

## MINUTES

Tuesday, February 25, 2014

**East Bay Municipal Utility District  
Board of Directors  
375 Eleventh Street  
Oakland, California**

### Regular Closed Session Meeting

President Katz called to order the Regular Closed Session Meeting of the Board of Directors at 11:13 a.m. in the Administration Center Board Room.

### ROLL CALL

Directors Katy Foulkes, Doug Linney, Frank Mellon, William B. Patterson, and President Andy Katz were present at roll call. Directors John A. Coleman and Lesa R. McIntosh were absent (excused) to attend the Association of California Water Agencies (ACWA) 2014 Conference in Washington, D.C.

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins, Attorney Xanthe M. Berry (Items 1a and 2a), Risk Manager Karen K. Curry (Items 1a, 2a, and 2b), Attorney Lourdes Matthew (Item 2b), Attorney Frederick S. Etheridge (Item 2c), and Director of Water and Natural Resources Richard G. Sykes (Item 2c).

### PUBLIC COMMENT

Addressing the Board were the following persons: 1) M. Rosa Merced, representing AFSCME Local 2019, asked for a status update on the labor negotiations debriefing that was discussed at the December 10, 2013 Board meeting. She also asked who was responsible for finalizing the actions needed to reclassify the two Network Analyst III positions to Senior System Programmer per the letter of agreement; 2) Kenneth Gerstman, 1st Vice-President, AFSCME Local 2019, commented that changes had not been finalized for the reclassification of two Network Analyst III positions to Senior System Programmer nor had the letter of agreement been included in the Memoranda of Understanding (MOU) by Employee Relations staff. As a result, he said the union has not signed the final MOU, and he asked for resolution of this issue; and 3) Chuck Detzel, EBMUD Network Analyst III, expressed his frustration about excuses given by the Human Resources Department for not completing the paperwork required to reclassify his position to Senior System Programmer even though it had been approved.

### ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Katz announced the Closed Session agenda. The Board convened to Conference Room 8A/B for discussion.

### **Regular Business Meeting**

President Andy Katz called to order the Regular Business Meeting of the Board of Directors at 1:17 p.m. in the Administration Center Board Room.

### **ROLL CALL**

Directors Katy Foulkes, Doug Linney, Frank Mellon, William B. Patterson, and President Andy Katz were present at roll call. Directors John A. Coleman and Lesa R. McIntosh were absent (excused) to attend the ACWA 2014 Conference in Washington, DC.

### **BOARD OF DIRECTORS**

President Katz led the Pledge of Allegiance.

### **ANNOUNCEMENTS FROM CLOSED SESSION**

No announcements were required from closed session.

### **PUBLIC COMMENT**

There was no public comment.

### **CONSENT CALENDAR**

- Motion by Director Mellon, seconded by Director Patterson, to approve Items 1-14 on the Consent Calendar, carried (5-0) by the following voice vote: AYES (Foulkes, Linney, Mellon, Patterson, and Katz); NOES (None), ABSTAIN (None), ABSENT (Coleman and McIntosh).
1. **Motion No. 030-14** -- Approved the Regular Meeting Minutes of February 11, 2014.
  2. The following correspondence was filed with the Board: 1) Various correspondence submitted by Kenneth Gerstman related to the reclassification of Network Analysts Chuck Detzel and David Valenzuela; 2) Various correspondence submitted by M. Rosa Merced related to the reclassification of Network Analysts Chuck Detzel and David Valenzuela; 3) Presentation entitled, "Water Supply Briefing and Dry Year Planning" dated February 25, 2014; 4) Memorandum dated February 24, 2014 to Board of Directors from Cheryl A. Farr, Special Assistant to the General Manager, regarding Fact Sheet on Water Supply – February 2014; 5) Memorandum dated February 25, 2014 to Board of Directors from Cheryl A. Farr, Special Assistant to the General Manager regarding EBMUD 2012-2013 Biennial Report; 6) Memorandum dated February 25, 2014 to Board of Directors from Alexander R. Coate, General Manager, regarding California Water Policy Conference – April 3-4, 2014; and 7) Memorandum dated February 25, 2014 to Board of Directors from Alexander R. Coate, General Manager, regarding California Special Districts Association Board: Call for Nominations.

