.00	\$2,000.00
	9/28/2017	8901		REFUND # 20316	\$500.00	
	9/28/2017	9045		REFUND # 20317	\$500.00	
	9/28/2017	9065		REFUND # 20308	\$500.00	
165507	9/21/2017	76052	BAILEY FENCE CO INC	REPAIR CHAINLINK FENCE	\$1,991.00	\$1,991.00
165618	9/28/2017	251176	INVENTIVE RESOURCES INC.	1 MANHOLE H2S FILTERS	\$1,826.13	\$1,826.13
165643	9/28/2017	39375	WECO INDUSTRIES LLC	2 TRACTOR CHAIN ASSEMBLY/ASTD PARTS	\$1,046.32	\$1,814.47
	9/28/2017	39387		4 CONTROLLERS	\$768.15	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165563	9/21/2017	3351192686	STAPLES CONTRACT & COMMERCIAL	CREDIT - CREDIT - 1 WASTE LINER ROLL	\$-37.08	\$1,809.09
	9/21/2017	3351192683		JANITORIAL/BREAKROOM SUPPLIES	\$1,135.51	
	9/21/2017	3351192682		JANITORIAL/BREAKROOM SUPPLIES	\$710.66	
	9/21/2017	3351192685		1 WASTER LINER ROLL	\$37.08	
	9/21/2017	3351192679		CREDIT - BREAKROOM SUPPLIES	\$-91.98	
	9/21/2017	3351192684		CREDIT - 1 WASTE LINER ROLL	\$-37.08	
	9/21/2017	3341724407		BREAKROOM SUPPLIES	\$91.98	
165518	9/21/2017	201303540	COVELLO GROUP INC	THICKENER CONROL BUILDING IMPROVEMENTS PHASE II	\$1,759.38	\$1,759.38
165644	9/28/2017	6011364	WEST SAFETY SERVICES INC	E911 CLOUD SERVICE	\$1,700.00	\$1,700.00
165536	9/21/2017	1827266	HANSON AGGREGATES INC	5.95 TONS 1/2 MED TYPE A AC-R	\$450.22	\$1,681.25
	9/21/2017	1825718		10.22 TONS 1/2 MED TYPE A AC-R	\$767.44	
	9/21/2017	1826245		6.13 TONS 1/2 MED TYPE A AC-R	\$463.59	
165628	9/28/2017	103847	PIIAN SYSTEMS LLC	1 SPARE PUMP AND MOTOR	\$1,645.51	\$1,645.51
165617	9/28/2017	1051947	INDUSTRIAL SAFETY SUPPLY	4 CYL CALIBRATION GASES	\$1,608.75	\$1,608.75
165585	9/28/2017	9827	AMERICAN DISCOUNT SECURITY	08/01/17 - 08/31/17 GUARD AT DISTRICT GATE	\$1,587.00	\$1,587.00
165521	9/21/2017	20170825	DALE HARDWARE INC	08/17 - ASTD PARTS & MATERIALS	\$1,586.05	\$1,586.05
165591	9/28/2017	20170925	LAURIE BRENNER	TUITION REIMB - 03/17 - 09/17	\$1,503.98	\$1,503.98
165584	9/28/2017	186058445815	AMAZON.COM LLC	2 UTILITY E-Z UPS	\$576.80	\$1,496.23
	9/28/2017	20170810		8/17 - ASTD OFFICE SUPPLIES	\$919.43	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165567	9/21/2017	29658	THOMAS AND ASSOCIATES	1 GW SUMP PUMP / 1 CAST IRON IMPELLER	\$1,486.06	\$1,486.06
165545	9/21/2017	45910572	MCMASTER SUPPLY INC	1 MAGNETIC SHEET	\$15.48	\$1,473.42
	9/21/2017	46002079		1 WING NUT EXPANSION PLUG	\$19.00	
	9/21/2017	45922789		ASTD PARTS & MATERIALS	\$38.53	
	9/21/2017	46106792		ASTD PARTS & MATERIALS	\$84.22	
	9/21/2017	45922790		1 SHUTOFF VALVE	\$313.14	
	9/21/2017	46072093		1 HAZARDOUS LOCATION FIXED FLOW SWITCH	\$322.00	
	9/21/2017	45879577		1 PK SANDING DISCS/ /10 EA QUICK CHANGE SANDING DISCS	\$34.52	
	9/21/2017	46182809		8 GREASE RESISTANT DRAINAGE MATS	\$646.53	
165619	9/28/2017	PDJ2201	IRON MOUNTAIN	OFF-SITE STORAGE AND SERVICE - AUGUST 2017	\$1,135.90	\$1,403.99
	9/28/2017	201407803		DATA/MEDIA OFF-SITE STORAGE - AUGUST 2017	\$268.09	
165632	9/28/2017	7690094000	RS HUGHES CO INC	ASTD SAFETY SUPPLIES	\$1,082.00	\$1,346.72
	9/28/2017	7690094001		ASTD SAFETY SUPPLIES	\$212.04	
	9/28/2017	7690094002		ASTD SAFETY SUPPLIES	\$52.68	
165561	9/21/2017	8122768090717	SIERRA SPRING WATER COMPANY	BOTTLESS COOLERS RENTAL	\$245.53	\$1,169.38
	9/21/2017	4868173090717		WATER SERVICE 08/09/17 - 09/05/17	\$923.85	
165577	9/21/2017	27753	WILEY PRICE & RADULOVICH LLP	LABOR & EMPLOYMENT LAW FEES	\$1,065.00	\$1,065.00

