



BOARD MEETING AGENDA

**Tuesday, June 1, 2010
3:00 p.m.**

**Oro Loma Sanitary District Boardroom
2655 Grant Avenue
San Lorenzo, CA 94580**

In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in a District meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Board Clerk's office at 510-276-4700. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

1. **Call To Order**
2. **Roll Call: Directors Becker, Dias, Kerr, Landis, Sidari**
3. **General Public**
(Members of the public wishing to comment on any item not on the agenda, but within the Board's jurisdiction, should notify the Board at this time. Those wishing to comment on any item on the agenda should do so at the time the item is considered. Comments may be limited to three (3) minutes. Time limitations shall be at the discretion of the President.)

CONSENT CALENDAR

- Motion
4. **Approval of Minutes of May 18, 2010**
(The Board will be asked to approve the minutes.)

COMMITTEE/AUTHORITY/CONFERENCE REPORTS

- Information
5. **Report from the Operations Committee**
(Director Sidari will report on the May 19, 2010 meeting.)
- Information
6. **Report from the Personnel/Safety/Public Information Committee**
(Director Becker will report on the May 20, 2010 meeting.)
- Information
7. **Report from the East Bay Dischargers Authority**
(Director Dias will report on the May 20, 2010 meeting.)
- Information
8. **Report from the Alameda County Waste Management Authority**
(Director Landis will report on the May 26, 2010 meeting.)
- Motion
9. **Approval of Board Committee Minutes for Entry to District Record**
(The Board will be asked to approve the Board Committee minutes for entry to the District record by reference.)

STAFF REPORTS

- Information 10. **Presentation on “Cast-In-Place” Pipeline Rehabilitation**
(Staff will make a presentation on how “cast-in-place” pipeline rehabilitation works.)

NEW BUSINESS

- Motion 11. **Approval of Revised Policy/Standard Procedure: Accounting and Safeguarding District Capital Assets and Expense Items**
(The Board will be asked to approve the revised policy/standard procedure.)
- Motion 12. **Approval Authorizing the General Manager to Open a Money Market Account with Wells Fargo Bank**
(The Board will be asked to approve authorizing the General Manager to open a money market account with Wells Fargo Bank with an initial deposit of \$1,000,000.)
- Resolution 13. **Resolution Approving for Oro Loma Sanitary District to Tax Defer Member Contributions—IRC 414(h)(2) Employer Pick-Up**
(The Board will be asked to adopt the resolution.)
- Resolution 14. **Resolution Accepting Notice of Completion: Digesters 1, 2, 4, and 5 Rehabilitation**
(The Board will be asked to adopt the resolution accepting completion of the project and directing the filing of a Notice of Completion with the County Clerk.)
- Resolution 15. **Resolution Relating to the General District Election for the Election of Members to the Sanitary Board of the Oro Loma Sanitary District and Requesting the Board of Supervisors of Alameda County to Order its Consolidation with the 2010 Direct General Election**
(The Board will be asked to adopt the resolution asking that the Board of Supervisors consolidate the general District’s election with the 2010 Direct General Election to be held November 2, 2010.)
16. **Staff/Directors Comments**
(Board and/or staff members may comment on items of interest.)
17. **Adjournment**

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

JUNE 1, 2010

The regular meeting of the Sanitary Board of Oro Loma Sanitary District was called to order by President Kerr at 3:00 p.m., on Tuesday, June 1, 2010, at the District offices at 2655 Grant Avenue, San Lorenzo. Present were President Kerr and Directors Becker, Dias, Landis, and Sidari. Also in attendance were: Jason Warner, General Manager; Paul Zolfarelli, Director of Water Quality Services; Bill Halsted, District Engineer; Anna Wilewski-Turon, Finance Manager; Andreea Simion, Administrative Services Manager; Julie Kerr, Administrative Assistant; and, Mike Rodriguez, District Legal Counsel, and members of the public, Dan Walters, Angelino Santos, and Gustav Schier.

There were no comments from the general public.

Director Landis moved approval of the following Consent Calendar items based on staff recommendations: 4) Approval of Minutes of May 18, 2010. The motion was seconded by Director Becker and carried unanimously.

