

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

April 17, 2018

The regular meeting of the Sanitary Board of Oro Loma Sanitary District was called to order by President Shelia Young at 3:00 p.m. on Tuesday, April 17, 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; Arlene Wong, Finance Manager; Andreea Simion, Administrative Services Manager, Sally Green, District Secretary; and Lauren Quint, Legal Counsel. Also at the meeting were Operations Manager Manuel Talledo-Garcia; Operations Department staff Scott Beckman, Brian Charvet, Brett Grundemann, Gene McCutcheon, and Trevor Schofield; Maintenance Department staff Rich Goodman, James Haynes, Sam Lahey, Tony Monteiro, and Jeff Schier; and from Meyers Nave, Jesse Lad. Members of the general public, Fred Simon and Jason Silva, had no comments.

President Young requested separate motions to approve Item 4 of the Consent Calendar, Approval of Board Minutes, as not all the meetings listed were attended by the full Board. Director Becker moved approval of the Board Meeting minutes of April 3 and April 5, 2018. The motion was seconded by Director Duncan and carried unanimously, 5-0. Director Becker then moved Approval of Board Meeting Minutes for April 2, 2018. The motion was seconded by Director Duncan and carried unanimously, 5-0. Director Dias moved approval of Consent Calendar Item 5) Approval of Financial Statements, March 2018, and Item 6) Approval of Monthly Compliance and Activity Reports, March 2018. The motion was seconded by Director Becker and carried unanimously, 5-0.

President Young advanced to Agenda Item 6, New Employee Introduction, and asked General Manager Warner to introduce Brett Grundemann, Plant Operator II. Warner said that this was a "Welcome Back" to Brett, who had worked at Oro Loma in 2013 as a volunteer intern in the Operations Department. After Brett completed his required 1,800 hours and earned his certification to become a Wastewater Treatment Plant Operator, he was hired by the City of San Mateo. He worked there for over three years, during which time he earned his Grade III certification and was promoted to a supervisory position. Warner said that Brett visited Oro Loma several times over the years and when an opening came up, he was the first to apply. Following panel interviews, Brett rose to the top of the applicant pool and, based on his history at Oro Loma, work ethic, and positive referrals, he was hired. Brett said that he is happy to return to Oro Loma, and appreciates the opportunity. The Directors introduced themselves to Brett, shared their backgrounds and tenure on the Board, and welcomed him to the District.

President Young reported on the April 9, 2018 meeting of the Solid Waste Committee, beginning with the Excellence in Service Awards for January through March 2018. Eleven Waste Management drivers qualified for the \$250 Award for having 10 or less missed pickups for the quarter. The Committee decided to enclose a letter from the Board President with the award checks, to be presented to the drivers by the Route Manager after one of the morning safety meetings. The next topic discussed was a report from the WMAC Route Audit, which identified 104 residential customers whose carts were out for collection, but had no accounts in the system; letters were mailed to the identified customers. For Public Outreach Update, Solid Waste Consultant Natasha Browne reported on her recent presentation to the San Lorenzo Unified School District Board of Education, highlighting the recycling and organics programs that Oro Loma has implemented in the School District. Dr. Brill, the School District Superintendent, reiterated his support for Oro Loma and its programs. Ms. Browne also reported that students at Arroyo and San Lorenzo High Schools will soon be starting to sort waste in their cafeterias. WM staff reached out to 18 multi-family dwellings in March to implement or increase their recycling and organics services. For Solid Waste Program Update, the Route Supervisor reported working with drivers to raise the level of customer service, and said that the number of overages has decreased from 149 in February to 136 in March.

Director Becker reported on the April 10, 2018 meeting of the Construction Committee. Three changes were made to the Ten-Year R&R and CIP Projected Costs: 1) The Plant Paving Project, planned at \$500K in FY 2018-19 and \$300K in FY 2020-21, was consolidated to \$800K in FY 2018-19;

2) The Ponds Bridge Piping Replacement and Containment Project was increased to \$400,000 in FY 2018-19; and 3) the CCTV Standby Van replacement was increased to \$135,000 in FY 2018-19. The first project discussed was the Nutrient Optimization Project -- the target bid date remains in July 2018 and staff is planning a trip to Maryland/Virginia to visit five different treatment plants that have advanced nutrient treatment systems. Staff will seek full Board approval for the out-of-state travel. Other topics included Point Repairs 2017-18 No. 1 (the project is at 32%, with 33 of 102 point repairs completed); and Sewer Line Replacement 2017-18, 45-143.08 (the contractor performed sag work on Fairmont Dr., Via Conejo and Via Manzanas).