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165549	9/21/2017	24016451	MOTION INDUSTRIES INC	1 IMPACT TOOL	\$234.15	\$1,045.28
	9/21/2017	24016283		5 V BELTS	\$155.08	
	9/21/2017	24016463		1 IMPACT TOOL	\$233.37	
	9/21/2017	24016465		1 IMPACT TOOL	\$233.37	
	9/21/2017	24016100		16 BALL BEARINGS	\$189.31	
165542	9/21/2017	34021773	KELLY SERVICES INC	TEMP LABOR-LUU, A. WK END 8/27/2017	\$1,036.20	\$1,036.20
165596	9/28/2017	21484752	CARBOLINE COMPANY	PAINT & RELATED PAINT SUPPLIES	\$986.19	\$986.19
165516	9/21/2017	20170828	COMMUNICATION & CONTROL INC	UTILITY FEE/ANTENNA RENTAL	\$975.20	\$975.20
165595	9/28/2017	99027428	CALTROL INC	2 PRESSURE GAUGES	\$878.56	\$878.56
165608	9/28/2017	10047	FREMONT EXPRESS COURIER SVC	COURIER SERVICES: AUGUST 2017 DAILY MAIL/2 BOARDMEMBER DEL	\$865.00	\$865.00
165556	9/21/2017	20170918	MICHELLE POWELL	TRAVEL REIMB: CASA CONF LODGING/PER DIEM/MILEAGE/PARKING	\$851.36	\$851.36
165621	9/28/2017	1447062	LIEBERT CASSIDY WHITMORE	LEGAL SERVICES - CALPERS AUDIT - UNIFORMS	\$845.00	\$845.00
165620	9/28/2017	35022752	KELLY SERVICES INC	TEMP LABOR-LUU, A. WK END 9/3/2017	\$828.96	\$828.96
165581	9/28/2017	170901483	AIRTECH MECHANICAL INC	SERVICE CALL: BLDG 83 RESTROOM LEAK	\$815.08	\$815.08
165566	9/21/2017	20201474	TELEDYNE ISCO INC	SAMPLING SUPPLIES	\$781.42	\$781.42
165616	9/28/2017	3020961227	IDEXX DISTRIBUTION INC	ASTD LAB SAMPLING SUPPLIES	\$779.83	\$779.83
165611	9/28/2017	1841080667	GOODYEAR COMM TIRE & SERV CTRS	2 TIRES	\$760.46	\$760.46
165624	9/28/2017	1417248	MOBILE MODULAR MANAGEMENT CORFFMC	TRAILER RENTAL - SEPT 2017	\$693.63	\$693.63
165630	9/28/2017	1272	ROCHESTER MIDLAND CORPORATION	HOT WATER LOOP SERVICE	\$687.46	\$687.46

