MINUTES OF THE REGULAR MEETING
OF THE SANITARY BOARD OF
ORO LOMA SANITARY DISTRICT

April 3, 2018

The regular meeting of the Sanitary Board of Oro Loma Sanitary District was called to order by President Sheila Young at 3:00 p.m. on Tuesday, April 3, 2018, at the District offices at 2655 Grant Avenue, San Lorenzo. President Young noted that Directors Timothy Becker, Roland Dias, Rita Duncan, and Dan Walters were present. In attendance were Jason Warner, General Manager; Bill Halsted, District Engineer; Ariene Wong, Finance Manager; Andreea Simion, Administrative Services Manager; Jimmy Dang, Senior Project Engineer; Sally Green, District Secretary, and Lauren Quint, Interim Legal Counsel. No general public attended the meeting.

Director Becker moved approval of the single Consent Calendar item: 4) Approval of Board Minutes of March 20, 2018. The motion was seconded by Director Duncan and carried unanimously, 5-0.

President Young invited General Manager Warner to introduce Agenda Item 5, Staff Report on Nutrient Optimization Project Update. Warner said that Senior Project Engineer Jimmy Dang would present the update, including why the costs have increased and the advantages of moving forward with the project; he added that Dang would repeat the presentation later that evening at CVSan’s regular Board meeting. Dang reviewed the project design and status, and said that last month the District received and reviewed the 60% design documents; the 90% design submittal is due April 30. The basic project scope includes: conversion of existing surface aerators to fine bubble diffusion; addition of a 4th aeration basin; new blowers and construction of new blower building for the fine bubble diffusers; flow splitting facilities to allow effluent to either be sent to EBDA or to the OLSD outfall; and dechlorination facilities for the new outfall. Dang said that while the total projected cost for the project has increased from the original estimate of $18M to $25.2M, the project scope has improved to include: 1) local effluent pump station to provide 40 mgd of local outfall capacity, expandable in the future; 2) internal mixed liquor (ML) recycling, which reduces energy demand and unloads the secondary clarifiers; 3) future energy cost savings from ultra-efficiency blowers, diffusers, and ML recycling pumps that offset a significant fraction of the increased capital costs – approximately $4.1M over 20 years; and 4) advanced monitoring allows simultaneous energy reduction while maximizing nutrient removal. Dang concluded by saying that the project would likely eliminate the need for nutrient upgrades for at least 20 years, and would reduce liabilities for Oro Loma and Castro Valley within the EBDA system. The Directors posed several questions, which were answered by Dang and Warner. The Board thanked Dang for his thorough and informative presentation, and indicated that it will continue to evaluate proceeding with the project.

Director Becker reported on the March 22, 2018 meeting of the Construction Committee. The first item discussed was Budget Amendment #2 for FY 2017-18, which appears later on this agenda for full Board approval. Several changes were made to the Ten-Year R&R and CIP Projected Costs, most of which are included in Budget Amendment #2; other changes include: 1) $600,000 added to R&R in FY 2022-23 for Aeration Basin Rehabilitation; 2) $3M added to R&R in FY 2025-26 for Bar Screen Replacement; 3) $100,000 added to R&R in FY 2018-19 for Polymer Units at the GBT and BFD; 4) $50,000, $800,000, $5M and $3M added to CIP starting in FY 2020-21 for Digesters 8 & 9 design/construction and Digesters 1-5 demolition; 5) $150,000 added to CIP in FY 2019-20 for Four Way Structure – Valve Actuators; and 6) $40,000 added to CIP in FY 2018-19 for Grit Pump Replacement and Piping Rehabilitation. The first projects discussed included the Treatment Unit Influent Channel (a portion of the channel will be coated with the Enduraflex product, at an estimated cost of $337,000); Nutrient Optimization Project (a Joint Board meeting is planned to discuss the project); and Pond Bridge Piping Replacement & Containment (project consists of replacing two service pipes across the treatment plant bridge that crosses the Bockman Canal). Sewer Line Replacement (SLR) projects included SLR 2017-18, 145-143.09 Hesperian & Hacienda (the low bidder was C2R Engineering, at $468,000); SLR 2017-18, 45-143.08 (the contractor worked on Via Conejo, Via del Rey, and Via Manzanas); and SLR 2016-17 (the project is 99% complete, and the contractor is working on punch list items). The final topic was Collection
System Asset Repair and Maintenance, Point Repairs 2017-18 No. 1 Project, which is 19% complete with 19 of 102 point repairs completed.

Director Duncan reported on the March 22, 2018 meeting of the Alameda County Special Districts Association, held at the Wedgewood Restaurant at Redwood Canyon Golf Course in Castro Valley and attended by all the Oro Lorna Directors and General Manager Warner. The guest speaker was Aisha Knowles, Public Information Officer, Alameda County Fire Department, who talked about communicating with staff and the public during a disaster event, such as the fires in Napa last year, and the importance of containing non-essential information from public statements. Director Duncan said that the annual dinner meeting was enjoyable.

Director Duncan also reported on the March 23, 2018 meeting of the Personnel/Safety/Public Information Committee. All of the Committee agenda items, Review and Recommend Board Approval of Board Handbook, Review Draft Customer Satisfaction Survey 2018, and Review and Recommend Board Approval of Updated "Compensation, Travel & Meetings, Benefits, and Post-Retirement Medical Benefits for Members of the Board of Directors" appear later on this agenda for full Board approval.

