BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT

375 - 11th Street, Oakland, CA 94607 Office of the Secretary: (510) 287-0440

AGENDA
Tuesday, April 24, 2018

REGULAR CLOSED SESSION
11:00 a.m., Board Room

ROLL CALL:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

ANNOUNCEMENT OF CLOSED SESSION AGENDA:

1. Existing litigation pursuant to Government Code section 54956.9(a):

    a. *Ivette Rivera v. East Bay Municipal Utility District*
    United States Court of Appeals, Ninth Circuit, Case No. 17-16891

    b. *Timothy Alford, et al. v. East Bay Municipal Utility District, et al.*
    Contra Costa County Superior Court, Case No. MSC16-01348

2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):

    a. Town of Moraga
    Claim No. 2017-L-290

    b. William Strauss and Suzanne Strauss
    Claim No. 2018-L-076

    c. One matter.

(The Board will hold Closed Session in Conference Room 8)

REGULAR BUSINESS MEETING
1:15 p.m., Board Room

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance

ANNOUNCEMENTS FROM CLOSED SESSION:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

CONSENT CALENDAR: (Single motion and vote approving 17 recommendations, including 3 resolutions.)

1. Approve the Regular Meeting Minutes of April 10, 2018.

2. File correspondence with the Board.

3. Award contracts to lowest responsive/responsible bidders Peterson Tractor Co., Pape Machinery, Inc., California Diamond Products, and Edward R. Bacon Company, Inc., for an annual amount of $2,366,403, after the addition of taxes, for supplying construction equipment for the District Fleet for three years, beginning on or after May 1, 2018 with two options to renew for an additional one-year period in an amount not to exceed $11,832,015 under Request for Quotation No. 1720.

4. Award a contract to the lowest responsive/responsible bidder, F.D. Thomas, Inc., in the amount of $3,844,128 for construction of the Main Wastewater Treatment Plant Digester Nos. 10 and 11 Coating Repairs under Specification SD-395.

5. Award a contract to the lowest responsive/responsible bidder, Monterey Mechanical Co., in the amount of $9,440,000 for construction of the Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation – Phase 5 under Specification SD-396.

6. Award a contract to CDW Government, LLC, in an amount, after the addition of taxes, not to exceed $225,000 for supplying Microsoft licensing of Windows server operating system and Exchange email software for District-wide use, beginning on or after April 24, 2018 under State Contract No. ADSPO16-130652.

7. Award a contract to IDModeling, Inc., beginning on or after May 1, 2018, in an amount not to exceed $578,660 for Sedaru software, customization, and training for one year, with four options to renew for an additional one-year period for annual licensing and services at $266,760 each year, plus optional services not to exceed $88,200, for a total cost of $1,733,900.

8. Authorize an agreement with AECOM Technical Services, Inc., in an amount not to exceed $1,057,403 for the design of retrofits to the Lafayette Reservoir Outlet Tower.

9. Authorize actions related to agreements with Amador Water Agency (AWA).

    9.1. Authorize execution of an agreement with AWA for the provision of wholesale raw water service to provide a water supply for the Camanche North Shore Recreation Area facilities.

    9.2. Authorize execution of Amendment Number 2 to the existing Transmission Project Agreement, at the request of AWA, to terminate that agreement on December 31, 2022.

    9.3. Determine that the project is exempt from the requirements of the California Environmental Quality Act.

10. Authorize an agreement with Panorama Environmental, Inc., in an amount not to exceed $626,079 to prepare the required environmental documentation and related permitting for the Large Scale Photovoltaic Project.

CONSENT CALENDAR: (Continued)

11. Authorize an amendment to the existing agreement with Walls Inspection Company, Inc. to increase the agreement amount by $700,000 to a total amount not to exceed $1,160,000 for specialty plant inspection services for various construction projects.

12. Authorize an amendment to the contracts awarded to various companies in accordance with the timing and pricing specified in the relevant State of California annual vehicle purchase contracts under Board Motion No. 073-15 dated April 28, 2015 for supplying automobile and light trucks for the District's fleet to increase the amount by $5,326,000 for a total cost of $17,981,400 for the remainder of the five-year period ending April 30, 2020.

13. Authorize the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett, LLP, for specialized legal services related to construction, public contract and procurement, claims, intellectual property and technology matters, tax, public pension law, labor and employment, and litigation matters.

14. Approve the February and March 2018 Monthly Investment Transactions Reports.

15. Approve revisions to Policy 4.07 – Investment Policy which was last revised on April 25, 2017, and affirm existing delegation of authority for the management of investments on behalf of the District to the Director of Finance, who is also acting as the Treasurer of the District. (Resolution)

16. Appoint Manager of Maintenance and Construction/Operations. (Resolution)

17. Appoint Treasury Manager. (Resolution)

DETERMINATION AND DISCUSSION:

18. Adopt a resolution of support for the Mokelumne River Wild and Scenic River Study Report including its recommendation for designation of approximately 37 miles of the river into the California Wild and Scenic Rivers System. (Resolution)

19. Legislative Update:
    - State Legislative Initiative No. 4 for 2018 Legislative Year
    - Update on Legislative Issues of Interest to EBMUD

20. Consider a revised policy on statewide retail water user surcharges.

21. File the Water Supply Availability and Deficiency Report in conformance with District Policy 9.03 – Water Supply Availability and Deficiency, and declare that the District's water supply is sufficient for meeting customer demands in 2018.

22. General Manager's Report.

REPORTS AND DIRECTOR COMMENTS:

23. Committee Reports:
    - Planning
    - Legislative/Human Resources

REPORTS AND DIRECTOR COMMENTS: (Continued)

24. Other Items for Future Consideration.

25. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, May 8, 2018 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.

Disability Notice

If you require a disability-related modification or accommodation to participate in an EBMUD public meeting please call the Office of the Secretary (510) 287-0404. We will make reasonable arrangements to ensure accessibility. Some special equipment arrangements may require 48 hours advance notice.

Document Availability

Materials related to an item on this Agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours, and can be viewed on our website at www.ebmud.com.

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BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Tuesday, April 24	**Finance/Administration Committee** Patterson {Chair}; Coleman Mellon	9:45 a.m. Training Resource Center	• Quarterly Financial Reports • Monthly Investment Transactions Reports • Investment Policy Annual Review • Liquidity Facility Contract Extension • Wastewater Cost of Service Study
	Sustainability/Energy Committee Young {Chair}; Katz; Linney	10:30 a.m. Training Resource Center	• Employee Commuting • Renewable Energy Update
	Board of Directors	11:00 a.m. 1:15 p.m.	• Closed Session • Regular Meeting
Tuesday, May 8	**Planning Committee** Mellon {Chair}; Linney; Young	9:15 a.m. Training Resource Center	
	Legislative/Human Resources Committee Coleman {Chair}; Patterson; Young	10:15 a.m. Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	• Closed Session • Regular Meeting
Tuesday, May 22	**Finance/Administration Committee** Patterson {Chair}; Coleman; Mellon		*Cancelled*
	Strategic Plan & FY/19 Mid-Cycle Budget Workshop	TBD Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	• Closed Session • Regular Meeting
Monday, May 28	**Memorial Day**		*District Offices Closed*

Draft Prepared By
RC
Office of the Secretary

MINUTES

Tuesday, April 10, 2018

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

Regular Closed Session Meeting

President Lesa R. McIntosh called to order the Regular Closed Session Meeting of the Board of Directors at 11:02 a.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director Andy Katz called into Conference Room 8 at 11:13 a.m. and Director Doug Linney was absent (excused).

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Assistant General Counsel Frederick S. Etheridge (Items 1a & 2); Manager of Water and Natural Resources Richard G. Sykes (Items 1a & 2); Attorney Rachel R. Jones (Item 2); and Director of Operations and Maintenance Clifford C. Chan (Item 2).

PUBLIC COMMENT

- Addressing the Board was Ruben Rodriguez, 1st Vice-President, AFSCME Local 444, who commented on the District's proposed Technical Trades Apprenticeship Program and the union's hope that the program will include participants from the local community, women and minorities. Mr. Rodriguez thanked District staff for their work on this effort.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President McIntosh announced the closed session agenda. The Board convened to Conference Room 8 for discussion.

Regular Business Meeting

President McIntosh called to order the Regular Business Meeting of the Board of Directors at 1:15 p.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Andy Katz, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director Doug Linney was absent (excused).

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Secretary of the District Rischa S. Cole.

BOARD OF DIRECTORS

President McIntosh led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

- Addressing the Board was George Cleveland, AFSCME Local 2019, who requested an update on the union's request for the District to consider paying overtime to the Local 2019 employees who participated in the final labor negotiations meeting.

  General Manager Alexander R. Coate advised Human Resources Manager Laura A. Brunson will follow up with Local 2019.

CONSENT CALENDAR

- Motion by Director Coleman, seconded by Director Young, to approve the recommended actions for Items 1-8 on the Consent Calendar, carried (6-0) by the following voice vote: AYES (Coleman, Katz, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Linney).

1. **Motion No. 039-18** – Approved the Special and Regular Meeting Minutes of March 27, 2018.

2. The following correspondence was filed with the Board: **1)** Presentation entitled, "Water Supply Update," dated April 10, 2018; **2)** memorandum dated April 10, 2018 to Board of Directors from David A. Briggs, Manager of Water Operations regarding Freeport Regional Water Authority, April 12, 2018 Board of Directors Special Meeting; and **3)** Speakers' Bureau and Outreach Record CY18 as of April 10, 2018.

3. **Motion No. 040-18** – Authorized an agreement beginning on or after April 10, 2018 with Franzenburg in an amount of $152,880 annually for dewatering centrifuge maintenance services for the Main Wastewater Treatment Plant for three years, with two options to renew for an additional one-year period for a total cost not to exceed $764,400.

4. **Motion No. 041-18** – Authorized an agreement beginning on or after April 10, 2018 with GovernmentJobs.com, Inc., dba NEOGOV in an amount not to exceed $35,500 annually for online recruitment and onboarding services for two years, including base fees and one-time implementation and consulting costs, with three options to renew for an additional one-year period at approximately $40,000 per renewal period, for a total cost of $191,000.

5. **Motion No. 042-18** – Approved the assignment of the contract for Sodium Hypochlorite and Sodium Bisulfite (Request for Quotation No. 1624) originally awarded under Board Motion No. 021-17, from Sierra Chemical Co. to Thatcher Company of California, Inc.

6. **Motion No. 043-18** – Authorized the Office of the General Counsel to amend an existing agreement with MBK Engineers to increase the agreement amount by $250,000 to a total amount not to exceed $830,000 for confidential, technical, and professional services in support of water rights issues.

7.1. **Resolution No. 35079-18** – Amending The East Bay Municipal Utility District 401(a) Plan.

7.2. **Resolution No. 35080-18** – Amending The East Bay Municipal Utility District 401(k) Tax Deferred Savings Plan.

8. **Resolution No. 35081-18** – Fixing The Boundaries Of The Wards For The Purpose Of Electing Directors Therefrom.

DETERMINATION AND DISCUSSION

9. **Legislative Update.**

Legislative/Human Resources Committee Chair John A. Coleman reported that the Committee met this morning and approved the staff recommended positions in Legislative Report No. 03-18. Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the bills and recommended actions contained in the report and provided an update on federal legislative activities including the recently approved Fiscal Year 2018 federal budget.

- Motion by Director Coleman, seconded by Director Patterson, to approve the recommended actions for Item 9, carried (6-0) by the following voice vote: AYES (Coleman, Katz, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Linney).

Motion No. 044-18 – Received Legislative Report No. 03-18 and approved positions on the following bills: SUPPORT AB 2060 (Garcia) Water: Grants: Advanced Payments; SUPPORT AB 2064 (Gloria) Integrated Regional Water Management Plans: Grants: Advanced Payment; and SUPPORT SB 929 (McGuire) Special Districts: Internet Web Sites.

10a-10b. **Approve implementation of the second year general salary increase of 4.3% in accordance with the 2017-2021 Memoranda of Understanding (MOUs) between the District and AFSCME Locals 2019 and 444, IUOE Local 39 and IFPTE Local 21; and authorize a 4.3% general salary increase for Senior Management Team Members, Managers, Confidential employees and other Non-Represented employees in accordance with Resolution 35074-18. For purposes of Section 54953(c)(3) of the Brown Act, Senior Management Team Members referenced herein include: General Manager, General Counsel, Secretary of the District, Manager of Customer & Community Services, Director of Engineering & Construction, Director of Finance, Manager of Human Resources, Director of Operations & Maintenance, Director of Wastewater, Director of Water & Natural Resources, Special Assistant IV (Legislative Affairs), and Special Assistant IV (Public Affairs).**

General Manager Alexander R. Coate introduced Items 10a and 10b. President McIntosh announced the Board would cast one vote for both items by roll call, and provided the following summary of the changes in salary ranges, salaries and wage rates being considered

under Item 10b for Senior Management Team members including the General Manager and the General Counsel.