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165503	9/21/2017	9947706978	AIRGAS NCN	CYLINDER RENTAL	\$618.90	\$618.90
165546	9/21/2017	170950	METROMOBILE COMMUNICATIONS INC	ANNUAL RADIO SERVICE - SEPTEMBER 2017	\$599.08	\$599.08
165564	9/21/2017	54362	STARLINE SUPPLY COMPANY	12 CS COMPOSTABLE UTENSILS	\$588.83	\$588.83
165514	9/21/2017	21487944	CARBOLINE COMPANY	PAINT & RELATED PAINT SUPPLIES	\$585.07	\$585.07
165610	9/28/2017	6083147949	G&K SERVICES CO	UNIFORM LAUNDERING SERVICE	\$271.11	\$584.33
	9/28/2017	6083147948		UNIFORM LAUNDERING & RUGS	\$296.95	
	9/28/2017	6083147950		DUST MOPS, WET MOPS & TERRY TOWELS	\$16.27	
165508	9/21/2017	1075713	BAY AREA NEWS GROUP EAST BAY	AD: BID FOR PRIMARY DIGESTER #3 PROJECT	\$565.11	\$565.11
165534	9/21/2017	84022	GORILLA METALS	ASTD METAL, STEEL, STAINLESS & ALUMINUM	\$557.20	\$557.20
165555	9/21/2017	20170905	PETTY CASH	PETTY CASH REPLENISHMENT	\$538.94	\$538.94
165614	9/28/2017	1829233	HANSON AGGREGATES INC	6.93 TONS 1/2 MED TYPE A AC-R	\$523.02	\$523.02
165636	9/28/2017	947778450	TPX COMMUNICATIONS	WIRELESS INTERNET BACKUP - SEPTEMBER	\$513.58	\$513.58
165502	9/21/2017	9110	ABLE SEPTIC/ABLE UNDERGROUND	REFUND # 20280	\$500.00	\$500.00
165529	9/21/2017	11396	CITY OF FOSTER CITY	2 JOB POSTINGS	\$500.00	\$500.00
165547	9/21/2017	9133	MISSION PEAK CONSTRUCTION INC	REFUND # 20289	\$500.00	\$500.00
165562	9/21/2017	9113	SOMERA CONSTRUCTION CO INC	REFUND # 20288	\$500.00	\$500.00
165565	9/21/2017	8996	STREAMLINE PLUMBING & DRAIN	REFUND # 20279	\$500.00	\$500.00
165625	9/28/2017	9021	ERLINDA MUNOZ	REFUND # 20302	\$500.00	\$500.00
165642	9/28/2017	9258	ZHIFU WANG	REFUND # 20301	\$500.00	\$500.00

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165537	9/21/2017	3L2739	HARRINGTON INDUSTRIAL PLASTICS	PVC PIPE & FITTINGS	\$436.44	\$467.60
	9/21/2017	3L3023		FREIGHT CREDIT INV 3L2792	\$-4.39	
	9/21/2017	3L2792		10 PVC COUPLINGS	\$35.55	
165532	9/21/2017	6083145327	G&K SERVICES CO	UNIFORM LAUNDERING SERVICE	\$209.79	\$463.85
	9/21/2017	6083145326		UNIFORM LAUNDERING & RUGS	\$237.79	
	9/21/2017	6083145328		ASTD DUST MOPS, WET MOPS & TERRY TOWEL	\$16.27	
165599	9/28/2017	61416	CITYLEAF INC	PLANT MAINTENANCE - SEP 2017	\$431.86	\$431.86
165641	9/28/2017	8049724764	VWR INTERNATIONAL LLC	1 RESPLUS PIPETTE	\$426.08	\$426.08
165633	9/28/2017	3077866001	S & S SUPPLIES & SOLUTIONS	SAFETY SUPPLIES	\$423.64	\$423.64
165530	9/21/2017	19983	FREMONT RECYCLING & TRANSFER	4.02 TON GREEN WASTE	\$377.84	\$377.84
165504	9/21/2017	17684	AIRSCENT INTERNATIONAL	GRANULAR ODOR COUNTERACTANT	\$377.59	\$377.59
165589	9/28/2017	348522	BAY AREA BARRICADE SERVICE INC	8 CS GREEN MARKING PAINT	\$377.54	\$377.54
165622	9/28/2017	484	MAKAI SOLUTIONS	VEHICLE LIFT REPAIR & INSPECTION SVCS	\$370.00	\$370.00
165533	9/21/2017	1841080588	GOODYEAR COMM TIRE & SERV CTRS	2 TIRES	\$357.01	\$357.01
165570	9/21/2017	8599	TURNER RISK CONSULTING INC	FALL PROTECTION TRAINING - VONG	\$350.00	\$350.00
165626	9/28/2017	288	NITO GOMEZ CARICATURES	CARICATURE ARTIST EMPLOYEE RECOGNITION EVENT	\$350.00	\$350.00
165583	9/28/2017	5169174	ALL INDUSTRIAL ELECTRIC SUPPLY	INBOUND FREIGHT CHARGE-INV 5168359	\$15.23	\$343.37
	9/28/2017	5168359		ASTD PARTS & MATERIALS	\$328.14	