3. **Motion No. 031-14** -- Awarded contracts to the lowest responsive/responsible bidder, Alliance Welding Supplies, Inc., in the estimated annual amount of \$55,000 for supplying pure and specialty gases for the District Laboratory for the period beginning March 1, 2014 and ending February 28, 2016 with three (3) options to renew for additional 1-year periods for a total estimated cost of \$275,000 under Request for Quotation No. 1410.
4. **Motion No. 032-14** -- Awarded a contract to the lowest responsive/responsible bidder Matheson Tri-Gas, Inc., in the annual estimated amount after the addition of taxes of \$177,888 for supplying an oxygenation system and required oxygen for Camanche Reservoir for the period beginning March 15, 2014 and ending March 14, 2019 for a total cost of \$889,440 under Request for Quotation No. 1414.
5. **Motion No. 033-14** -- Awarded a contract to the lowest responsive/responsible bidder, Pantano Demolition, in the amount of \$216,091 for construction of the West End Property Demolition, Phase 1 under Specification SD 360.
6. **Motion No. 034-14** -- Awarded an interim contract to Polydyne, Inc. in the estimated amount of \$500,000 after the addition of taxes for supplying approximately 150,000 gallons of polymer for water treatment at three of the District's water treatment plants for the period beginning February 26, 2014 and ending December 31, 2014.
7. **Motion No. 035-14** -- Authorized the Affirmative Action Office to continue the employment of the law firm of Jane Kow & Associates for Equal Employment Opportunity investigative services for an additional \$70,000.
8. **Motion No. 036-14** -- Authorized an agreement with Fuel Serv in an amount not to exceed \$760,061 for the supply, installation and maintenance of a fuel management system at 13 District fueling sites during the period of March 1, 2014 to March 1, 2017, with one option to renew for an additional one-year period for maintenance only.
9. **Motion No. 037-14** -- Authorized an agreement with Kimley-Horn and Associates, Inc. in an amount not to exceed \$154,500 for environmental and engineering design services related to the Briones Raw Water Aqueduct in Orinda.
10. **Motion No. 038-14** -- Authorized an agreement with Laserlink International, Inc. in an amount not to exceed \$35,000 annually for printer, plotter, and desktop scanner repair service for the District during the period March 1, 2014 to February 29, 2016, with 2 options to renew for an additional 1-year period for a total amount not to exceed \$140,000.
11. **Motion No. 039-14** -- Authorized an agreement with WaterSmart Software, Inc. in an amount averaging \$300,000 annually to provide customer water consumption reporting and engagement services for the period March 3, 2014 through September 30, 2017 at a total cost of \$900,000.

12. **Motion No. 040-14** -- Approved three actions for the development of a one-year water purchase with Placer County Water Agency: Authorized the General Manager to execute a one-year water purchase agreement with Placer County Water Agency (PCWA) for an option to purchase up to 20,000 acre-feet (AF) of water at a cost of \$75 per acre-foot for a maximum total of \$1,500,000 in 2014; and pay PCWA a \$100,000 non-refundable processing fee that would be credited towards 2014 water purchases; Authorized the General Manager to exercise options to purchase up to 20,000 AF of water from PCWA to be used for testing of the Freeport Regional Water Facility and supplementing the District's water supply; and Authorized the General Manager to enter into a Warren Act contract with the United States Bureau of Reclamation to move up to 20,000 AF of PCWA transfer water through Folsom Reservoir and the Folsom South Canal at a cost not to exceed \$600,000.
13. **Motion No. 041-14** -- Authorized the Office of General Counsel to continue the employment of the law office of Remcho, Johansen & Purcell, LLP in an additional amount not to exceed \$40,000 for specialized legal services related to elections and conflicts of interest matters.
14. **Motion No. 042-14** -- Authorized the Office of General Counsel to continue employment of the law firm of Barg, Coffin, Lewis & Trapp, LLP, for specialized legal services related to environmental regulatory and environmental litigation matters in an additional amount not to exceed \$180,000.

#### **DETERMINATION AND DISCUSSION**

15. **Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the bills and recommended actions contained in Legislative Report No. 01-14. She said EBMUD staff has been working with legislative staff for the past several weeks to communicate EBMUD's shovel-ready recycled water projects and is now compiling a list of all EBMUD projects that may be eligible for funding in the areas of recycling, conservation, and greenhouse gas emission reduction. Additionally, staff is working with the Department of Water Resources to better understand how the allocation process is intended to work upon enactment of pending legislation. Once the legislation is introduced and specific language becomes available, staff will provide additional information to the Board.

- Motion by Director Mellon, seconded by Director Patterson, to approve the recommended positions in Legislative Report No. 01-14, carried (5-0) by the following voice vote: AYES (Foulkes, Linney, Mellon, Patterson, and Katz); NOES (None), ABSTAIN (None), ABSENT (Coleman and McIntosh).