"Pursuant to Section 54953(c)(3) of the Government Code, the Board of Directors provides this oral report prior to taking action on the salary, salary schedule and compensation paid in the form of fringe benefits paid to the members of the Senior Management Team listed below, including the General Manager and the General Counsel. In accordance with the employment agreements with the General Manager and the General Counsel, the Board may authorize the same general salary increases and benefits to the General Manager and the General Counsel as that granted to District employees at the department director level. As such, it is recommended that the General Manager and the General Counsel each receive a 4.3% increase in their annual salary, commensurate with the 4.3% increase being granted to all District employees in this action, effective April 16, 2018. The 4.3% increase consists of a cost-of-living increase of 3.8% based on the Consumer Price Index and an additional 0.5% enhancement. Additionally, it is recommended that the following members of the Senior Management Team also be granted a 4.3% increase in their current annual salary, commensurate with the increase being granted to all District employees in this action, effective April 16, 2018: Secretary of the District; Manager of Customer & Community Services; Director of Engineering & Construction; Director of Finance; Manager of Human Resources; Director of Operations & Maintenance; Director of Wastewater; Director of Water & Natural Resources; Special Assistant IV (Legislative Affairs); and Special Assistant IV (Public Affairs). The current salaries are contained in the Salary Schedule authorized by the Board and on file with the Secretary of the District."

Director Coleman stated that he would be voting "No" on the recommended actions.

- Motion by Director Patterson, seconded by Director Mellon, to approve the recommended actions for Items 10a and 10b, carried (5-1) by the following roll call vote: AYES (Katz, Mellon, Patterson, Young, and McIntosh); NOES (Coleman); ABSTAIN (None); ABSENT (Linney).

Resolution No. 35082-18 – Revise District Salary Ranges, Salaries And Wage Rates.

11. **General Manager's Report.**

Manager of Maintenance and Construction David A. Briggs presented the Water Supply Update. He reviewed the District's current water supply and precipitation in the Mokelumne and East Bay areas, the Caples Lake snow depth and runoff projections. As of April 8, total system storage was 684,700 acre feet or 109 percent of average while total system capacity was 89 percent. Mr. Briggs noted that although it is a below normal year, the District's carryover storage will be near full by the end of September 2018.

REPORTS AND DIRECTOR COMMENTS

12. **Committee Reports.**

- None.

13. **Other Items for Future Consideration.**

- None.

14. **Director Comments.**

- Director Coleman reported attending meetings with City of Lafayette to discuss Leland Reservoir on April 3 in Lafayette and with Round Hill POA to discuss an AMI Tower on April 10 in Alamo. He reported on plans to attend/participate in the following upcoming events: Freeport Regional Water Authority Board meeting and an East Bay Economic Development Alliance reception on April 12 in Oakland; meeting at Central Contra Costa Sanitary District to discuss recycled water on April 23 in Martinez; and a Ramboll-Global Care reception on April 23 in San Francisco.

- Director Katz had no comment.

- Director Linney had no comment.

- Director Mellon reported attending reported attending/participating in the following events: Career Day at San Lorenzo High School on March 28 in San Lorenzo; Career Day at San Leandro High School on March 29 in San Leandro; San Ramon Mayor's Breakfast on March 30 in San Ramon; and the Advanced Manufacturing and Transportation Apprenticeships of California Apprenticeship Program on April 9 in San Leandro.

- Director Patterson reported participating in the EBMUD and Union Locals Memorandum of Understanding signing on March 29 in Oakland and plans to participate in the Freeport Regional Water Authority Board meeting on April 12 in Oakland.

- Director Young had no comment.

- President McIntosh thanked Board members and staff for condolence cards acknowledging the recent passing of her family member.

ADJOURNMENT

President McIntosh adjourned the meeting at 1:35 p.m.

SUBMITTED BY:

_____

Rischa S. Cole, Secretary of the District

APPROVED: April 24, 2018

_____

Lesa R. McIntosh, President of the Board

EBMUD

AGENDA NO. 3.
MEETING DATE April 24, 2018

TITLE CONSTRUCTION EQUIPMENT

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Award contracts to the lowest responsive/responsible bidders listed below for an annual amount of $2,366,403, after the addition of taxes, for supplying construction equipment for the District Fleet for three years, beginning on or after May 1, 2018 with two options to renew for an additional one-year period in an amount not to exceed $11,832,015 under Request for Quotation (RFQ) No. 1720.

Vendor	Schedule	Bid Amount
Peterson Tractor Co.	II, III	$ 95,965
Pape Machinery, Inc.	IV, V, VI, VII, VIII, IX, X, XV, XVI, XVII	2,101,172
California Diamond Products	XI, XII	54,804
Edward R. Bacon Company, Inc.	XIII, XIV	114,462
	Total	**$2,366,403**

SUMMARY

RFQ No. 1720 solicited bids for 17 types of construction equipment which are used regularly by District staff to install and repair pipelines, and construct and maintain facilities. No bids were received on Schedule I – Multi Terrain Loader, and this equipment will be bid on an individual basis in the future (see attached table).

The recommended action provides for contracts with four vendors to replace and/or upgrade various types of construction equipment necessary for District construction and maintenance activities over the next five years. This equipment includes loaders, paving rollers, excavators, trailers, sweepers, and concrete saws. The procurement of this equipment supports the District's Long-Term Infrastructure Investment Strategic Plan goal.

Funds Available: FY18 through 22	Budget Code: WSG/756/7999 /0200140/5547	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR	APPROVED
Finance	Sophia D. Skoda	General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

DISCUSSION

The District replaces construction equipment as needed based on age and a mechanical condition evaluation. The estimated average annual expenditure for equipment to be replaced under this RFQ is $2,366,403. Actual expenditures by year will vary depending upon condition evaluation of the individual units identified for replacement. These multi-year contracts assist the District by providing better purchase pricing than one-year contracts, and the resulting equipment standardization provides volume pricing for maintenance parts and improved operational and repair training. These contracts also assist the District in complying with new air quality regulations, which require cleaner off-road vehicles and equipment. Various engine options included in the bid schedules will allow staff to select the most economical and cleanest-operating pieces of equipment.

VENDOR SELECTION

RFQs were sent to three resource organizations and to 26 potential bidders, advertised in the Oakland Tribune and posted to the District's website. Five bids were received. Four of the five bids were selected as lowest responsive/responsible bid submittals.

SUSTAINABILITY

Economic

Funding for these equipment replacements is included in the Vehicle Replacement Fund.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Environmental

The current state of the art construction equipment to be purchased under these contracts is manufactured with U.S. Environmental Protection Agency Tier 4 Final engine emissions standards, reduced fuel consumption, and low sound levels.

ALTERNATIVES

Do not replace this equipment. This alternative is not recommended because failure to replace equipment in a timely manner will increase operational costs due to the high cost of repair and reduced staff productivity. Poorly performing equipment can also pose possible unsafe working conditions for District personnel.

Initiate one-year contracts for this equipment. This alternative is not recommended as multi-year contracts with higher volume opportunities for successful bidders enable the District to exercise greater price leverage. Multi-year contracts also result in more standardized equipment with volume pricing for maintenance parts, improved operations and maintenance training efficiencies.

Attachments

Contract Award Summary
P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\Sec\2018 Board Related Items\042418 Board Agenda Items\FIN-BD1 Construction Equipment 042418.doc

Attachment

Construction Equipment BD-1
Contract Award Summary

Schedule	Equipment	Vendor
I	Multi Terrain Loader	No Bids Received
II	39-inch Vibratory Paving Roller	Peterson Tractor Co.
III	47-inch Vibratory Paving Roller	Peterson Tractor Co.
IV	Tractor Loader	Pape Machinery, Inc.
V	Backhoe Loader	Pape Machinery, Inc.
VI	Compact Excavator	Pape Machinery, Inc.
VII	Mid-Size Excavator	Pape Machinery, Inc.
VIII	Large Excavator	Pape Machinery, Inc.
IX	Articulated Loader with 2.5 Cubic Yard Bucket	Pape Machinery, Inc.
X	Articulated Loader with 3 Cubic Yard Bucket and Midwestern Side Boom	Pape Machinery, Inc.
XI	44 Horsepower Concrete Saw	California Diamond Products
XII	66 Horsepower Concrete Saw	California Diamond Products
XIII	Vibratory Trench Roller	Edward R. Bacon Company, Inc.
XIV	Sweeper	Edward R. Bacon Company, Inc.
XV	Small Tilt Trailer/Ramp Trailer Under 10,000 lbs. GVWR	Pape Machinery, Inc.
XVI	Small Tilt Trailer/Ramp Trailer 12,000 lbs. to 16,000 lbs. GVWR	Pape Machinery, Inc.
XVII	40,000 lb. Ramp Trailer	Pape Machinery, Inc.

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Materials and Supplies Construction Equipment - Three-Year Contract with 2 One-Year Renewal Options	April 5, 2018

CONTRACTOR:	QUOTATION NO.:	PERCENTAGE OF CONTRACT DOLLARS		
		Availability Group	Contracting Objectives	Participation
Various Firms See Below	1720			

BID/PROPOSER'S PRICE:	FIRM'S OWNERSHIP				
	Ethnicity	Gender	White Men	25%	97.7%
			White Women	2%	0.0%
$2,366,403 *	See Below	Male	Ethnic Minorities	25%	2.3%

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIMES:											
Peterson Tractor Co. (Schedules II, III)	$95,965	White	X		4.1%						
Pape Machinery, Inc. (Schedules IV, V, VI, VII, VIII, IX, X, XV, XVI, XVII)	$2,101,172	White	X		88.8%						
California Diamond Products (Schedules XI, XII)	$54,804	AI/AN	X				2.3%				
Edward R. Bacon Company, Inc. (Schedules XIII, XIV)	$114,462	White	X		4.8%						
TOTAL	$2,366,403				97.7%	0.0%	2.3%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	See Attached P-061			
Percent of Total Employees:				
MSA Labor Market %:				
MSA Labor Market Location:				

COMMENTS

Contract Equity Participation - 97.7% White Men participation and 2.3% Ethnic Minority participation.

*Total not to exceed: $11,832,015

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:	Construction Equipment - Three-Year Contract with 2 One-Year Renewal Options							
		Ethnic Minority Percentages From U.S. Census Data						
			B	H	A/PI	AI/AN	TOTAL	
		National	10.5	10.7	3.7	0.7	27.3	
Quotation #: 1720	DATE: 4/5/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9	
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2	

R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide	2	48	3	0	53	22.9%	48.4%
Peterson Tractor Co.		Manager/Prof	0	2	0	0	2	12.5%	
Margit McPhillips		Technical/Sales	0	7	0	0	7	14.9%	
955 Marina Blvd.		Clerical/Skilled	2	36	3	0	41	25.9%	
San Leandro, CA 94577		Semi/Unskilled	0	3	0	0	3	30.0%	
		Bay Area	2	48	3	0	53	31.9%	39.9%
510-618-2977		AA Plan on File:	NA		Date of last contract with District:			12/19/2017	
		Co. Wide MSA:	California		# Employees-Co. Wide:		231	Bay Area:	166
RP	WM: LBE	Company Wide	0	4	1	0	5	17.2%	39.9%
Pape Machinery, Inc.		Manager/Prof	0	0	0	0	0	0.0%	
Lee Ballard		Technical/Sales	0	1	1	0	2	20.0%	
38600 Cedar Blvd.		Clerical/Skilled	0	2	0	0	2	15.4%	
Newark, CA 94560		Semi/Unskilled	0	1	0	0	1	33.3%	
		Bay Area	0	4	1	0	5	17.2%	39.9%
541-334-3453		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		29	Bay Area:	29
RP	EMM: AI/AN - SBE	Company Wide	0	4	0	0	4	44.4%	37.3%
California Diamond Products		Manager/Prof	0	0	0	0	0	0.0%	
Mike Meyer		Technical/Sales	0	3	0	0	3	50.0%	
3325 Ramona Ave.		Clerical/Skilled	0	1	0	0	1	50.0%	
Sacramento, CA 95826		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
916-454-4725		Co. Wide MSA:	Sacramento County, CA		# Employees-Co. Wide:		9	Bay Area:	0
RP	WM	Company Wide	0	0	1	0	1	25.0%	52.1%
Edward R. Bacon Company, Inc.		Manager/Prof	0	0	0	0	0	0.0%	
Harry How		Technical/Sales	0	0	0	0	0	0.0%	
1885 De La Cruz Blvd., #204		Clerical/Skilled	0	0	1	0	1	100.0%	
Santa Clara, CA 95050		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	1	0	1	33.3%	39.9%
408-288-9500		Co. Wide MSA:	Santa Clara County, CA		# Employees-Co. Wide:		4	Bay Area:	3
P	WM: LBE	Company Wide	INFORMATION NOT PROVIDED						
Air & Tool Engineering Company		Manager/Prof							
Dan Cullinane		Technical/Sales							
23520 Foley Street, Suite A		Clerical/Skilled							
Hayward, CA 94545		Semi/Unskilled							
		Bay Area							
510-785-9115		Co. Wide MSA:							

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 4.
MEETING DATE April 24, 2018

TITLE **CONSTRUCTION OF MAIN WASTEWATER TREATMENT PLANT DIGESTER NOS. 10 AND 11 COATING REPAIRS**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, F.D. Thomas, Inc., in the amount of $3,844,128 for construction of the Main Wastewater Treatment Plant (MWWTP) Digester Nos. 10 and 11 Coating Repairs under Specification SD-395.