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165574	9/21/2017	8049684819	VWR INTERNATIONAL LLC	LAB SUPPLIES	\$175.38	\$342.81
	9/21/2017	8049658756		LAB SAMPLING SUPPLIES	\$167.43	
165551	9/21/2017	8471951	OVIVO USA LLC	4 CLARIFIER PARTS	\$328.55	\$328.55
165558	9/21/2017	251356	PRESTIGE LENS LAB	SAFETY GLASSES - GRABOWSKI	\$328.09	\$328.09
165541	9/21/2017	PDC4210	IRON MOUNTAIN	OFF-SITE STORAGE AND SERVICE - AUGUST 217	\$325.94	\$325.94
165559	9/21/2017	18820	RED WING SHOE STORE	SAFETY SHOES: C FERNANDEZ / R CULBERTSON	\$324.06	\$324.06
165544	9/21/2017	134614	MAZZEI INJECTOR	15 CHECK VALVE REPAIR KITS	\$323.00	\$323.00
165587	9/28/2017	281529001	AUTO BODY TOOLMART	ASTD PARTS & MATERIALS	\$295.90	\$295.90
165557	9/21/2017	131711	PREFERRED ALLIANCE INC	AUGUST 2017 SERVICE FEE	\$277.20	\$277.20
165598	9/28/2017	461371	CENTERVILLE SAW AND TOOL	ASTD PARTS & MATERIALS	\$269.17	\$269.17
165569	9/21/2017	19233471C	TRI DIM FILTER CORPORATION	CREDIT - FREIGHT INV 19233471	\$-54.39	\$259.32
	9/21/2017	19233471		100 TRI-DEK 15/40 2 PLY PADS	\$313.71	
165580	9/28/2017	9067365164	AIRGAS NCN	ASTD PARTS & MATERIALS	\$253.63	\$253.63
165623	9/28/2017	46316050	MCMASTER SUPPLY INC	4 LONG LIFE RECHARGEABLE BATTERIES	\$200.36	\$253.01
	9/28/2017	46360200		4 STRUT MOUNT CLAMPS	\$52.65	
165517	9/21/2017	20170919	SOL COOPER	TRAVEL PER DIEM - TRI STATE SEMINAR	\$252.00	\$252.00
165539	9/21/2017	20170907	MIKE HOVEY	EXP REIMB: PER DIEM FOR TRI STATE CONFERENCE	\$252.00	\$252.00
165548	9/21/2017	20170918	MICHAEL MOSLEY	TRAVEL PER DIEM - TRI STATE SEMINAR	\$252.00	\$252.00
165550	9/21/2017	20170914	STEVEN NOEGEL	TRAVEL PER DIEM - TRI STATE SEMINAR	\$252.00	\$252.00

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165553	9/21/2017	20170918	CHRIS PACHMAYER	TRAVEL PER DIEM - TRI STATE SEMINAR	\$252.00	\$252.00
165560	9/21/2017	20170919	RANDY SCHWARTZ	TRAVEL PER DIEM - TRI STATE SEMINAR	\$252.00	\$252.00
165528	9/21/2017	133450	FITGUARD, INC.	PREVENTATIVE MAINTENANCE - EXERCISE CLUB EQUIPMENT	\$249.00	\$249.00
165604	9/28/2017	279498	ENTHALPY ANALYTICAL LLC	5 LAB SAMPLE ANALYSIS	\$145.00	\$225.00
	9/28/2017	279507		4 LAB SAMPLE ANALYSIS	\$80.00	
165572	9/21/2017	27785825	UPS - UNITED PARCEL SERVICE	REDELIVERY FREIGHT CHARGE	\$219.11	\$219.11
165639	9/28/2017	39121	VALLEY OIL COMPANY	1 DRUM DEF FLUID	\$214.29	\$214.29
165520	9/21/2017	20170829	CWEA	MEMBERSHIP RENEWAL - G CALANOG LAB ANALYST GRADE 3	\$180.00	\$180.00
165609	9/28/2017	116527518	FREMONT URGENT CARE CENTER	1 NEW HIRE PHYSICAL	\$179.00	\$179.00
165638	9/28/2017	98XW53357	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 09/02/17	\$166.97	\$166.97
165575	9/21/2017	8049625465	VWR INTERNATIONAL LLC	8 ASTD BUFFERS	\$163.27	\$163.27
165603	9/28/2017	90093688342	ENTERPRISE GOV 43-1514861	RENTAL: T. HANDLEY, SAN DIEGO, CA	\$109.02	\$150.74
	9/28/2017	90093950890		RENTAL: R. CZAPKAY, SANTA ANA, CA	\$41.72	
165527	9/21/2017	1297832	FERGUSON ENTERPRISES, INC.	10" FLANGE KIT TYPE E	\$59.27	\$136.37
	9/21/2017	1303590		3 - 12X3 GALV MI BUSH	\$77.10	
165506	9/21/2017	1763761	ANALYSTS, INC.	5 LAB SAMPLE ANALYSIS	\$110.00	\$110.00
165634	9/28/2017	1803598002	SAN LEANDRO ELECTRIC SUPPLY	ASTD ELECTRICAL SUPPLIES	\$101.52	\$101.52
165519	9/21/2017	20170615	CSDA CAL SPECIAL DIST ASSOC	MEMBERSHIP DUES 7/01/17-6/30/18	\$100.00	\$100.00
165594	9/28/2017	255805	STATE OF CALIFORNIA	3 NEW HIRE FINGERPRINTS	\$96.00	\$96.00