**Motion No. 043-14** -- Received Legislative Report No. 01-14 and approved positions on the following bills: SUPPORT S. 224 (Feinstein) San Francisco Bay Restoration Act; SUPPORT H.R. 843 (Speier) San Francisco Bay Restoration Act; SUPPORT AND AMEND S. 2016 (Feinstein) California Emergency Drought Relief Act of 2014; SUPPORT AND AMEND H.R. 4039 (Costa) California Emergency Drought Relief Act of 2014; INFORMATION H.R. 3964 (Valadao) Sacramento-San Joaquin Valley Emergency Water Delivery Act, and INFORMATION California Emergency Drought Legislation.

**16. General Manager's Report.**

Operations and Maintenance Department Manager Eileen M. White presented the water supply briefing and an update on dry year planning efforts. She reported that since the last water supply update, not much has changed. Statewide water supply conditions are poor to critical and EBMUD reservoir storage is fair at 62 percent of capacity. To date, the Mokelumne watershed has received 8.47 inches of precipitation and the East Bay precipitation totaled 4.59 inches. Rainfall Year 2014 is the driest year on record in the Mokelumne watershed and projected end of September storage with median precipitation is projected at 430,000 acre-feet.

Ms. White reported that the District has taken preliminary actions to secure supplemental water supplies. The sources of this water include the District's existing Central Valley Project (CVP) contract with the U.S. Bureau of Reclamation and transfers pursuant to our agreement with the Placer County Water Agency. A portion of the first 5,000 acre-feet of water under the CVP contract could be used to perform a planned test of the Freeport facility fish screens. Additional water would only be used if needed based on findings from the Water Supply Availability and Deficiency Report submitted in April.

Customer outreach efforts regarding the drought have begun and include the following: bill and telephone messages, leak hotline, restaurant table tent cards, athletic club shower stickers, hotel room cards, and customer door hangers. Community events include meetings and presentations to golf courses, homeowners' associations, parks and recreation departments, and seminars. Staff will continue to provide regular water supply updates to the Board and continue public outreach.

General Manager Coate reported the following informational memos had been provided to the Board: Fact Sheet on Water Supply – February 2014; EBMUD 2012-2013 Biennial Report; California Special Districts Association Board: Call for Nominations; and California Water Policy Conference – April 3-4, 2014. The Board raised no questions.

**REPORTS AND DIRECTOR COMMENTS**

**17. Committee Reports.**

- Filed with the Board were the Minutes of the February 11, 2014 Planning and Legislative/ Human Resources Committees.

**18. Director Comments.**

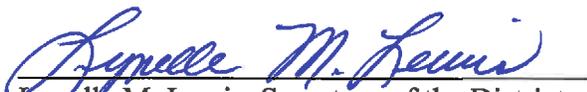
- Director Foulkes reported attending the Pardee Home Museum Board meeting on February 24.
- President Katz reported attending the Planning and Conservation League Symposium on February 1 in Davis and the East Bay Economic Development Alliance Innovation Awards on February 13 in Oakland.

- Director Linney had no comment.
- Director Mellon had no comment.
- Director Patterson had no comment.
- Director Coleman reported attending/participating in the following events: Association of California Water Agencies (ACWA) Executive Committee and Board of Directors teleconference meetings on February 12; ACWA drought briefing and Drought Action Task Force teleconference meetings on February 13 in Oakland; ACWA 2014 drought briefing and Drought Action Task Force Committee teleconference meetings on February 14 in Sacramento; ACWA Executive Committee presentation and meeting on February 18 in Sacramento; and both California Association of Sanitation Agencies and ACWA conferences from February 23-27 in Washington, D.C. He reported on plans to attend the following upcoming events: Lunch with Barry Nelson and Peter Yolles on March 4 in Oakland; ACWA Executive Committee teleconference meeting on March 4 in Oakland; ACWA Annual Legislative Meeting on March 5 in Sacramento; Panelist at ACWA California State Chamber of Commerce on March 6 in Santa Monica; and Upper Mokelumne Watershed Authority Advisory Board teleconference meeting on March 11 in Oakland.

**ADJOURNMENT**

The meeting was adjourned at 1:44 p.m.

SUBMITTED BY:

  
Lynelle M. Lewis, Secretary of the District

APPROVED: March 11, 2014

  
Andy Katz, President of the Board