SUMMARY

The protective coating on the interior of two digesters at the MWWTP has failed and needs to be replaced to prevent corrosion damage to this critical wastewater infrastructure. This construction contract includes removal of failed coating material from the interior surfaces including the digester concrete walls, interior fixed steel covers, and draft tube mixers on Digester Nos. 10 and 11, and application of a new epoxy coating to protect these surfaces from corrosion. This item was discussed at the Budget Workshop No. 3 on April 11, 2017.

DISCUSSION

In 2008, the District replaced Digester Nos. 6, 9, 10, and 11 floating covers with new steel covers and coated the interior concrete walls and covers as part of the Digester Upgrade Phase 1 project. Subsequently, the protective coating in the digesters failed. The District and its consultant determined several causes of the failure, and have made design improvements and installation process changes to address these failures. Digester Nos. 6 and 9 were recoated as part of the Digester Nos. 6, 9, 10, and 11 Coating Repairs project in 2016; however, more extensive repairs were required for Digester Nos. 10 and 11. The current project to recoat the interior walls and covers of Digester Nos. 10 and 11 incorporates an epoxy coating material that is more suited to withstand the conditions inside the digesters, and was successfully used in the repairs of Digester Nos. 6 and 9. The new coating installation will include a five-year warranty. This project supports the District's Long-Term Infrastructure Investment Strategic Plan goal for meeting operational needs and reliability goals by effectively maintaining infrastructure.

Funds Available: FY18		Budget Code: WWC/927/7999/2012100/5561
DEPARTMENT SUBMITTING Wastewater	DEPARTMENT MANAGER or DIRECTOR Eileen M. White Eileen M. White	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

BID RESULTS

Bid documents were issued to 23 resource organizations and 18 prospective bidders. Three bids were received, ranging from $3,844,128 to $5,756,550. The bid summary is attached. The engineer's estimate for this work is $5,220,000. The low bid is 26 percent below the engineer's estimate. The lower bids may be due to the fact that more contractors are qualified to install the specified epoxy coating material compared to past digester coating projects, which required a more specialized installation process for a polyurethane product.

The lowest responsive/responsible bidder, F.D. Thomas, Inc., is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. F.D. Thomas, Inc. and its listed subcontractors are properly registered with the State DIR. In the past five years, F.D. Thomas, Inc. has not filed a Government Code Claim or initiated any litigation against the District.

SUSTAINABILITY

Economic

This item is included in the FY18 budget for the MWWTP Digester Upgrade.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of Industrial Relations of the State of California.

Local 444 was notified of this contract on January 12, 2018 and did not raise any specific issues related to this contract.

Environmental

A Notice of Exemption was filed with the Alameda County Clerk on December 8, 2015.

ALTERNATIVES

Reject all bids and immediately rebid the work. This alternative is not recommended because the bids are reasonable for the scope of work involved and rebidding the work would result in a significant delay and increased project costs.

Reject all bids and do not perform the work. This alternative is not recommended because this work is necessary to provide adequate reliable digestion capacity and meet federal treatment regulations.

Attachments

Bid Summary
P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\Sec\2018 Board Related Items\042418 Board Agenda Items\WW – Construction of MWWTP Digester Nos. 10 and 11 Coating Repairs.doc

EAST BAY MUNICIPAL UTILITY DISTRICT

SPECIAL DISTRICT NO. 1

SPECIFICATION SD-395
MWWTP DIGESTER NOS. 10 AND 11 COATING REPAIRS

March 28, 2018

BID SUMMARY

	BIDDER	TOTAL BID
1.	**F.D. Thomas, Inc.***	**$3,844,128**
2.	Resource Development Company	$4,359,800
3.	Abhe & Svoboda, Inc.	$5,756,550

*** Apparent Low Bidder**

Number of Proposals sent to Contractors	18
Number of Proposals sent to Resource Orgs	23
Number of Proposals sent to MBEs	1
Number of Proposals sent to WBEs	1
Number of Proposals sent to SBs	1
Number of bids received	3

Engineer's Estimate: $5,220,000

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
SPECIFICATION NO.: **SD-395** Construction of MWWTP Digester Nos. 10 and 11 Coating Repairs	April 6, 2018

CONTRACTOR:	Local Business	PERCENTAGE OF CONTRACT DOLLARS		
F.D. Thomas, Inc. Oakland, CA 94608		**Availability Group**	**Contracting Objectives**	**Participation**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**	**White Men**	**25%**	**94.5%**
	Ethnicity / **Gender**	**White Women**	**9%**	**5.5%**
$3,844,128	White / Men	**Ethnic Minorities**	**25%**	**0.0%**

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME:											
F.D. Thomas, Inc.	$2,774,263	White	X		72.2%						
SUBS:											
Skyline Scaffold, Inc.	$213,000	White		X		5.5%					
Farwest Insulation Contracting	$168,000	White	X		4.4%						
Monterey Mechanical	$383,600	White	X		10.0%						
Tnemec Co., Inc.	$305,265	White	X		7.9%						
TOTAL	$3,844,128				94.5%	5.5%	0.0%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	151	16	136	303
Percent of Total Employees:	49.8%	5.3%	44.9%	
MSA Labor Market %:	39.0%	33.7%	27.3%	
MSA Labor Market Location:	Total USA			

COMMENTS

Contract Equity Participation - 94.5% White Men participation and 5.5% White Women participation.

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	YES	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:	Construction of MWWTP Digester Nos. 10 and 11 Coating Repairs		Ethnic Minority Percentages From U.S. Census Data				
			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Spec. No.:	SD-395	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
DATE:	4/6/2018	Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide	12	106	5	5	128	42.2%	15.0%
F.D. Thomas, Inc. Terra Wells 5301 Adeline Street Oakland, CA 94608		Manager/Prof	1	6	1	1	9	18.8%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	11	100	4	4	119	47.4%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	7	64	4	4	79	56.0%	39.9%
541-664-3010		AA Plan on File:	NA		Date of last contract with District:		2/3/2016		
		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		303	Bay Area:	0
S	WM: SBE	Company Wide	3	17	0	0	20	32.8%	37.3%
Skyline Scaffold Inc. Amy Johnson 3131 52nd Ave. Sacramento, CA 95823		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	1	0	0	1	20.0%	
		Clerical/Skilled	3	13	0	0	16	39.0%	
		Semi/Unskilled	0	3	0	0	3	33.3%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
916-391-8929		Co. Wide MSA:	Sacramento County, CA		# Employees-Co. Wide:		61	Bay Area:	0
S	WM: LBE	Company Wide	17	148	15	0	180	59.6%	39.9%
Farwest Insulation Contracting Leslie Tresgoda 672 Enterprise Court Livermore, CA 94550		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	1	0	0	1	5.3%	
		Clerical/Skilled	6	112	12	0	130	57.3%	
		Semi/Unskilled	11	35	3	0	49	92.5%	
		Bay Area	3	9	0	0	12	20.0%	39.9%
714-520-7214		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		302	Bay Area:	60
S	WM: LBE	Company Wide	1	13	3	1	18	19.4%	39.9%
Monterey Mechanical Vy Nguyen 8275 San Leandro Street Oakland, CA 94621		Manager/Prof	0	2	1	1	4	16.0%	
		Technical/Sales	0	0	1	0	1	100.0%	
		Clerical/Skilled	1	6	1	0	8	14.8%	
		Semi/Unskilled	0	5	0	0	5	38.5%	
		Bay Area	1	13	3	1	18	19.4%	39.9%
510-632-3173		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		93	Bay Area:	93
S	WM	Company Wide	28	11	3	0	42	15.9%	27.3%
Tnemec Co., Inc. Renee Seavoy 6800 Corporate Drive Kansas City, MO 64120		Manager/Prof	3	1	1	0	5	10.0%	
		Technical/Sales	2	0	2	0	4	5.6%	
		Clerical/Skilled	3	1	0	0	4	9.3%	
		Semi/Unskilled	20	9	0	0	29	29.3%	
		Bay Area	2	5	0	0	7	100.0%	39.9%
816-326-4217		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		264	Bay Area:	7

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Construction of MWWTP Digester Nos. 10 and 11 Coating Repairs		Ethnic Minority Percentages From U.S. Census Data					
			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Spec. No.: SD-395	DATE: 4/6/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
P	WM: SBE	Company Wide	0	7	0	2	9	14.3%	30.9%
Farr Construction California dba Resource Development Company		Manager/Prof	0	0	0	0	0	0.0%	
Jeff Far		Technical/Sales	0	0	0	0	0	0.0%	
1050 Linda Way		Clerical/Skilled	0	7	0	0	7	17.1%	
Sparks, NV 89431		Semi/Unskilled	0	0	0	2	2	13.3%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
775-356-8004		Co. Wide MSA:	Washoe County, Nevada		# Employees-Co. Wide:		63	Bay Area:	0
P	WM	Company Wide	18	66	13	8	105	42.3%	27.3%
ABHE & SVOBODA, INC.		Manager/Prof	1	7	2	1	11	19.0%	
Thomas Stockert		Technical/Sales	0	0	0	0	0	0.0%	
18100 Dairy Lane		Clerical/Skilled	16	51	5	5	77	48.7%	
Jordan, MN 55352		Semi/Unskilled	1	8	6	2	17	58.6%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
952-447-6025		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		248	Bay Area:	0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 5.
MEETING DATE April 24, 2018

TITLE **MAIN WASTEWATER TREATMENT PLANT PRIMARY SEDIMENTATION TANKS AND CHANNELS REHABILITATION – PHASE 5**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, Monterey Mechanical Company, in the amount of $9,440,000 for construction of the Main Wastewater Treatment Plant (MWWTP) Primary Sedimentation Tanks and Channels Rehabilitation – Phase 5 under Specification SD-396.

SUMMARY

This construction contract includes rehabilitation of primary sedimentation tanks and influent and effluent channels at the MWWTP to maintain structural integrity and treatment process reliability. This is the fifth of six anticipated project phases to rehabilitate deteriorated concrete and prevent further deterioration of the 16 primary sedimentation tanks. The primary sedimentation tanks were constructed under two separate project phases in the 1950s and 1970s. This item was discussed at the Budget Workshop No. 3 on April 11, 2017.

DISCUSSION

The District completed the first four primary sedimentation tank rehabilitation projects between 2008 and 2018. Phase 5 includes concrete resurfacing and coating work in four primary sedimentation tanks and construction of a 54-inch diameter primary effluent bypass pipe for redirecting effluent flows to allow infrastructure maintenance and increased storage during wet weather events. Other improvements include a new roof in the primary effluent channel, replacement of sludge collection equipment, installation of isolation slide gates and a scum bypass system, recoating of existing valves, construction of a vehicle loading dock, and other civil, electrical, and mechanical improvements. This project supports the District's Long-Term Infrastructure Investment Strategic Plan goal for meeting operational needs and reliability goals by effectively maintaining the infrastructure.

Funds Available: FY18		Budget Code: WWC/927/2006333/5511
DEPARTMENT SUBMITTING Wastewater	DEPARTMENT MANAGER or DIRECTOR Eileen M. White Eileen M. White	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

BID RESULTS

Bid documents were issued to 23 resource organizations and 23 prospective bidders. Four bids were received, ranging from $9,440,000 to $13,397,500. The bid summary is attached. The engineer's estimate for this work is $9,900,000.

The lowest responsive/responsible bidder, Monterey Mechanical Company, is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. Monterey Mechanical Company and its listed subcontractors are properly registered with the State DIR. In the past five years, Monterey Mechanical Company has not filed a Government Code Claim or initiated any litigation against the District.

SUSTAINABILITY

Economic

This item is included in the FY18 budget for the MWWTP Primary Sedimentation Tanks and Channels Rehabilitation – Phase 5.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of Industrial Relations of the State of California.