Director Sidari reported on the May 19, 2010 meeting of the Operations Committee. Items discussed included: 1) Laboratory Microscope: a presentation was made highlighting the new microscope purchased for the laboratory; with the new microscope, images can be captured and displayed, which can be useful for training and process control; staff will provide a presentation to the full board at its next meeting; 2) Natural Gas Usage: purchase of natural gas for the month of April 2010 was up from the previous month, as digester gas consumption was down, as a direct result of the rebuild work on Co-gen Engine No. 1; during the rebuild, the use of grease to the digestion process was suspended; natural gas was purchased to help keep the digesters warm by running the boiler; 3) Monthly Power and Chemical Costs: the costs for the month of April 2010 for electricity, natural gas, ferric, hypo, and polymer was \$64,131, which was higher than that of \$52,283 for March 2010; the increase was due to the additional gas and electricity purchased during the Co-gen rebuild; 4) Primary Clarifier Repair: photos were provided of recent repairs to the primary clarifier #2 skimmer arm; repair parts were fabricated in-house, and the installation of the skimmer arm required staff to use confined space entry procedures; work was completed in two days to ensure minimal impact on the process; 5) Biosolids Hauling: S&S Trucking began hauling on May 20, 2010, and will remove an estimated 5,000 tons of biosolids for reuse at the Altamont Landfill as alternative daily cover; it is anticipated that this haul will conclude within the next 14 days; an additional haul is planned for September 2010; and, 6) District Operations Overview: the plant is performing well, with effluent quality remaining good with TSS less than 13 mg/L.

Director Becker reported on the May 20, 2010 meeting of the Personnel/Safety/Public Information Committee. Items discussed included: 1) Resolution Approving for OLSA to Tax Defer Member Contributions—IRC 414(h)(2) Employer Pick-Up: in accordance with existing labor agreements, the District is ‘picking up’ the employees’ contributions to CalPERS on a pre-tax basis, and makes those contributions directly to CalPERS on behalf of the employees; no changes in procedure are required, however, CalPERS is asking the member agencies to adopt an updated resolution to this effect, and to include language that specifically refers to the Internal Revenue Code,

Section 414(h)(2); 2) Health Care Bill 2010: with the understanding that CalPERS is still researching the extent of the bill's effect on member agencies, staff presented the main provisions of the Bill, and their potential effects on the District, including: increase in dependent coverage from age 23 to age 26, effective January 1, 2011; elimination of lifetime maximums on benefits (effective January 1, 2011), and annual limits on benefits (effective January 1, 2014) – the medical premiums could increase to alleviate the effect of this change; preventative care will be offered without copays or deductibles, effective January 1, 2011; annual contributions to health reimbursement accounts will be capped at \$2,500 per year, effective January 1, 2013 (indexed by CPI as of January 1, 2014); over-the-counter drugs will no longer be reimbursable from health reimbursement accounts, unless prescribed by a physician, effective January 1, 2011; employer must disclose the value of the health benefits provided for each employee's health insurance coverage on the employee's annual Form W-2, effective January 1, 2011, first reported in 2012 for CY 2011; an excise tax will be imposed on high cost plans over \$10,200/year single and \$27,500/year family (indexed for inflation), effective January 1, 2018; 3) Discussion of the 100th Anniversary Celebration: ideas for the August 2011 event include: invite the public, all current and retired Board members and employees and their families, and a few elected officials from other organizations to an open house and lunch at the plant; invite only current and retired Board members and employees and their families to a lunch at the plant, while inviting elected officials from other organizations to attend a regularly scheduled Oro Loma Board meeting if they wish to offer congratulations; and, offer plant tours to the public in the morning, and then invite all current and retired Oro Loma Board members and employees and their families to a luncheon at the plant; there was extensive discussion of these options and the potential public interest in the event, cost, budget, and giveaways; staff was asked to bring back options for the event, including sources of funding, cost estimates and giveaways. The Committee also asked staff to include a notice in the Fall Oro Loma News, saying that the District will not be increasing sewer service charges for fiscal year 2010-2011.

Director Dias reported on the May 20, 2011 meeting of the East Bay Dischargers Authority. Items of interest included discussion of a study by Carollo Engineers regarding 24-hour rainfall distributions, contract flows, modeling results for various storm frequencies, and EBDA NPDES flows for each member agency. The EBDA Budget for FY 2010/11 was approved at the same meeting.

Director Landis reported on the May 26, 2010 meeting of the Alameda County Waste Management Authority. Item of interest included acceptance of the fiscal year 2008/09 audit, and the budget for fiscal year 2010/11.

Director Dias moved approval of the Board Committee minutes for entry to the District record by reference. The motion was seconded by Director Sidari and carried unanimously.

General Manager Warner introduced the presentation on "cast-in-place" pipeline rehabilitation, a method selected for the Meekland Avenue Easement Sewer Line Replacement project because of the existence of buildings either on, or within close proximity of the District's pipeline. District Engineer Halsted provided the Board with pictures and short videos showing the two types of cast-in-place pipes that are used, and how the laterals are re-cut by a robot. The only drawback to this type of pipe replacement is the reduction in pipe diameter, but the Colonial Acres line can still handle the flow.