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
165600	9/28/2017	20170927	RICHARD CZAPKAY	EXP REIMB: MILEAGE MME EVENT	\$94.16	\$94.16
165543	9/21/2017	77859163	MATHESON TRI-GAS INC	MONTHLY CYLINDER RENTAL - JUNE 2017	\$82.92	\$82.92
165540	9/21/2017	19744	ICE SAFETY SOLUTIONS INC	CPR/FIRST AID/AED TRAINING FOR 1 EMPLOYEE	\$75.00	\$75.00
165590	9/28/2017	12138300	BLAISDELL'S	ASTD OFFICE SUPPLIES	\$43.71	\$64.00
	9/28/2017	12143080		1 MOUSE PAD / WRIST REST	\$20.29	
165509	9/21/2017	12101300C	BLAISDELL'S	CREDIT TELEPHONE STAND	\$-6.90	\$62.90
	9/21/2017	12113690		2 BX FOLDERS	\$69.80	
165601	9/28/2017	615320170918	DISH NETWORK	OCT 2017 - SERVICE FEE	\$55.90	\$55.90
165612	9/28/2017	84048	GORILLA METALS	ASTD METAL, STEEL, STAINLESS & ALUMINUM	\$43.29	\$43.29
165538	9/21/2017	5715804	HOSE & FITTINGS ETC	ASTD PARTS & MATERIALS	\$2.15	\$38.71
	9/21/2017	5715378		ASTD PARTS & MATERIALS	\$36.56	
165592	9/28/2017	20170925	STUART BULLIS	EXP REIMB: PRE-EMPLOYMENT LIVESCAN FEE	\$30.00	\$30.00
165640	9/28/2017	9791870908	VERIZON WIRELESS	WIRELESS SERV 08/02/17-09/01/17	\$26.60	\$26.60
165615	9/28/2017	3L3022	HARRINGTON INDUSTRIAL PLASTICS	ASTD PVC PARTS & MATERIALS	\$20.46	\$20.46
165607	9/28/2017	593123960	FEDERAL EXPRESS CORPORATION	SHIPPING SERVICE - BS	\$20.07	\$20.07

**UNION SANITARY DISTRICT
CHECK REGISTER
9/16/2017-09/29/2017**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
Invoices:				Checks:		
Credit Memos :		9	-2,439.09			
\$0 - \$1,000 :		150	50,524.96	\$0 - \$1,000 :	87	33,036.55
\$1,000 - \$10,000 :		61	179,546.96	\$1,000 - \$10,000 :	46	141,359.22
\$10,000 - \$100,000 :		6	130,477.97	\$10,000 - \$100,000 :	8	183,715.03
Over \$100,000 :		2	251,995.11	Over \$100,000 :	2	251,995.11
Total:		228	610,105.91	Total:	143	610,105.91



Morro Bay's sewer treatment plant at 170 Atascadero Road is deteriorating. Where to build the city's new plant continues to be a point of contention in the city. **Jayson Mellom** – *The Tribune*

Morro Bay to debate new sewer plans as project estimates hit over \$100 million

By Nick Wilson
nwilson@thetribunenews.com
September 23, 2017

With hints of the Los Osos sewer debate that raged on for years, Morro Bay is becoming increasingly divided over where to build the city's new wastewater treatment plant and how much it should cost.

On Tuesday night, the City Council will once again revisit the issue, and it's expected to draw a packed house and more controversy.

Morro Bay's debate is familiar: Should it try to persuade the Coastal Commission's staff to allow a plant near the ocean to potentially save millions in lower project costs? Or should it build inland to avoid significant environmental and permitting risks and ensure needed long-term infrastructure?