Local 444 was notified of this contract on March 5, 2018. Local 444 issues were addressed and resolved at a meeting on April 5, 2018.

Environmental

A Notice of Exemption was filed with the Alameda County Clerk on February 1, 2018.

ALTERNATIVES

Reject all bids and immediately rebid the work. This alternative is not recommended because the bids are reasonable for the scope of work involved and rebidding the work would result in a significant delay and increased project costs.

Reject all bids and do not perform the work. This alternative is not recommended because the primary sedimentation tanks and channels are in need of rehabilitation to maintain structural integrity and ensure continued compliance with regulatory requirements.

Attachments

Bid Summary
P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\Sec\2018 Board Related Items\042418 Board Agenda Items\WW – MWWTP Primary Sedimentation Tanks and Channels Rehabilitation Phase 5.doc

EAST BAY MUNICIPAL UTILITY DISTRICT

SPECIAL DISTRICT NO. 1

SPECIFICATION SD-396
MWWTP PRIMARY SEDIMENTATION TANKS AND CHANNELS REHABILITATON PHASE 5

April 4, 2018

BID SUMMARY

	BIDDER	TOTAL BID
1.	**Monterey Mechanical Company***	**$9,440,000**
2.	GSE Construction Co.	$9,617,400
3.	Myers and Sons Construction	$12,725,000
4.	Disney Construction, Inc.	$13,397,500

*** Apparent Low Bidder**

Number of Proposals sent to Contractors	23
Number of Proposals sent to Resource Orgs	23
Number of Proposals sent to MBEs	5
Number of Proposals sent to WBEs	2
Number of Proposals sent to SBs	0
Number of bids received	4

Engineer's Estimate: $9,900,000

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
SPECIFICATION NO.: **SD-396** Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation - Phase 5	April 13, 2018

CONTRACTOR:	Local Business	PERCENTAGE OF CONTRACT DOLLARS		
		Availability Group	**Contracting Objectives**	**Participation**
Monterey Mechanical Company Oakland, CA 94621		**White Men**	**25%**	**91.6%**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**	**White Women**	**9%**	**0.0%**
	Ethnicity / **Gender**	**Ethnic Minorities**	**25%**	**3.0%**
$9,440,000	White / Men			

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME:											
Monterey Mechanical Company	$5,834,686	White	X		61.8%						
SUBS:											
R&W Concrete Contractors	$279,812	H/LA	X				3.0%				
Ichor Restoration	$82,500	White	X		0.9%						
H.G.H. Electric	$690,000	White	X		7.3%						
National Coatings & Lining	$1,513,786	White	X		16.0%						
Concrete Wall Sewing Co., Inc.	$293,345	White	X		3.1%						
Southwest Valve LLC	$230,871	White	X		2.4%						
Evoqua Water Technologies	$515,000	PHC							5.5%		
TOTAL	$9,440,000				91.6%	0.0%	3.0%	0.0%	5.5%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	81	9	33	123
Percent of Total Employees:	65.9%	7.3%	26.8%	
MSA Labor Market %:	32.3%	27.8%	39.9%	
MSA Labor Market Location:	9 Bay Area Counties			

COMMENTS

Contract Equity Participation - 91.6% White Men participation and 3.0% Ethnic Minority participation.

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	YES	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:	Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation - Phase 5	Ethnic Minority Percentages From U.S. Census Data					
			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Spec No.:	SD-396 DATE: 4/13/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide	10	23	4	1	38	30.9%	39.9%
Monterey Mechanical Company		Manager/Prof	0	2	2	1	5	20.8%	
Vy Nguyen		Technical/Sales	0	0	1	0	1	100.0%	
8275 San Leandro Street		Clerical/Skilled	3	12	1	0	16	21.3%	
Oakland, CA 94621		Semi/Unskilled	7	9	0	0	16	69.6%	
		Bay Area	10	23	4	1	38	30.9%	39.9%
510-62-3173		AA Plan on File:	NA		Date of last contract with District:		3/1/2018		
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		123	Bay Area:	123
S	EMM: H/LA - SBE	Company Wide	2	32	9	0	43	87.8%	39.9%
R&W Concrete Contractors		Manager/Prof	0	6	1	0	7	100.0%	
Brian Rodriguez		Technical/Sales	0	0	0	0	0	0.0%	
1015 Terminal Way		Clerical/Skilled	2	16	6	0	24	85.7%	
San Carlos, CA 94070		Semi/Unskilled	0	10	2	0	12	85.7%	
		Bay Area	2	32	9	0	43	87.8%	39.9%
650-832-1067		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		49	Bay Area:	49
S	WM: L/SBE	Company Wide	0	0	0	0	0	0.0%	47.8%
Ichor Restoration		Manager/Prof	0	0	0	0	0	0.0%	
David Boone		Technical/Sales	0	0	0	0	0	0.0%	
3403 Piedmont Ave., Suite 402		Clerical/Skilled	0	0	0	0	0	0.0%	
Oakland, CA 94611		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
310-801-9160		Co. Wide MSA:	Oakland		# Employees-Co. Wide:		1	Bay Area:	1
S	WM: L/SBE	Company Wide	2	11	0	0	13	30.2%	48.4%
H.G.H. Electric, Inc.		Manager/Prof	0	0	0	0	0	0.0%	
Douglas Hicks		Technical/Sales	0	0	0	0	0	NA	
3032 Market Street		Clerical/Skilled	2	11	0	0	0	32.5%	
loakland, CA 94608		Semi/Unskilled	0	0	0	0	0	NA	
		Bay Area	2	10	0	0	12	38.7%	39.9%
510-923-1859		Co. Wide MSA:	California		# Employees-Co. Wide:		43	Bay Area:	31
S	WM: SBE	Company Wide	0	22	0	0	22	51.2%	48.4%
National Coatings & Lining		Manager/Prof	0	1	0	0	1	12.5%	
Janet Pleasants		Technical/Sales	0	2	0	0	0	0.0%	
26713 Madison Ave.		Clerical/Skilled	0	19	0	0	19	57.6%	
Murrieta, CA 92562		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
951-471-3388 ext. 100		Co. Wide MSA:	California		# Employees-Co. Wide:		43	Bay Area:	0
S	WM: LBE	Company Wide	0	7	0	0	7	46.7%	53.9%
Concrete Wall Sawing Co., Inc.		Manager/Prof	0	1	0	0	1	25.0%	
Jose Cruz		Technical/Sales	0	0	0	0	0	0.0%	
2501 Grant Ave.		Clerical/Skilled	0	0	0	0	0	0.0%	
Sacramento, CA 95834		Semi/Unskilled	0	6	0	0	6	75.0%	
		Bay Area	0	5	0	0	5	38.5%	39.9%
916-283-9950		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		15	Bay Area:	13

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:	Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation - Phase 5		Ethnic Minority Percentages From U.S. Census Data				
				B	H	A/PI	AI/AN	TOTAL
			National	10.5	10.7	3.7	0.7	27.3
Spec. No.:	SD-396	DATE: 4/13/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees						
	Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
S	WM : SBE	Company Wide	0	0	0	0	0	0.0%	48.4%
Southwest Valve LLC		Manager/Prof	0	0	0	0	0	0.0%	
Cathi Burrell		Technical/Sales	0	0	0	0	0	0.0%	
402 W. Bedford, Suite 111		Clerical/Skilled	0	0	0	0	0	0.0%	
Fresno, CA 93711		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
559-261-2703		Co. Wide MSA:	California		# Employees-Co. Wide:		9	Bay Area:	0
S	PHC: LBE	Company Wide							
Evoqua Water Technologies		Manager/Prof							
John Isleb		Technical/Sales							
6617 San Leandro Street		Clerical/Skilled	INFORMATION NOT PROVIDED						
Oakland, CA 94621		Semi/Unskilled							
		Bay Area							
262-521-8405		Co. Wide MSA:							
P	EMM: B/AA - L/SBE	Company Wide	5	61	3	1	70	59.3%	48.4%
GSE Construction Company Inc.		Manager/Prof	1	4	0	0	5	27.8%	
Orlando Gutierrez		Technical/Sales	0	0	0	0	0	0.0%	
6950 Preston Ave.		Clerical/Skilled	4	44	3	1	52	65.8%	
Livermore, CA 94551		Semi/Unskilled	0	13	0	0	13	61.9%	
		Bay Area	5	61	3	1	70	59.3%	39.9%
925-447-0292		Co. Wide MSA:	California		# Employees-Co. Wide:		118	Bay Area:	118
P	WM	Company Wide	11	141	4	3	159	47.6%	48.4%
Myers & Sons Construction, LLC		Manager/Prof	1	10	2	0	13	16.0%	
Jenna Carlson		Technical/Sales	0	0	0	0	0	0.0%	
4600 Northgate Blvd., Suite 100		Clerical/Skilled	3	68	0	2	73	51.0%	
Sacramento, CA 95834		Semi/Unskilled	7	63	2	1	73	66.4%	
		Bay Area	3	16	0	1	20	60.6%	39.9%
916-283-9950		Co. Wide MSA:	California		# Employees-Co. Wide:		334	Bay Area:	33
P	WM: SBE	Company Wide	4	8	4	0	16	45.7%	48.4%
Disney Construction		Manager/Prof	2	0	2	0	4	40.0%	
Amy Sanchez		Technical/Sales	0	0	0	0	0	0.0%	
859 Cowan Road, Suite 3		Clerical/Skilled	2	8	2	0	12	48.0%	
Burlingame, CA 94010		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
650-259-9545		Co. Wide MSA:	California		# Employees-Co. Wide:		35	Bay Area:	0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 6.
MEETING DATE April 24, 2018

TITLE MICROSOFT SERVER AND EXCHANGE SOFTWARE LICENSING

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Award a contract to CDW Government LLC in an amount, after the addition of taxes, not to exceed $225,000 for supplying Microsoft licensing of Windows server operating system and Exchange email software for District-wide use, beginning on or after April 24, 2018 under State Contract No. ADSPO16-130652.

SUMMARY

The District uses Microsoft Exchange to provide email communication and collaboration for users throughout the District. The District's current Microsoft Exchange Server software is aging and approaching end of life. The District plans to implement the latest available version, Exchange 2016, to maximize the life span of the email system, and keep up-to-date with the latest security features.

Microsoft Windows Server licensing is used to provide the software foundation for a majority of the servers in the District. Microsoft has released the latest version of its server operating system (Windows Server 2016). Replacing the Server operating system at the same time as upgrading to Exchange 2016 allows the District to take advantage of the newest Microsoft features while causing the least impact on the email system. In addition, Windows Server 2016 is required to support the full implementation of District applications, such as Sedaru Utility Management and Genesys Call Center. This software purchase will allow the District to upgrade to Windows Server 2016 and Exchange Server 2016.

DISCUSSION

The District currently runs email services on a Microsoft Exchange 2010 environment. Exchange 2010 mainstream support ended in 2015 and extended support will no longer be available after January 2020 (considered software end of life). The District also currently runs Windows Server 2012. Although this software is still supported, Windows Server 2016 is required to fully support various recently implemented District applications. By purchasing both Exchange 2016 and Server 2016, the District can maximize investments in staff training and experience in these solutions, and stay up-to-date with the latest security features. This item supports the District's Long-Term Financial Stability Strategic Plan goal by implementing technologies that improve the efficiency and effectiveness of business processes.

Funds Available: FY 18/19	Budget Code: WSO/252/8765/5243	
DEPARTMENT SUBMITTING Information Systems	DEPARTMENT MANAGER or DIRECTOR Andrew J. Levine	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

VENDOR SELECTION

Public Contract Code, Section 10298, specifically allows agencies to purchase directly from the state competitively awarded contracts without pursing separate competitive bidding. This provides a typical savings of 10-15 percent over pricing the District would get if bidding on its own. The State of California has certified contract No. ADSPO16-130652 with CDW Government LLC for Microsoft software. Utilizing state contracts reduces the District's cost for the materials, and decreases time and expense associated with the competitive bid process.

SUSTAINABILITY

Economic

This item is included in the FY18/19 operating budget.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

ALTERNATIVES

Switch to a different email and server system product. This alternative is not recommended because there are no viable alternative email or server operating systems capable of supporting the District's communication needs without significantly increased expense.