Director Walters reported on the April 12, 2018 meeting of the Operations Committee. The first topic was a Review of Trucked Waste Practices, with Director Walters noting that deliveries to Oro Loma have doubled in the past two years, half of the neighboring agencies do not accept the material, and the District's rates are the highest of the surveyed agencies. The Committee agreed with staff's recommendation to normalize rates for all Oro Loma trucked waste customers, and to increase the sampling frequency to two times per year. Standing topics discussed included March 2018 data for Natural Gas Usage (digester gas production was at an all-time high of 365,677 cu. ft./day); Overview of Power Production and Plant Demand (Co-Gen generation was 531,840 kWh); Monthly Power and Chemical Costs, (a slight upward trend was noted, mirroring general inflation rates over the past two years); and Monthly Activity Reports for the Collections, Operations and Maintenance Departments. For District Operations Overview, Collection System Manager Lenny Rather provided details on an overflow caused by a plumbing fitting left in the sewer pipe, most likely from upstream construction, and said that he coached two of his senior staff on how to prepare an overflow report. Director Walters said that staff met with the Regional Board for an annual plant inspection; no corrective actions were noted and the visit was warm and informative. Operations Manager Manuel Talledo-Garcia and Senior Project Engineer Jimmy Dang visited the Synagro land application site and reported positive feedback. Maintenance Manager Scott von der Lieth reported that the Maintenance Department has maintained the work order backlog at below 100 for the second straight month, and the CUPA (Certified Unified Program Agency) audit of chemical and hazardous materials handling/storage/disposal procedures went well, with no deficiencies noted.

Director Dias reported on the April 12, 2018 meeting of the Finance & Insurance Committee. Standing topics included Monthly Financial Reports for March 2018 (the District's cash and investment position was \$19.9 million, which was \$366,645 lower than in March 2017); Economic Activity & Market Rates Update (the District's overall investment yield in March 2018 was 1.544%, compared to LAIF's rate of 1.524%); Quarterly Update on Cash Flow from Investments (the District's \$10.0 million investment portfolio earned an average yield of 1.587% with an average duration of 2.19 years); and the Attorney's Invoice, for \$7,496.68. Other topics included EBDA O&M Cost Analysis (the Committee reviewed a staff memo prepared in response to the Committee's inquiry on EBDA O&M cost for FY 2017-18); 2017 Reporting of Training, Travel & Meeting Expenses and Annual Compliance Reporting; CalPERS Employer Bulletin "A Solid Foundation for the Future" (the report highlights key actions taken by CalPERS to ensure the long-term sustainability of the pension fund); EBMUD 2017 Commercial Consumption & Billing Report, with Comparison to 2016 (total revenues from commercial accounts increased by 11.6%); and FY 2017-18 Audit Schedule (the interim audit is scheduled on July 16 and July 17, 2018, with field work conducted from September 17 to September 19, 2018). The final topic was Insurance -- the District received liability insurance dividends in the amount of \$28,737, representing favorable results from program years 1986-87 to 2011-12. Also, for the Workers' Compensation program, Oro Loma's Experience Modification Factor (Ex-Mod) for FY 2018-19 was increased from 0.79 to 0.81.

Director Becker reported on the April 16, 2018 meeting of the CASA Board of Directors. Meeting highlights included that Steve Hogg, a former President of CASA, was hired as a consultant to coordinate membership recruitment; the 2018-19 CASA budget is being developed, with a budget workshop scheduled for June 4, 2018; and the Board participated in a discussion/debrief on the recent Public Policy Forum in Sacramento. The meeting ended with a closed session, for which no information could be reported. President Young thanked Director Becker for representing Oro Loma on the CASA Board.

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

President Young opened the floor for Staff/Director comments. General Manager Warner announced that EBDA General Manager Jackie Zipkin had a healthy baby boy, and that Mike Connor would be the acting General Manager while she is on leave. He also mentioned that the District hosted a group of 100 students from Arroyo High School. A panel of Oro Loma employees from various departments spoke to the students about their jobs and how they came to work at the District, and followed up with a question/answer session. Tours of the treatment plant were also provided to the students. Warner also said that a group of BACWA members will tour the Microvi pilot program on Friday, May 18, 2018.

Director Duncan said that she attended the April 12, 2018 Groundbreaking Ceremony for the Cherryland Community Center, located at the corner of Hampton and Boston Roads in the Cherryland area of the District; construction is expected to be completed in May 2019. President Young thanked Director Duncan for attending the ceremony on Oro Loma's behalf.

Director Walters said that he attended the East Bay Economic Development Alliance (EDA) Legislative and Elected Officials event at the Oakland Coliseum. While there, he had the opportunity to talk to Senator Bob Wieckowski and his District Director about the accessory dwelling unit issue.

President Young requested an update on Oro Loma's procedures in the event of a dangerous intruder on District property. General Manager Warner said that a policy is in place, and it would be provided to the Board.

At 4:03 p.m., President Young closed the regular session of the meeting and called for a short recess, at which time staff and members of the general public vacated the boardroom. At 4:10 p.m., the Board, Legal Counsel Lauren Quint and Jesse Lad, and staff Jason Warner and Andreea Simion adjourned to closed session to discuss significant exposure to litigation, pursuant to the California Government Code, paragraph 2 of subdivision d of section 54956.8 – one potential case. At 5:12 p.m., President Young reconvened to regular session, stating that no reportable action was taken in closed session.

There being no further business to come before the Board, President Young adjourned the meeting at 5:13 p.m.

Rita Duncan
Secretary

(Recording Secretary:
Sally Green)