Director Landis moved approval of the revised Policy/Standard Procedure, Accounting and Safeguarding District Capital Assets and Expense Items, as further amended by staff after the agenda was completed. This procedure combines two existing policies, "Disposal of District Assets" and "Accounting and Safeguarding Capital Assets", bringing together changes in staff responsibilities, capitalization values, and legal requirements for the disposal of certain assets. The motion was seconded by Director Dias and carried unanimously.

Director Landis moved approval authorizing the General Manager to open a Money Market Savings Account with Wells Fargo Bank, with an initial deposit amount of \$1,000,000, to further diversify the District's investments. This account will be collateralized by the Bank at 110%, as required by State Governmental Codes and/or other statutes governing the investment of public funds, and is available for immediate withdrawal if needed. The motion was seconded by Director Dias and carried unanimously.

Director Landis moved adoption of the following resolutions:

Resolution No. 3518, A RESOLUTION APPROVING FOR ORO LOMA SANITARY DISTRICT TO TAX DEFER MEMBER CONTRIBUTIONS—IRC 414(h)(2) EMPLOYER PICK-UP, which provides no change in current procedures, and only an updated resolution which includes the IRS code section, as required by CalPERS;

Resolution No. 3519, A RESOLUTION ACCEPTING COMPLETION AND DIRECTING FILING OF A NOTICE OF COMPLETION: DIGESTERS 1, 2, 4 AND 5 REHABILITATION PROJECT, and directing staff to file a Notice of Completion with the County; and,

Resolution No. 3520, A RESOLUTION RELATING TO THE GENERAL DISTRICT ELECTION FOR THE ELECTION OF MEMBERS TO THE SANITARY BOARD OF THE ORO LOMA SANITARY DISTRICT AND REQUESTING THE BOARD OF SUPERVISORS OF ALAMEDA COUNTY TO ORDER ITS CONSOLIDATION WITH THE 2010 DIRECT GENERAL ELECTION, to be held November 2, 2010.

The motion was seconded by Director Becker and carried unanimously.

Finance Manager Wilewski-Turon informed the Board that the District has purchased another \$1,000,000 2-Year Treasury Note, which has an interest rate of 0.75%, a quarter of a percent less than the last purchase, a month earlier.

Administrative Services Manager Simion read a thank you card received from the parents of one of the Poster Contest winners, a first grader at Del Rey Elementary School. Both staff and the Board said they had received several compliments on the awards ceremony.

General Manager Warner stated that this was his first year attending the Poster Contest Awards Ceremony, and he observed that in the week leading up to it, the Administration office transformed, with everyone working on the small details needed to make the ceremony a success. He thanked Administrative Services Manager Simion, Office Assistant/Poster Contest Coordinator

Sally Green, Administrative Assistant Kerr, Safety & Special Programs Administrator Larry Olivan, and Mechanic Ray Green for their efforts.

Warner also discussed the ongoing biosolids hauling, and that there had been some earlier discussion as to whether the District should notify nearby residents of the project. He felt that there has not been enough impact, and that any small problems that have occurred, such as muddy streets, have been rectified by the contractor immediately. Warner also informed the Board that the Treatment Plant was scheduled for a PG&E shutdown the following morning, to implement ARC Flash safety measures. During that time, emergency power will run the plant. Lastly, Warner stated that the clean-up day, with all the employees participating, was a successful event, there were plenty of brooms and dustpans to go around, and good work was done around the facility.

In answer to Director Dias' inquiry if the ARC Flash work has been worth the investment, Instrumentation Technician Santos, who was in the audience, stated that yes, that the intent was to bring the District down to a Category 2 in order to create a safer work area for the employees who work on electrical systems. Director of Water Quality Services Zolfarelli stated that Santos had a clear, minute-by-minute timetable on how the shutdown and work was to proceed. President Kerr stated that the Board appreciated staff's efforts to make the plant as safe as possible.

Director Becker gave kudos to staff for a fantastic job with the awards ceremony.

Director Landis inquired if there was anything new on the Berkshire acquisition of the solar company. General Manager Warner stated that Berkshire has purchased the rights to the Verizon tower that will be built on the District's plant site, and that Verizon will have an antenna, as well as other customers. Warner then informed the Board that he has talked with Solar Power Partners, and that they have a handshake deal with RTI to purchase the inverters and conduit already installed; also part of the deal is for RTI to take back the screws, release any claims on the District and release the site, and the District will relinquish any claims for liquidated damages. He stated that the District has not been involved in the negotiations, and that SPP had talked directly with RTI.

Directors Sidari and Dias thanked staff for the work done on the awards ceremony. President Kerr expressed his disappointment that more dignitaries did not attend, but he felt that everything went well, and that the General Manager did a good job for his first time attending.

There being no further business to come before the Board, the meeting adjourned, at 4:12 p.m.

Roland J. Dias
Secretary

(Recording Secretary:
Julie Kerr)