Do not procure software license and maintenance. This alternative is not recommended because the District email and server operation system software is aging and approaching end of life. Once Microsoft software reaches end of life, the manufacturer no longer considers addressing security vulnerabilities as a priority. Without license and software maintenance support, the District's information systems could be compromised.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
General Services Agreement Microsoft Server and Exchange Software Licensing	April 2, 2018

CONTRACTOR:			PERCENTAGE OF CONTRACT DOLLARS		
			Availability Group	Contracting Objectives	Participation
CDW Government LLC Vernon Hills, IL 60061					
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**		**White Men**	**25%**	**0.0%**
	Ethnicity	**Gender**	**White Women**	**6%**	**0.0%**
$225,000 *	Publicly Held Corporation	-	**Ethnic Minorities**	**25%**	**0.0%**

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: CDW Government LLC	$225,000	PHC							100.0%		
SUBS: None											
TOTAL	$225,000				0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	3,791	1,499	1,870	7,160
Percent of Total Employees:	52.9%	20.9%	26.1%	
MSA Labor Market %:	38.6%	33.6%	27.8%	
MSA Labor Market Location:	Illinois			

COMMENTS

Contract Equity Participation- Zero contract equity participation since firm is a publicly held corporation.

*Total not to exceed: $225,000

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: **Microsoft Server and Exchange Software Licensing**

General Services Agreement

DATE: 4/2/2018

Ethnic Minority Percentages From U.S. Census Data	B	H	A/PI	AI/AN	TOTAL
National	10.5	10.7	3.7	0.7	27.3
9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	PHC	Company Wide	446	784	367	18	1,615	22.6%	27.8%
CDW Government LLC		Manager/Prof	178	222	244	3	647	20.6%	
Dennis Berger		Technical/Sales	167	257	51	13	488	16.4%	
200 N. Milwaukee Avenue		Clerical/Skilled	69	111	26	1	207	28.6%	
Vernon Hills, CA 60061		Semi/Unskilled	32	194	46	1	273	84.3%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
847-465-6905		AA Plan on File:	NA		Date of last contract with District:			2/27/2018	
		Co. Wide MSA:	Illinois		# Employees-Co. Wide:		7,160	Bay Area:	0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 7.
MEETING DATE April 24, 2018

TITLE **SEDARU SOFTWARE LICENSING AND SUPPORT**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Award a contract to IDModeling, Inc., beginning on or after May 1, 2018, in an amount not to exceed $578,660 for Sedaru software, customization, and training for one year, with four options to renew for an additional one-year period for annual licensing and services at $266,760 each year, plus optional services not to exceed $88,200, for a total cost of $1,733,900.

SUMMARY

Sedaru is a modern GIS-based software package that provides an efficient and reliable water distribution system information tool to manage maps, plan and respond to outages, and manage leak investigations. Use of this software will increase staff efficiency and improve responsiveness in the field. The software was presented and discussed at the Planning Committee on February 13, 2018.

DISCUSSION

The District has used Sedaru on a trial basis in multiple work units over the past five years. The most recent pilot successfully demonstrated the software's ability to integrate with numerous existing systems and workflows, including dispatch, leak investigation, outage response, work order creation, and key performance indicator reporting. The software provides a fast, real-time, mobile map interface for field staff providing effective geospatial tools and data. Use of the Sedaru software supports the District's Long-Term Financial Stability and Long-Term Infrastructure Investment Strategic Plan goals.

VENDOR SELECTION

This contract is a direct award to IDModeling, Inc. There is no other commercially available application that delivers functionality that meets the District's needs.

Funds Available: FY18/19		Budget Code: Various/1014857/5231
DEPARTMENT SUBMITTING Operations and Maintenance	DEPARTMENT MANAGER or DIRECTOR Clifford C. Chan	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

SUSTAINABILITY

Economic

Funds are available in the FY18/19 budget for the initial software licensing, configuration, and training. Funds will be budgeted in FY20-FY22 for annual licensing and maintenance fees.

Social

Use of the software will improve the District's responsiveness in the field to main breaks and outages, which will minimize impacts to customers.

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Environment

Use of the software will improve the response time to main breaks and outages which will reduce water loss, resulting in increased efficiency in managing this natural resource.

ALTERNATIVES

Do not procure the software. This alternative is not recommended because Sedaru has been piloted and proved to be effective, while integrating with other District software. Use of Sedaru will improve existing processes and practices.

Develop software application using District forces. This alternative is not recommended because District staff does not have sufficient resources and expertise to create and maintain a sophisticated mobile ArcGIS-compatible mapping and infrastructure management application.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Professional Services Agreement Distribution System Management - Mobile Workforce Software - One-Year Contract with 4 One-Year Renewal Options	March 15, 2018

CONTRACTOR:		PERCENTAGE OF CONTRACT DOLLARS		
IDModeling, Inc. Arcadia, CA 91006	Direct Award	**Availability Group**	**Contracting Objectives**	**Participation**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**	**White Men**	**25%**	**100.0%**
	Ethnicity / **Gender**	**White Women**	**6%**	**0.0%**
$578,660 /yr*	White / Men	**Ethnic Minorities**	**25%**	**0.0%**

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME:											
IDModeling, Inc.	$578,660	White	X		100.0%						
SUBS:											
TOTAL	$578,660				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	6	1	27	34
Percent of Total Employees:	17.6%	2.9%	79.4%	
MSA Labor Market %:	20.2%	16.4%	63.5%	
MSA Labor Market Location:	Los Angeles			

COMMENTS

Contract Equity Participation - 100.0% White Men participation

*Total not to exceed: $1,733,900 ($578,660 first year, $266,760 annually with four options to renew, plus optional services of $88,200)

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: **Distribution System Management - Mobile Workforce Software - One-Year Contract with 4 One-Year Renewal Options**

Professional Services Agreement

DATE: 3/15/2018

Ethnic Minority Percentages From U.S. Census Data	B	H	A/PI	AI/AN	TOTAL
National	10.5	10.7	3.7	0.7	27.3
9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
	Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM	Company Wide	0	17	1	0	18	52.9%	63.5%
IDModeling, Inc.		Manager/Prof	0	14	0	0	14	50.0%	
Valorie Ramos		Technical/Sales	0	3	1	0	4	66.7%	
55 E Huntington Drive, Suite 130		Clerical/Skilled	0	0	0	0	0	0.0%	
Arcadia, CA 91006		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	1	0	0	1	100.0%	39.9%
626-244-0700		AA Plan on File:	NA		Date of last contract with District:		10/11/2017		
		Co. Wide MSA:	Los Angeles		# Employees-Co. Wide:	34	Bay Area:	1	

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 8.
MEETING DATE April 24, 2018

TITLE **DESIGN OF RETROFITS TO LAFAYETTE RESERVOIR OUTLET TOWER**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Authorize an agreement with AECOM Technical Services, Inc. (AECOM), in an amount not to exceed $1,057,403 for the design of retrofits to the Lafayette Reservoir Outlet Tower. In awarding this contract, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

SUMMARY

AECOM will perform a detailed analysis and design for retrofitting the Lafayette Reservoir Outlet Tower to withstand the maximum credible earthquake, provide planning support and assist with public outreach. AECOM will also provide design support services during construction of the upgrades. The retrofit will be based on the results of the analysis performed as part of this agreement. In addition to the structural retrofit of the tower, the design may include replacement of the tower gate valves and their operators, telemetry, cathodic protection of mechanical components and stairs, depending on the results of the evaluation. A few potential retrofit alternatives were presented at the Finance Committee on September 26, 2017. Since that time, the District has received input from the City of Lafayette and the California Department of Water Resources, Division of Safety of Dams (DSOD) on the alternatives. This input will be considered in alternative development and selection.

The structural and mechanical retrofits will improve the seismic response of the tower and ensure its continued safe operation. The design will be reviewed and approved by DSOD.

DISCUSSION

Lafayette Reservoir is located in the City of Lafayette south of Mount Diablo Boulevard. The reservoir and its appurtenances, including an outlet tower, were constructed between 1927 and 1933. The reservoir provides an emergency water supply for EBMUD customers. The reservoir and its surrounding watershed land are also a recreational resource, hosting tens of thousands of visitors per year. The reservoir and watershed also provide habitat for a variety of species.

Funds Available: FY18-19; CIP #000672; Page 39	Budget Code: WSC\562\7999\5231\2012210	
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR Xavier J. Irias	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

Although the dam itself is seismically safe, an evaluation of the tower conducted in 1995 determined that the tower will be damaged during a major earthquake. DSOD recently rated all 22 of the District's dams under its jurisdiction. All District dams were rated "satisfactory," except the Lafayette Dam, which was rated "fair," due to the vulnerability of the tower. The District is now operating the dam under lowered water levels, as mandated by the DSOD until the tower can be strengthened. Therefore, upgrades are required.

These services support the District's Long-Term Infrastructure Investment Strategic Plan goal.

CONSULTANT SELECTION

Requests for proposals for structural engineering analysis and design were sent to 56 firms on the District's Engineering Consultant Roster, including several minority-owned firms. Two firms submitted proposals. AECOM was selected based on its qualifications, technical skills, project understanding, and experience in underwater construction and in designing tower retrofit projects similar to the Lafayette Reservoir Outlet Tower.

SUSTAINABILITY

Economic

Funding for this item is included in the FY18-19 Capital Improvement Program budget for the Reservoir Tower Modifications Project under the Dam Safety Program.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of Industrial Relations of the State of California.

Locals 2019 and 21 were notified of the contract on November 21, 2017, and did not raise any specific issues.

Environmental

District staff will develop the California Environmental Quality Act document after the analyses covered by this agreement are completed, retrofit alternatives are developed, and before formal design begins.

ALTERNATIVES

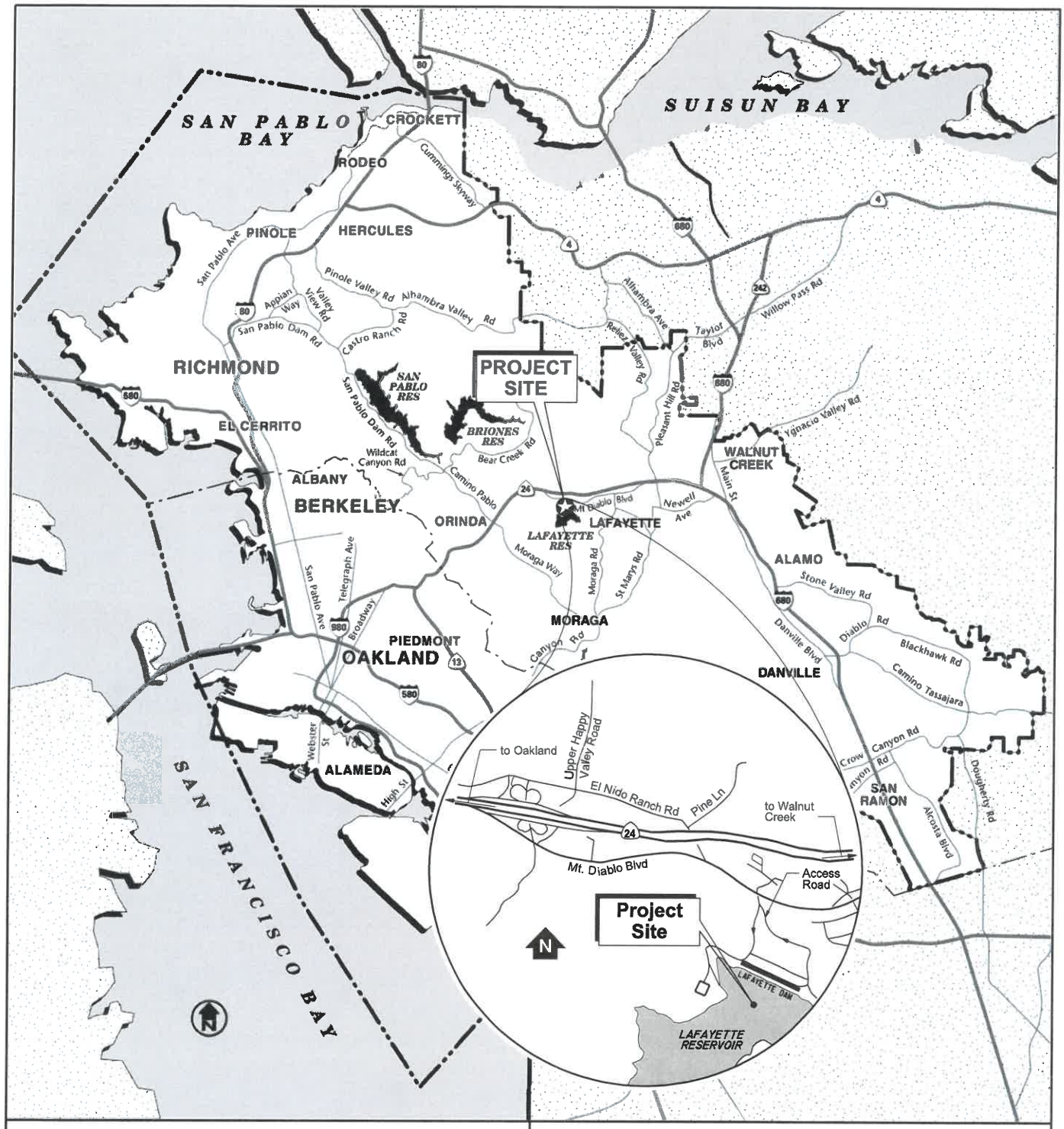
Perform the work with District forces. This alternative is not recommended because District staff does not have the expertise to perform the required analyses.