The city received a letter Friday from the agency that could decide the fate of the future project. Dan Carl, the Coastal Commission's Central Coast district director, cited major regulatory challenges if Morro Bay pursues any option west of Highway 1, a possibility the city recently revisited.

"We continue to believe that the South Bay Boulevard site (at the inland intersection of Highway 1 and South Bay Boulevard) remains the city's best option at this juncture, including because it is not encumbered by the uncertainties associated with the sites west of Highway 1," Carl wrote.

An oceanside facility risks project denial from the Coastal Commission "due to coastal hazard issues," Carl added.

Those include seawater rise, tsunamis and flooding.

Carl told The Tribune by phone on Friday that the probability for permitting approval of a South Bay site is "high" and an oceanside plant is "low." But Carl didn't rule out the oceanside option. The city won a bid with 11 other cities last summer to become eligible for a low-interest \$82 million federal loan from the Environmental Protection Agency. But it must select a project site and complete an environmental impact report, which would take at least eight months, said City Engineer Rob Livick. The city has a deadline of July 2018 to file its paperwork with the EPA.



SOURCE: City of Morro Bay

TRIBUNE MAP

When the Coastal Commission denied a proposed Morro Bay wastewater project near the ocean four years ago to replace its aging, deteriorating facility at 170 Atascadero Road, the city appeared destined to build inland.

But in recent months, community opposition to an estimated \$167 million sewage treatment and water reclamation plant at the South Bay site prompted a review of cheaper options. A peer review report from local engineers and officials from neighboring government jurisdictions suggested the city re-examine the oceanside plant option to save money.

Meanwhile, a grassroots group called Citizens for Affordable Living also has formed to oppose a high-cost plant, advocating an oceanside facility.

“We’ve talked to wastewater experts who say an oceanside facility can be built for \$35 to \$50 million,” said Jeff Heller, a group organizer. “If we build at \$167 million price tag the city is telling us, nobody but wealthy people will be able to afford to live here. We’re a working-class town.”

The city has projected a cost of about \$124 million to build an oceanside facility at a site the city calls the Hanson property. But Heller calls that estimate too high.

The city has relied on industry experts, including Michael K. Nunley and Associates and Black & Veatch, to estimate costs. But Heller counters the city has wasted money on years of consulting work without producing a viable site option.

Heller’s group has gone door to door to lobby residents throughout the city and hand out fliers. Heller said the group will rally to block a costly plant by protesting sewer rate increases under Proposition 218.

“I have absolute confidence that we can get a majority vote of opposition if it comes to it,” Heller said.

Mayor Jamie Irons said he can’t predict the council’s direction on Tuesday, whether, for example, they might commit to one site, pursue more community outreach or seek additional information on potential locations. But he said he wants a fact-based discussion.

“I just want to make sure people have accurate information,” Irons said. “I feel like there’s a lot of misinformation getting put out there.”

Carl said the Coastal Commission staff’s review of an oceanside plant application possibly could take up to two years before a decision is rendered, causing the city to lose its low-interest loan.

Livick estimates the EPA loan, of 2.6 percent compared with about 5 percent for municipal bonds, would save the city about \$35 million.

Tuesday night’s City Council meeting starts at 6 p.m. at the Veterans Memorial Building at 209 Surf St.



Governor Brown Signs Comprehensive Housing Package

League's Blueprint for More Housing Included in the Package
September 29, 2017

Today in San Francisco, surrounded by Legislators and dozens of stakeholders, Gov. Jerry Brown signed an extensive package of housing bills aimed at addressing the housing supply and affordability crisis impacting many communities around the state.

The signing ceremony caps a legislative year usually focused on housing production at all income levels. Lawmakers introduced more than 130 housing related bills, many of which targeted local discretion and land use authority.

While the League opposed some of the dozen or so bills that make up the housing package, it strongly supported measures that increase funding for affordable housing and appropriately streamline local housing approvals. Below are the measures the Governor signed into law.

League Blueprint for More Housing Legislation

SB 2 and SB 3 Provide the Needed Funding to Spur Housing Construction

- [SB 2 \(Atkins\)](#) The Building Homes and Jobs Act: Generates hundreds of millions of dollars each year for affordable housing, emergency shelters and other housing needs via a \$75 recording fee on specified real estate documents. In the first year, 50 percent of the funds are set aside for local plans. In all other years, 70 percent of the funds are allocated to cities and counties through the CDBG formula.
- [SB 3 \(Beall\)](#) The Veterans and Affordable Housing Bond Act of 2018: Places a \$4 billion general obligation bond on the November 2018 ballot to fund veteran housing programs, affordable housing and infill infrastructure projects.