President Young reported on the March 28, 2018 meeting of StopWaste – Alameda County Waste Management Authority. A resolution was adopted establishing a per diem policy for Board Members and Alternates, and then the meeting adjourned to Closed Session to discuss with legal counsel one case of existing legislation and one case of anticipated legislation. After return to Open Session, a resolution was approved authorizing pension liability pay-down to CalPERS and elimination of the Transportation Improvement Plan (TIP) Reserve.

Director Dias moved approval of the Committee minutes for entry to the District record by reference. The motion was seconded by Director Becker and carried unanimously, 5-0.

Director Dias MOVED ADOPTION OF RESOLUTION APPOINTING LAUREN E. QUINT, SENIOR ASSOCIATE AT MEYERS NAVE RIBACK SILVER & WILSON, PLC, AS DISTRICT LEGAL COUNSEL. The motion was seconded by Director Becker and, following a roll call vote, Resolution No. 3648 was adopted unanimously, 5-0. The Board congratulated Ms. Quint on her appointment and she responded that she is happy to be working with Oro Loma.

Director Duncan MOVED ADOPTION OF RESOLUTION APPROVING BUDGET AMENDMENT NO. 2 OF THE TWO-YEAR BUDGET FOR FY 2017-18 (YEAR 1). The motion was seconded by Director Becker and, following a roll call vote, Resolution No. 3649 was adopted unanimously, 5-0. The budget amendment adjusts the FY 2017-18 budgets for R&R and CIP to accommodate project scope changes and reprioritization, and is summarized as follows: R&R FY 2017-18 has a net decrease of $264,000, and with prior Board-approved additions, now stands at $4,196,000; CIP FY 2017-18 has a net decrease of $694,000, and with prior Board-approved additions, now stands at $9,224,300. The overall combined impact of these changes is a budget decrease of $958,000.

President Young asked the General Manager to speak of Agenda Item 13, Approval of Board Handbook. Warner said that Administrative Services Manager Andreea Simion did a great job drafting the handbook, and the Board concurred. Two edits were suggested, and Director Dias MOVED APPROVAL OF THE BOARD HANDBOOK WITH THE NOTED EDITS. The motion was seconded by Director Walters and carried unanimously, 5-0. President Young commented that the Board Handbook is a "living document" and can be changed/updated at any time.

Director Dias MOVED APPROVAL OF ORO LOMA SANITARY DISTRICT CUSTOMER SATISFACTION SURVEY 2018. The motion was seconded by Director Duncan and carried unanimously, 5-0. The 2018 survey was based on the one administered in 2016, and is scheduled to be mailed to customers in August. President Young noted that the District needs to educate its customers about sewer laterals, possibly in a future newsletter.

Director Walters MOVED APPROVAL OF ORO LOMA SANITARY DISTRICT UPDATED POLICY AND STANDARD PROCEDURE: COMPENSATION, TRAVEL & MEETINGS, BENEFITS, AND
POST-RETIREMENT MEDICAL BENEFITS FOR MEMBERS OF THE BOARD OF DIRECTORS. The motion was seconded by Director Duncan and carried 4-1, with Director Becker voting to the contrary. The Policy and Standard Procedure was updated to require Board approval for out-of-state travel for Directors, effective July 1, 2018.

Director Becker MOVED TO ACCEPT PROJECT AS COMPLETE AND AUTHORIZE THE GENERAL MANAGER TO DIRECT FILING OF NOTICE OF COMPLETION: ADMINISTRATION BUILDING ROOFING AND SOLAR PROJECT – PROJECT NO. 45-595.45. The motion was seconded by Director Dias and carried unanimously, 5-0. The project provided for the demolition and replacement of approximately 5,500 square feet of roofing, and the addition of a new 30kW solar array to offset electrical costs. All work was completed in compliance with the plans and specifications and to staff’s satisfaction on March 29, 2018.

General Manager Warner opened Staff and Director comments by saying that the March 29 visit from the Regional Board for a planned inspection of the plant went well. He added that the Microvi pilot is performing well, the plant is running smoothly, and he congratulated Lauren Quint on her appointment as primary legal counsel for Oro Loma. His final comment was a reminder of the Joint Board Meeting with Castro Valley Sanitary District on Thursday, April 5, in the Oro Loma Boardroom. Dinner will be served at 6:00 p.m., with the meeting scheduled to begin at 6:30 p.m. The meeting will provide an opportunity for both Boards to discuss the Nutrient Optimization Project, followed by a closed session.

Director Becker thanked Ms. Quint for the Ethics Training that she and her colleague Alex Mog conducted for the Board. He also mentioned that there is a meeting tonight [April 3] of the Fairview MAC – Municipal Advisory Council.

Director Dias congratulated Ms. Quint on her appointment. He also asked what was the District’s cash position; Finance Manager Arlene Wong said that it was $19.9 Million as of April 1, 2018.

Director Duncan offered congratulations to Ms. Quint, and said that she is looking forward to attending the CASA Public Policy Forum next week in Sacramento.

Director Walters congratulated Senior Project Engineer Jimmy Dang and the entire team working on the Nutrient Optimization Project for being responsive to new information and adjusting the project scope.

Administrative Services Manager Andreea Simion advised the Directors that postcards and flyers advertising the May 5, 2018 Open House are available for distribution.

President Young thanked the District Secretary for providing a welcoming environment for the Board meetings. She also said that Director Becker and she attending the San Leandro State of the City Address, which was informative about technological and other industrial changes to the City. President Young officially welcomed Ms. Quint as Oro Loma’s Legal Counsel, and there being no further business to come before the Board, adjourned the meeting at 4:45 p.m.

Rita Duncan
Board Secretary

(Recording Secretary: Sally Green)