Do not perform the work. This alternative is not recommended because Lafayette Reservoir is a component of the District's emergency local water storage system. If the Lafayette Reservoir Outlet Tower is damaged in a significant earthquake, the safety of Lafayette Dam could be impaired. Thus, the retrofit has been mandated by DSOD.

Attachments

Location Map
P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\SEC\2018 Board Related Items\042418 Board Agenda Items\E&C Design of Retrofits to Lafayette Reservoir Outlet Tower.doc



PROJECT SITE LOCATION MAP

NOT TO SCALE

EAST BAY MUNICIPAL UTILITY DISTRICT

DESIGN OF RETROFITS TO LAFAYETTE RESERVOIR OUTLET TOWER

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Professional Services Agreement Design of Retrofits to Lafayette Reservoir Outlet Tower	April 9, 2018

CONTRACTOR:	Local Business	PERCENTAGE OF CONTRACT DOLLARS		
AECOM Technical Services, Inc. Oakland, CA 94612		**Availability Group**	**Contracting Objectives**	**Participation**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**	**White Men**	**25%**	**67.4%**
	Ethnicity / **Gender**	**White Women**	**6%**	**7.1%**
$1,057,403 *	White / Men	**Ethnic Minorities**	**25%**	**25.5%**

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME:											
AECOM Technical Services, Inc.	$703,113	White	X		66.5%						
SUBS:											
A3GEO, Inc.	$75,000	White		X		7.1%					
Beyaz & Patel, Inc.	$40,780	A/PI	X				3.9%				
Infrastructure & Marine Consultants, LLC	$10,000	White	X		0.9%						
Inspection Services, Inc.	$12,935	A/PI		X			1.2%				
YEI Engineers, Inc.	$215,575	A/PI	X				20.4%				
TOTAL	$1,057,403				67.4%	7.1%	25.5%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	9,722	4,359	4,061	18,142
Percent of Total Employees:	53.6%	24.0%	22.4%	
MSA Labor Market %:	32.3%	27.8%	39.9%	
MSA Labor Market Location:	Total USA			

COMMENTS

Contract Equity Participation - 67.4% White Men participation, 7.1% White Women participation, and 25.5% Ethnic Minority participation.

*Total not to exceed: $1,057,403

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	YES	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Design of Retrofits to Lafayette Reservoir Outlet Tower		Ethnic Minority Percentages From U.S. Census Data					
			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Professional Services Agreement	DATE: 4/9/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Company Name, Owner/Contact Person, Address, and Phone Number	Number of Ethnic Minority Employees						
			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide	814	1,183	1,745	49	3,791	20.9%	27.3%
AECOM Technical Services, Inc. Lisa Boecker 300 Lakeside Drive, Suite 400 Oakland, CA 94612		Manager/Prof	458	804	1,509	32	2,803	19.5%	
		Technical/Sales	141	181	134	10	466	21.3%	
		Clerical/Skilled	211	189	101	6	507	33.0%	
		Semi/Unskilled	4	9	1	1	0	0.0%	
		Bay Area	21	50	237	1	309	36.0%	39.9%
717-766-0576		AA Plan on File: NA	Date of last contract with District: NA						
		Co. Wide MSA: Total USA	# Employees-Co. Wide: 18,142					Bay Area: 859	
S	WW: L/SBE	Company Wide	0	0	0	0	0	0.0%	27.3%
A3GEO, Inc. Dona Mann 1331 Seventh Street, Unit E Berkeley, CA 94710		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
415-425-0247		Co. Wide MSA: Alameda County, CA	# Employees-Co. Wide: 7					Bay Area: 7	
S	EMM: A/PI - L/SBE	Company Wide	0	0	8	0	8	57.1%	27.3%
BEYAZ & PATEL, INC. Subhash Pate 1280 Civic Drive, Suite 204 Walnut Creek, CA 94596		Manager/Prof	0	0	7	0	7	100.0%	
		Technical/Sales	0	0	1	0	1	25.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	6	0	6	75.0%	39.9%
858-451-0374		Co. Wide MSA: Total USA	# Employees-Co. Wide: 14					Bay Area: 8	
S	WM	Company Wide	0	0	0	0	0	0.0%	27.3%
Infrastructure & Marine Consultants, LLC David B. Gilson 2043 Berkeley Avenue St. Paul, MN 55105		Manager/Prof	0	1	0	0	1	50.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
650-653-1235		Co. Wide MSA: Total USA	# Employees-Co. Wide: 2					Bay Area: 0	
S	EMW: A/PI - LBE	Company Wide	5	14	12	0	31	29.8%	27.3%
Inspection Services, Inc. Antoine Megevand 1798 University Avenue Berkeley, CA 94703		Manager/Prof	0	1	3	0	4	36.4%	
		Technical/Sales	0	1	0	0	1	100.0%	
		Clerical/Skilled	5	12	9	0	26	28.3%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	14	12	0	0	0.0%	39.9%
510-900-2100		Co. Wide MSA: Alameda County, CA	# Employees-Co. Wide: 104					Bay Area: 104	
S	EMM: A/PI - L/SBE	Company Wide	2	1	16	0	19	76.0%	39.9%
YEI Engineers, Inc. Patrick Mallillin 7677 Oaklport Street, Suite 200 Oakland, CA 94621		Manager/Prof	1	0	14	0	15	83.3%	
		Technical/Sales	0	0	1	0	1	33.3%	
		Clerical/Skilled	1	1	1	0	3	75.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	2	1	16	0	19	76.0%	39.9%
510-957-1613		Co. Wide MSA: Alameda County, CA	# Employees-Co. Wide: 25					Bay Area: 25	

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Design of Retrofits to Lafayette Reservoir Outlet Tower		Ethnic Minority Percentages From U.S. Census Data					
			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Professional Services Agreement	DATE: 4/9/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
P	WM: LBE	Company Wide	3	13	23	0	39	27.5%	27.3%
COWI North America, Inc.		Manager/Prof	0	13	15	0	28	25.9%	
Wai Yin Chow		Technical/Sales	0	0	5	0	5	55.6%	
1300 Clay Street, Suite 700		Clerical/Skilled	3	0	3	0	6	18.2%	
Oakland, CA 94612		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	3	11	0	14	38.9%	39.9%
604-986-1222		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		142	Bay Area:	36

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. **9.1-9.3**
MEETING DATE April 24, 2018

TITLE **WHOLESALE RAW WATER SERVICE AGREEMENT WITH AMADOR WATER AGENCY AND AMENDMENT TO TRANSMISSION PROJECT AGREEMENT**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

1. Authorize execution of an agreement with Amador Water Agency (AWA) for the provision of wholesale raw water service to provide a water supply for the Camanche North Shore Recreation Area facilities.

2. Authorize execution of Amendment Number 2 to the existing Transmission Project Agreement, at the request of AWA, to terminate that agreement on December 31, 2022.

3. Determine that the project is exempt from the requirements of the California Environmental Quality Act (CEQA).

INTRODUCTION

The District owns and operates the Camanche North Shore Recreation Area (CNS) in Amador County along the north shore of Camanche Reservoir. Existing groundwater at CNS is used for domestic water purposes including camping sites, cottages, motel units, mobile homes and marinas. These groundwater supplies have historically suffered from water quality and quantity problems, and the long-term solution is to serve CNS from the new water treatment plant built by the District at Camanche South Shore Recreation Area via a pipeline across the reservoir. Construction of the treatment plant and pipeline is now complete. The water supply for the new plant to serve CNS is planned to be raw water supplied by AWA which is more reliable and of higher quality than the groundwater at CNS. In addition to a water service agreement for raw water, staff is recommending execution of an amendment to terminate an existing agreement with AWA for a transmission project constructed approximately 15 years ago. The recommended actions are consistent with the District's plans for local water supply and support the District's Long-Term Water Supply Strategic Plan Goal to ensure a reliable high quality water supply for the future.

DISCUSSION

Over the past several months the District and AWA have worked out the conditions under which it would provide raw water to the District. AWA has water available for CNS which is within the AWA service be

Funds Available: FY	Budget Code:	
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR Richard G. Sykes	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

decommissioned or used only for non-potable applications such as irrigation. The proposed water service agreement will comply with State Water Resources Control Board (SWRCB) requirements and enhance the water quality of CNS. In addition, this agreement requires the District to indemnify AWA for all costs arising out of the use of water under the agreement.

In 1993, EBMUD, PG&E and AWA entered into the Amador Transmission Project Agreement under which EBMUD and PG&E shared costs for replacing leaky portions of the Amador Canal with a pipeline. EBMUD's cost share was $4.5 million. The District's benefit from the project and resulting increased flows down the Mokelumne River for water supply and power generation is estimated at 110,675 acre-feet for the expected benefit period (1996-2022). The Transmission Project Agreement had no termination date and AWA has requested the District amend the agreement to add a termination date. District staff and AWA propose amending the agreement to add a termination date of December 31, 2022.

SUSTAINABILITY

Economic

Funding for the Water Service Agreement is included in the FY19 budget. There are no fiscal impacts from the amendment to the Transmission Project Agreement and the District has realized more than the anticipated expected benefit from that agreement, particularly during the 2012-2105 drought.

Environmental

The project would rely on the use of existing facilities to allow AWA to make water available for diversion by EBMUD in Pardee Reservoir, and conveyance to and treatment in the Camanche Water Treatment Plant for delivery through an existing pipeline to the CNS facilities. As such, it is exempt from the requirements of CEQA pursuant to the existing facilities categorical exemption (CEQA Guidelines section 15301). Following Board approval, the Secretary's Office would file a CEQA Notice of Exemption for the project in Amador and Calaveras Counties.

Social

These proposed actions will facilitate a stable, high quality water supply source for the residents and visitors at CNS, and continue a constructive and cooperative working relationship with AWA.

ALTERNATIVE

Do not authorize the recommended agreement and amendment. This alternative is not recommended as the recommend actions improve water service for CNS and have been determined to be fair and reasonable by staff of both agencies.

EBMUD

AGENDA NO. 10.
MEETING DATE April 24, 2018

TITLE **ENVIRONMENTAL CONSULTANT FOR LARGE SCALE PHOTOVOLTAIC PROJECT**

☑ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Authorize an agreement with Panorama Environmental, Inc. in an amount not to exceed $626,079 to prepare the required environmental documentation and related permitting for the Large Scale Photovoltaic (PV) Project.

SUMMARY

The District is investigating three potential sites on East Bay watershed property to develop one or more PV projects under Pacific Gas and Electric's (PG&E's) Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff. Each site could accommodate up to five megawatts of generation. Under this contract, the consultant will assist with site assessments, determination of necessary mitigation measures, and completion of required site permitting. The consultant will also assist with preparation of project-related information for public scoping meetings, if needed. This agreement was discussed during the Sustainability/Energy Committee meeting on April 24, 2018.

DISCUSSION

PG&E's RES-BCT tariff allows local governments to generate electricity from a renewable energy source at one electric account and transfer bill credits to as many as 50 benefiting accounts. The District identified three sites in the East Bay watershed with potential to accommodate a cost-effective PV project. Evaluation of the sites will include identifying potential environmental impacts (i.e., special status species and viewshed), the timeline for implementation (qualifying for the tariff is limited), and costs associated with connecting PG&E facilities to the District's project. A PG&E interconnection study is being conducted in parallel for the three sites to quantify these costs. Any preferred sites will be selected based on a balance of the environmental impacts, economic feasibility, and implementation timeline to qualify for the RES-BCT tariff. Development of zero-emissions energy sources supports the District's Water Quality and Environmental Protection Strategic Plan goal.

Funds Available: FY 18/20	Budget Code: 773/7999/5311	
DEPARTMENT SUBMITTING Water Operations	DEPARTMENT MANAGER or DIRECTOR David A. Briggs	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

CONSULTANT SELECTION

A Request for Proposals was sent to nine firms with expertise in the California Environmental Quality Act (CEQA) and was also advertised on the District's website. The District received six proposals and selected three firms to interview based on their qualifications and experience. Panorama Environmental, Inc. was selected based on their expertise with similar PV projects, including specific knowledge of potential environmental impacts and community concerns resulting from project implementation.

SUSTAINABILITY

Economic

Funding is available in the FY18 capital budget. The net present value of the cost savings is estimated at $10 million in energy purchases over the 30-year life of each project.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Locals 2019 and 21 were notified of this contract on June 12, 2017 and did not raise any specific issues related to this contract.