SB 540 (Roth) Streamlines Housing Approvals While Continuing to Protect Public Engagement

- [SB 540 \(Roth\)](#) Workforce Housing Opportunity Zones: Streamlines the housing approval process by having cities identify Workforce Housing Opportunity Zones, which will focus on workforce and affordable housing in areas close to jobs and transit and conform to California's greenhouse gas reduction laws. Housing developments within these planned areas can proceed in an expedited manner. Because the local government has fully complied with the California Environmental Quality Act (CEQA), no project-specific additional environmental reviews shall be needed. The environmental review and project streamlining shall be good for five years, to provide the development community with needed certainty.

Other Notable Housing Related Bills Signed by the Governor

- [SB 35 \(Wiener\)](#) Streamline Housing Approval Process: Streamlines multifamily housing project approvals by eliminating public input, prohibiting CEQA, and removing local discretion.
- [SB 167 \(Skinner\)](#) and [AB 678 \(Bocanegra\)](#) Housing Accountability Act: Makes numerous changes to the Housing Accountability Act including: requiring findings to be based on "a preponderance of evidence"; imposes mandatory fines (\$10,000) on cities that fail to comply with a judge's order within 60 days; and allows enhanced fines (a factor of five) if a city acts in bad faith.
- [AB 72 \(Santiago\)](#) Attorney General: Enforcement of Housing: Provides the Department of Housing and Community Development broad new authority to review any action by a city or county that it determines is inconsistent with an adopted housing element.
- [AB 73 \(Chiu\)](#) Housing Sustainability Districts: Allows a city or county to create a housing sustainability district to complete upfront zoning and environmental review in order to receive incentive payments for development projects that are consistent with the district's ordinance.
- [AB 879 \(Grayson\)](#) Planning and Zoning: Housing Element: Requires the California Department of Housing and Community Development to undertake a study to make recommendations regarding potential amendments to the Mitigation Fee Act to substantially reduce fees for residential development.
- [AB 1397 \(Low\)](#) Housing Element: Inventory of Land for Residential Development: Requires lands in a city's housing element to include vacant sites and sites that have "realistic and demonstrated potential" for redevelopment to meet a portion of the locality's housing need for a designated income level.

- [AB 1505 \(Bloom\)](#) Land Use: Zoning Regulations: Clarifies and strengthens local authority to enact inclusionary rental housing programs in accordance with their police power in an effort to address the shortage of affordable housing.
- [AB 1515 \(Daly\)](#) Housing Accountability Act: Allows a court to determine whether a project is consistent with local zoning and general plan by selecting the substantial evidence it wishes to rely on rather than reviewing whether the city council relied upon substantial evidence.

Next Steps

League staff will be developing important informational materials in the next few weeks to assist cities with understanding the practical impacts of the housing package at the local level. Additionally, the League will host a series of webinars and in person briefing in several regions of the state. Key dates and times will be released shortly.



‘We have listened to the community’: Morro Bay council picks site for new sewer plant

By Matt Fountain

mfountain@thetribunenews.com

September 27, 2017 6:41 PM

After nearly five years of juggling demands of residents, regulators and possible funding sources, the Morro Bay City Council on Tuesday narrowed its sights to one preferred location for its long-needed new wastewater treatment plant.

In a unanimous vote, the council selected roughly 15 acres of unincorporated San Luis Obispo County property near the intersection of South Bay Boulevard and Highway 1 over less expensive options closer to the ocean.

From here, things could start moving fast. The city's now under the gun to meet a series of deadlines for environmental review to secure low-interest government loans dependent on having a project underway.

“Tonight, we have to take ownership of our project,” Councilman Robert “Red” Davis said.

During the heated standing-room only meeting, more than 200 residents crammed into Vet’s Hall throughout the night, some carrying signs reading “Citizens of Morro Bay need a sewer we can afford” and others “Go east! Of Highway 1.”

While a slim majority of residents during public comment angrily urged the council to build a wastewater treatment plant at the site of its existing oceanfront facility, others urged the city to follow the guidance of state regulators and proceed with the site off South Bay Boulevard, east of Highway 1.

Though the most expensive of the five possible locations, the South Bay Boulevard site would avoid significant environmental hazards such as coastal erosion, flooding and tsunamis, and it stands the best chance at being permitted, some speakers said.

“We have listened to the community,” Councilwoman Marlys McPherson said prior to the council’s vote. “We really feel like we’ve done our due diligence.”



SOURCE: City of Morro Bay

TRIBUNE MAP

In supporting the location, council members noted it spared the project from coastal hazards, that a master plan for the site has already been drafted and vetted, that it's far from residential areas, and that a non-binding agreement to purchase the land is already in place.