Environmental

When constructed, a large scale PV project will reduce the District's greenhouse gas (GHG) emissions by an estimated 2,200 metric tons of carbon dioxide per year and help the District meet its goal to be carbon-free for indirect emissions by 2040.

Each project site's environmental impacts will be evaluated in accordance with CEQA and, to the extent feasible, significant impacts will be mitigated to less than significant levels.

ALTERNATIVES

Do not perform the work. This alternative is not recommended because the District would have to continue purchasing power from PG&E and forego long-term energy purchase savings and reduction in GHG emissions.

Perform the work with District forces. This alternative is not recommended as District staff does not have the resources to complete the work within the time frame required to secure admittance into PG&E's RES-BCT program.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Professional Services Agreement - Engineering Consultant Roster Environmental Consultant for Large Scale PV Project	April 12, 2018

CONTRACTOR:	Small Business	PERCENTAGE OF CONTRACT DOLLARS		
		Availability Group	**Contracting Objectives**	**Participation**
Panorama Environmental, Inc. San Francisco, CA 94104		**White Men**	**25%**	**8.9%**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**	**White Women**	**6%**	**91.1%**
	Ethnicity / **Gender**	**Ethnic Minorities**	**25%**	**0.0%**
$626,079 *	White / Women			

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME:											
Panorama Environmental, Inc.	$570,280	White		X		91.1%					
SUBS:											
Pacific Biology	$20,420	White	X		3.3%						
Basin Research	$10,554	White	X		1.7%						
2M Associates	$24,825	White	X		4.0%						
TOTAL	$626,079				8.9%	91.1%	0.0%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	6	7	6	19
Percent of Total Employees:	31.6%	36.8%	31.6%	
MSA Labor Market %:	28.0%	23.6%	48.4%	
MSA Labor Market Location:	California			

COMMENTS

Contract Equity Participation - 8.9% White Men participation and 91.1% White Women participation.

*Total not to exceed: $626,079

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	YES	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:			Ethnic Minority Percentages From U.S. Census Data						
Environmental Consultant for Large Scale PV Project				**B**	**H**	**A/PI**	**AI/AN**	**TOTAL**	
			National	10.5	10.7	3.7	0.7	27.3	
Professional Services Agreement - Engineering Consultant Roster		DATE: 4/12/2018	**9 Bay Area Counties**	5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2	
R=Recmmd P=Prime S=Sub	**Composition of Ownership**		**Number of Ethnic Minority Employees**						
Company Name, Owner/Contact Person, Address, and Phone Number			**B**	**H**	**A/PI**	**AI/AN**	**TOTAL**	**PERCENT**	**MSA %**
RP	**WW: SBE**	**Company Wide**	0	2	4	0	6	31.6%	48.4%
Panorama Environmental, Inc.		Manager/Prof	0	1	3	0	4	25.0%	
Tania Treis		Technical/Sales	0	1	1	0	2	66.7%	
717 Market Street, Suite 650		Clerical/Skilled	0	0	0	0	0	0.0%	
San Francisco, CA 94103		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	2	3	0	5	31.3%	39.9%
650-373-1200		AA Plan on File:	**NA**		Date of last contract with District:			**5/5/2015**	
		Co. Wide MSA:	**California**		# Employees-Co. Wide:		**19**	Bay Area:	**16**
S	**WM**	**Company Wide**							
Pacific Biology		Manager/Prof							
635 Carmel Avenue		Technical/Sales							
Albany, CA 94706		Clerical/Skilled	INFORMATION NOT PROVIDED						
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
S	**WM: LBE**	**Company Wide**							
Basin Research		Manager/Prof							
1933 Davis Street, Suite 210		Technical/Sales							
San Leandro, CA 94577		Clerical/Skilled	INFORMATION NOT PROVIDED						
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
S	**WM: LBE**	**Company Wide**							
2M Associates		Manager/Prof							
P.O. Box 7036		Technical/Sales							
Landscape Station		Clerical/Skilled	INFORMATION NOT PROVIDED						
Berkeley, CA 94707		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
P	**WM**	**Company Wide**	9	39	46	0	94	18.7%	27.3%
Environmental Science Associates		Manager/Prof	5	28	30	1	64	15.1%	
Nathan Rapp		Technical/Sales	0	0	6	0	6	28.6%	
1425 N. McDowell Boulevard, Suite 200		Clerical/Skilled	4	11	10	0	25	43.1%	
Petaluma, CA 94954		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	3	10	19	0	32	22.7%	39.9%
707-795-0900		Co. Wide MSA:	**Total USA**		# Employees-Co. Wide:		**504**	Bay Area:	**141**

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:			Ethnic Minority Percentages From U.S. Census Data				
Environmental Consultant for Large Scale PV Project			B	H	A/PI	AI/AN	TOTAL
		National	10.5	10.7	3.7	0.7	27.3
Professional Services Agreement	DATE: 4/12/2018	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			**B**	**H**	**A/PI**	**AI/AN**	**TOTAL**	**PERCENT**	**MSA %**
P	WM	Company Wide	1	4	2	0	7	11.5%	48.4%
Aspen Environmental Group		Manager/Prof	1	4	2	0	7	13.0%	
Neda Rastegar		Technical/Sales	0	0	0	0	-	NA	
235 Montgomery Street, Suite 935		Clerical/Skilled	0	0	0	0	0	0.0%	
San Francisco, CA 94104		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	1	1	0	2	25.0%	39.9%
818-338-6739		Co. Wide MSA:	California		# Employees-Co. Wide:		61	Bay Area:	8
P	WM: LBE	Company Wide							
Zentner Planning and Ecology		Manager/Prof							
Brian Davis		Technical/Sales							
120 A Linden St.		Clerical/Skilled	INFORMATION NOT PROVIDED						
Oakland, CA 94607		Semi/Unskilled							
		Bay Area							
510-622-8110		Co. Wide MSA:							
P	WM	Company Wide							
Kimley-Horn		Manager/Prof							
Christa Redd		Technical/Sales							
555 Capital Mall, Suite 300		Clerical/Skilled	INFORMATION NOT PROVIDED						
Sacramento, CA 95814		Semi/Unskilled							
		Bay Area							
916-571-1008		Co. Wide MSA:							
P	WM: LBE	Company Wide							
AECOM		Manager/Prof							
Steven H. Smith		Technical/Sales							
300 Lakeside Drive, Suite 400		Clerical/Skilled	INFORMATION NOT PROVIDED						
Oakland, CA 94612		Semi/Unskilled							
		Bay Area							
510-379-1130		Co. Wide MSA:							

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 11.
MEETING DATE April 24, 2018

TITLE AGREEMENT AMENDMENT FOR PLANT INSPECTION SERVICES

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Authorize an amendment to the existing agreement with Walls Inspection Company, Inc. to increase the agreement amount by $700,000 to a total amount not to exceed $1,160,000 for specialty plant inspection services for various construction projects. In awarding this contract, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

SUMMARY

The Board authorized an agreement for plant inspection services for Diablo Vista Pumping Plant and various other projects on June 9, 2015 in the amount of $400,000. The agreement was subsequently amended under General Manager Authority to $460,000. This agreement amendment is necessary to continue needed construction support for various projects including but not limited to Country Club, Shapiro and Road 24 Pumping Plant Rehabilitation, South Reservoir and Shasta Woods Pumping Plant Replacement, Wildcat Pipeline, University Pumping Plant Replacement, Happy Valley/Sunnyside Pumping Plant and Pipeline, Madrone and Palo Seco Pumping Plant Rehabilitation and Maloney Pumping Plant Expansion.

DISCUSSION

Plant inspection services involve travel to various manufacturing, fabricating and/or testing facilities to verify compliance with contract requirements. The plant inspection workload is intermittent, highly variable and difficult to project because it can only be determined once a contract is awarded and the locations of the fabrication shops and fabrication schedules are disclosed. This amendment continues to provide two plant inspectors to augment District staff as needed over the next two to three years to meet intermittent peak workload. These services support the District's Long-Term Infrastructure Investment Strategic Plan goal.

Funds Available: FY18-22 CIP #001252, Page 34	Budget Code: WSC/ENG/574/2010215/5231	
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR Xavier J. Irias	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

CONSULTANT SELECTION

Walls Inspection Company, Inc. was originally selected through the District's selection process for engineering consultants based on their qualifications and expertise. It has provided outstanding service to the District over the duration of the contract and its rates remain reasonable.

SUSTAINABILITY

Economic

Funds for this contract are included in the FY18 Capital Improvement Program for the Country Club, Shapiro and Road 24 Pumping Plant Rehabilitation and various other projects.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of Industrial Relations of the State of California.

Local 2019 was notified of this contract on February 2, 2018. Local 2019 issues were addressed at a meeting on February 8, 2018 and resolved.

ALTERNATIVES

Perform work with District staff. This alternative is not recommended because current plant inspection staffing cannot accommodate peak workload that occurs intermittently, in distant locations and for limited durations.

Do not perform this work. This alternative is not recommended because comprehensive inspection oversight at the manufacturing and fabrication facilities is needed to ensure successful completion of the projects.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Professional Services Agreement - Amendment Agreement Amendment for Diablo Vista Pumping Plant Rehabilitation and Various Other Projects - Plant Inspection Services	April 10, 2018

CONTRACTOR:	Small Business	PERCENTAGE OF CONTRACT DOLLARS		
		Availability Group	**Contracting Objectives**	**Participation**
Walls Inspection Company, Inc. Lake Elsinore, CA 92531		**White Men**	**25%**	**0.0%**
		White Women	**6%**	**0.0%**
		Ethnic Minorities	**25%**	**100.0%**

BID/PROPOSER'S PRICE:	FIRM'S OWNERSHIP	
	Ethnicity	**Gender**
$700,000 *	Native American (N.A.)	Women

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Walls Inspection Company, Inc.	$700,000	N.A.		X			100.0%				
SUBS: None											
TOTAL	$700,000				0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	2	0	10	12
Percent of Total Employees:	16.7%	0.0%	83.3%	
MSA Labor Market %:	30.1%	24.7%	45.3%	
MSA Labor Market Location:	Riverside County, CA			

COMMENTS

Contract Equity Participation - 100% Ethnic Minority participation.

*Total not to exceed: $1,160,000 = $460,000 (Multiple previous amendments) + $700,000 (Amendment)

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	Beverly Johnson SAP

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title:	DATE:
Agreement Amendment for Diablo Vista Pumping Plant Rehabilitation and Various Other Projects - Plant Inspection Services	
Professional Services Agreement	4/10/2018

Ethnic Minority Percentages From U.S. Census Data					
	B	H	A/PI	AI/AN	TOTAL
National	10.5	10.7	3.7	0.7	27.3
9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
	Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	**EMW: N.A. - SBE**	**Company Wide**	0	6	0	0	6	50.0%	45.3%
Walls Inspection Company, Inc. James A. Walls 32391 Riverside Dr, Suite 15 Lake Elsinore, CA 92530		Manager/Prof	0	3	0	0	3	50.0%	
		Technical/Sales	0	2	0	0	2	50.0%	
		Clerical/Skilled	0	1	0	0	1	50.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
951-674-6206		AA Plan on File:	**NA**		Date of last contract with District:			**1/18/2018**	
		Co. Wide MSA:	**Riverside County, CA**		# Employees-Co. Wide:		**12**	Bay Area:	**0**
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 12.
MEETING DATE April 24, 2018

TITLE AUTOMOBILE AND LIGHT TRUCK PURCHASES

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Authorize an amendment to the contracts awarded to various companies in accordance with the timing and pricing specified in the relevant State of California annual vehicle purchase contracts under Board Motion No. 073-15 dated April 28, 2015 for supplying automobile and light trucks for the District's fleet to increase the amount by $5,326,000 for a total cost of $17,981,400 for the remainder of the five-year period ending April 30, 2020.

SUMMARY

The District's Vehicle Replacement Program and Fleet Additions Program are based on the estimated life cycle, condition of vehicles and equipment, and business requirements. This authorization allows the District to take advantage of the favorable pricing in state contracts for vehicles not economically repairable, when scheduled replacements occur, or when there is a business need to add a vehicle.

DISCUSSION

Funds awarded under this contract are used for the replacement of automobile and light trucks as part of the District's Vehicle Replacement Program and Fleet Additions Program. Vehicles are replaced based on age, mileage, condition, changing business needs, and operational requirements. Purchase of vehicles through the replacement program does not increase the fleet size. Two hundred and ninety-one vehicles were replaced under the original authorization and approximately 163 additional vehicles will be replaced under this amendment. This increase is a result of unanticipated vehicle purchases resulting from California Air Resources Board Cleaire Longmile Recall emission requirements, additions and upgrades to standard specifications, and vendor price increases. This contract supports the District's Water Quality and Environmental Protection and Long-Term Financial Stability Strategic Plan goals.