According to city report released this month, capital costs for a treatment plant and a water reclamation facility at the South Bay Boulevard site will cost roughly \$150 million, and operating and maintaining the facility would cost an estimated \$3.7 million annually. The property would cost about \$300,000 to purchase from the county, Public Works Director Rob Livick said Wednesday.

Downsides to the location, according to the report, include costs 8 to 21 percent higher than other sites and the long distance of piping required to pump raw wastewater. Those costs could translate to water bills projected between \$207 and \$241 per household per month, though the city says those costs are likely to drop.

The city's current plant near the ocean at 170 Atascadero Road is deteriorating and is in violation of state water quality standards on busy days, which will lead to significant fines once a waiver expires, according to the Regional Water Quality Control Board.

Some of the funding for the treatment plant and reclamation facility could be fronted through State Revolving Fund financing, a low-interest government loan program.

In July, the city was also selected to apply for a low-interest \$82 million U.S. Environmental Protection Agency loan. But environmental review must be completed for the city to apply by the July 2018 deadline. Livick said the city's consultants have said the review could be completed in June.

The South Bay Boulevard location has been a focus for some time, but based on a recommendation by a peer review panel in July, the council hit a 60-day pause on the project to re-investigate the feasibility of an oceanfront plant due to the high cost of the South Bay Boulevard site and public outcry.

That review and the prospect of the EPA loan and other possible grants reinforced that the site is the best choice to residents like Thomas Kessler and Glen Silloway, they said Tuesday. "Building a wastewater treatment plant in a (100-year flood zone) in the 1950s was a bad idea then, and it's a bad idea now," Kessler said.

"We're right up against it... We need to be in a position apply for these loans," Silloway said. "We can't afford to gamble with our future."

Other residents, such as Rob Kitzman, told the council that a \$150 million facility is too expensive for the city of about 10,600 residents and rising water rates would cripple local businesses.

"This would irreparably restrict the economy of this community," Kitzman said. "With no small business, there is no tax base — there is no city."

Planning Commissioner Richard Sadowski, who refused to step aside when his allotted speaking time was up, claimed the council has ignored the public's opposition to the expensive plant.

"This has become a charade in terms of public input," Sadowski said, before Police Chief Gregory Allen urged him to leave the podium.

After selecting its preferred site, the council directed staff to come back at the Oct. 10 city council meeting with a detailed timeline for keeping up with regulatory, financial and public outreach requirements.

That timeline will also include further discussion with consultants on water rates, re-examining whether a consultant should stay on as project manager and formalizing the goals of the project for the bidding process.

SEWER SITES NOT CHOSEN

The following sites were not selected by the Morro Bay City Council as preferred locations for the city's upcoming wastewater treatment plant and water reclamation facility.

- **Hanson/RV Storage property:** A roughly 12-acre area adjacent to the existing wastewater treatment facility currently an RV storage and concrete manufacturing site. The lowest-cost option, a combined wastewater treatment and water reclamation facility at the site comes to an estimated \$124.8 million. However, a permit for a previously proposed plant at an adjacent site was denied by the Coastal Commission in 2013, and the agency has warned it is unlikely to approve a similar project due to a host of environmental concerns, namely erosion and sea level rise, but also its location in 100-year flood and tsunami inundation zones.
- **Dynegy Tank Farm:** A vacant 9-acre area northwest of the power plant and south of Morro Creek estimated to cost \$131.3 million to develop. While close to existing wastewater infrastructure and not subject to some coastal hazard zones, the site is near homes and the high school, and the permitting process is expected to take up to 2 years.
- **Righetti:** Approximately 10-15-acres at the site of an existing ranch house north of Highway 1 just west of Rancho Colina Recreational Vehicle Park, the city estimates the project at this site to come to about \$133.7 million. Though the site held several benefits over the South Bay Boulevard location such as lower elevation and potential for land conservation, strong opposition from nearby neighbors and the threat of litigation could lead to unexpected costs and community problems.
- **Giannini:** About 10 acres of a 35-acre property near Hillcrest Drive and Little Morro Creek Road, east of Highway 1, would cost an estimated \$138.7 million. Though the city identified advantages over the South Bay Boulevard site, neighborhood proximity, property availability and anticipated road improvements were identified by the city as key constraints.

Note: Costs for building facilities on these sites do not include costs to purchase property.

Source: Sept. 26, 2017 City of Morro Bay Water Reclamation Facility Project Updated Site Comparison Report