Board Resolution No. 32839-94 allows for the purchase of vehicles from suppliers under state contracts. Public Contract Code, Section 10298, allows agencies such as EBMUD, to purchase directly off competitively awarded state contracts without pursuing separate competitive bidding. The District

Funds Available: FY18/19		Budget Code: 756-7999-0200120
DEPARTMENT SUBMITTING Operations & Maintenance	DEPARTMENT MANAGER or DIRECTOR Clifford C. Chan	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

conducted a market survey and found a savings of two to eight percent by using state contracts. The savings are due to the large volume of vehicles in the state's competitive effort and direct contracts with manufacturers. The state contracts are bid annually, and vendors and pricing change yearly. Prior to purchasing from the state contracts, the District will confirm that the purchase prices, specifications, terms, and conditions are more favorable than the District could obtain on its own.

SUSTAINABILITY

Economic

Vehicle replacements are funded through the Vehicle Replacement Fund and the Fleet Additions Program. Funds for this contract are included in the capital budget.

Social

The State of California conducts the procurement process.

Environmental

Vehicles acquired under this agreement will offer greater fuel efficiency and improved vehicle emissions.

ALTERNATIVES

Do not replace vehicles. This alternative is not recommended as the District incurs greater costs for operating and maintaining vehicles beyond their useful life. Vehicles and equipment not available or out of service for frequent maintenance would adversely affect productivity.

Conduct a competitive process to obtain pricing and vendors. This alternative is not recommended because the District will likely spend an additional two to eight percent for the vehicles.

EBMUD

AGENDA NO. 13.
MEETING DATE April 24, 2018

TITLE **AUTHORIZE CONTINUED EMPLOYMENT OF HANSON BRIDGETT, LLP, FOR SPECIALIZED LEGAL SERVICES**

☑ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Authorize the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett, LLP, for specialized legal services related to construction, public contracts and procurement, claims, intellectual property and technology matters, tax, public pension law, labor and employment, and litigation matters in an additional amount not to exceed $100,000.

DISCUSSION

The firm of Hanson Bridgett, LLP, has been retained to assist the Office of General Counsel in matters related to construction, public contracts and procurements, claims, trademark services, tax, public pension law, labor and employment, and litigation matters. Additionally, Hanson Bridgett, LLP, is being retained to assist with legal issues associated with cyber-security and electronic data. The Office of General Counsel is now requesting authorization for additional funds for services described in a separate confidential attorney-client privileged informational memorandum to the Board of Directors.

SUSTAINABILITY

Economic

Funding for this item is included in the Fiscal Year 2018 budget for obtaining specialized legal assistance.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

Funds Available: FY 2018		Budget Code: WS0 130 8511 5231
DEPARTMENT SUBMITTING Office of General Counsel	DEPARTMENT MANAGER or DIRECTOR Craig S. Spencer, General Counsel	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

EBMUD

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE	DATE:
Amendment to Professional Services Agreement Authorize Continued Employment of Hanson Bridgett, LLP, for Specialized Legal Services	April 11, 2018

CONTRACTOR:			PERCENTAGE OF CONTRACT DOLLARS		
Hanson Bridgett, LLP San Francisco, CA 94105			**Availability Group**	**Contracting Objectives**	**Participation**
BID/PROPOSER'S PRICE:	**FIRM'S OWNERSHIP**		**White Men**	**25%**	**100.0%**
	Ethnicity	**Gender**	**White Women**	**6%**	**0.0%**
$100,000 *	White	Men	**Ethnic Minorities**	**25%**	**0.0%**

CONTRACT EQUITY PARTICIPATION

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Hanson Bridgett, LLP	$100,000	White	X		100.0%						
SUBS: None											
TOTAL	$100,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	59	83	92	234
Percent of Total Employees:	25.2%	35.5%	39.3%	
MSA Labor Market %:	28.0%	23.6%	48.4%	
MSA Labor Market Location:	California			

COMMENTS

Contract Equity Participation - 100.0% White Men participation

*Total not to exceed: $100,000

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	Beverly Johnson

EBMUD

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: **Authorize Continued Employment of Hanson Bridgett, LLP, for Specialized Legal Services**

Professional Services Agreement

DATE: 4/11/2018

Ethnic Minority Percentages From U.S. Census Data	B	H	A/PI	AI/AN	TOTAL
National	10.5	10.7	3.7	0.7	27.3
9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2

R=Recmmd P=Prime S=Sub	Composition of Ownership	Company Name, Owner/Contact Person, Address, and Phone Number	Number of Ethnic Minority Employees						
			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM	Company Wide	16	17	48	0	81	34.6%	48.4%
Hanson Bridgett, LLP		Manager/Prof	1	4	14	0	19	16.5%	
Mary Sherman		Technical/Sales	3	1	1	0	5	50.0%	
425 Market Street, 26th Floor		Clerical/Skilled	12	12	33	1	58	53.2%	
San Francisco, CA 94105		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	16	17	47	0	80	37.2%	39.9%
415-995-5123		AA Plan on File:	NA		Date of last contract with District:			11/16/2016	
		Co. Wide MSA:	California		# Employees-Co. Wide:		234	Bay Area:	215

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)

EBMUD

AGENDA NO. 14.
MEETING DATE April 24, 2018

TITLE MONTHLY INVESTMENT TRANSACTIONS REPORTS

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Approve the February and March 2018 Monthly Investment Transactions Reports.

SUMMARY

In accordance with Board Resolution No. 30127 and Policy 4.07 – Investment Policy, staff presents a monthly transactions report for the Finance/Administration Committee to review and for the Board to consider each month. The February and March 2018 reports are being submitted for Board consideration. This item was reviewed with the Finance/Administration Committee on April 24, 2018.

DISCUSSION

Pursuant to Policy 4.07 – Investment Policy, staff produces a monthly report of investment transactions generated by Treasury staff (buys, sales, deposits, withdrawals) as well as transactions that occur as a feature of the securities held (interest, calls, maturities). Information on portfolio performance, balances, and other factors are presented in the quarterly investment report.

In February, the portfolio decreased from $741.5 million to $738.8 million. Net transactions decreased the total by $3.1 million and interest received added $0.4 million. Deposits into short-term liquidity funds totaled $21.1 million and $32.8 million was withdrawn. Securities purchased totaled $5.7 million. No securities were sold, $7.9 million of securities matured, and no securities were called. Net transactions at the District's commercial bank resulted in an increase of $10.7 million.

In March, the portfolio decreased from $738.8 million to $729.8 million. Net transactions decreased the total by $9.2 million and interest received added $0.2 million. Deposits into short-term liquidity funds totaled $10.6 million and $39.0 million was withdrawn. Securities purchased totaled $4.9 million. No securities were sold, $0.1 million of securities matured, and no securities were called. Net transactions at the District's commercial bank resulted in an increase of $14.3 million.

Funds Available: FY18 and FY19	Budget Code:	
DEPARTMENT SUBMITTING Finance	DEPARTMENT MANAGER or DIRECTOR Sophia D. Skoda	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

This item supports the District's Long-Term Financial Stability Strategic Plan goal to ensure integrity, accountability and transparency in financial management.

Attachments

I:\Sec\2018 Board Related Items\042418 Board Agenda Items\FIN – BD1 Monthly Investment Transactions Reports.doc

Monthly Investment Transactions Report
February 2018

This report is presented to the Board pursuant to Government Code Section 53607 and in accordance with the District's Investment Policy 4.07.

The attached report details transactions in the District's portfolio as follows:

- **Monthly Investment Transactions Summary** **Page 1**
- **Monthly Investment Activity** **Page 2**
  - Buys Page 3
  - Deposits Page 4
  - Matured Page 5
  - Calls Page 6
  - Sales Page 7
  - Withdrawals Page 8
- **Monthly Interest Activity** **Page 9**
  - Interest Received (Transferred to Wells Fargo) Page 10
  - Interest Received (Reinvested) Page 11

Approved by: Sophia D. Skoda, Finance Director

Date 3/8/18

SDS:DSK:MH

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Transactions Summery
February 2018

Portfolio	Beginning Balance*	Monthly Net Transaction Activity	Monthly Interest Activity	Ending Balance
001 - Water System Consolidated	598,529,082.36	(4,215,000.00)	10,130.54	594,324,212.90
007 - Wastewater Consolidated	94,478,597.09	1,041,000.00	10,427.06	95,530,024.15
049 - Ferc Partnership	2,000,000.00	-	-	2,000,000.00
009 - BACWA	3,167,600.00	-	-	3,167,600.00
015 - DERWA	-	-	-	-
002 - FRWA	2,150,000.00	-	-	2,150,000.00
014 - IICP	150,500.00	-	-	150,500.00
010 - UMRWA	64,000.00	-	-	64,000.00
003 - Employees Retirement	17,508,380.47	(10,694,000.00)	-	6,814,380.47
065 - Water S2008A DSRF	3,294,448.81	-	2,523.80	3,296,972.61
068 - Water 2010A DSRF	342,099.48	-	5.43	342,104.91
099 - Wells Fargo**	19,862,930.37	10,720,905.42	370,425.43	30,954,261.22
Total	**741,547,638.58**	**(3,147,094.58)**	**393,512.26**	**738,794,056.26**

* Portfolio balance presented at face value.

**Wells Fargo's month-end available balance per bank statement. Gross amount; not allocated by fund and not included in balances above.

Prepared by: Matt Houck, Accounting Technician — Date: 3/7/2018

Reviewed by: Sandy Lindley, Accounting Supervisor — Date: 3/7/18

Approved by: D. Scott Klein, Controller — Date: 3/7/18

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio	Deposits	Withdrawals	Buys	Sales	Matured	Calls	Non-Investment Transactions*	Net Transaction Activity
001 - Water System Consolidated	14,000,000.00	(15,000,000.00)	4,485,000.00	-	(7,700,000.00)	-	-	(4,215,000.00)
007 - Wastewater Consolidated	-	-	1,250,000.00	-	(209,000.00)	-	-	1,041,000.00
049 - Ferc Partnership	-	-	-	-	-	-	-	-
009 - BACWA	-	-	-	-	-	-	-	-
015 - DERWA	-	-	-	-	-	-	-	-
002 - FRWA	-	-	-	-	-	-	-	-
014 - IICP	-	-	-	-	-	-	-	-
010 - UMRWA	-	-	-	-	-	-	-	-
003 - Employees Retirement	7,080,000.00	(17,774,000.00)	-	-	-	-	-	(10,694,000.00)
065 - Water S2008A DSRF	-	-	-	-	-	-	-	-
068 - Water 2010A DSRF	-	-	-	-	-	-	-	-
Investment Activity Total	**21,080,000.00**	**(32,774,000.00)**	**5,735,000.00**	**-**	**(7,909,000.00)**	**-**	**-**	**(13,868,000.00)**
099 - Wells Fargo	(21,080,000.00)	32,774,000.00	(5,735,000.00)	-	7,909,000.00	-	(3,147,094.58)	10,720,905.42
Total	**-**	**-**	**-**	**-**	**-**	**-**	**(3,147,094.58)**	**(3,147,094.58)**

*Non-investment transactions are net receipts and expenditures in Wells Fargo resulting from activities other than investment and interest transactions detailed in this report.

Reviewed by: Damien Charlety, Principal Mgmt Analyst

Date

Approved by: Richard Lou, Acting Treasury Manager

03/08/18
Date

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Buys										
001 - Water System Consolidated	Medium Term Notes	Apple Inc. 1 5/3/2018	037833AJ9	02/06/2018	02/08/2018	05/03/2018	1,135,000.00	1,133,308.85	2,995.14	1,136,303.99
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 4/4/2019-17	3134G8TL3	02/08/2018	02/09/2018	04/04/2019	1,000,000.00	998,750.00	4,340.28	1,003,090.28
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.625 11/27/2018	3135G0YT4	02/08/2018	02/09/2018	11/27/2018	1,000,000.00	997,700.00	3,250.00	1,000,950.00
001 - Water System Consolidated	Medium Term Notes	The Coca Cola Co 1.375 5/30/2019	191216BV1	02/08/2018	02/12/2018	05/30/2019	1,350,000.00	1,336,419.00	3,712.50	1,340,131.50
					Sub Total		**4,485,000.00**			
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.03 5/21/2018-14	3135G0XA6	02/01/2018	02/02/2018	05/21/2018	500,000.00	499,155.00	1,015.69	500,170.69
007 - Wastewater Consolidated	Medium Term Notes	The Coca Cola Co 1.375 5/30/2019	191216BV1	02/08/2018	02/12/2018	05/30/2019	750,000.00	742,582.50	2,062.50	744,645.00
					Sub Total		**1,250,000.00**			
							5,735,000.00	**5,707,915.35**	**17,376.11**	**5,725,291.46**

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Deposits										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	02/05/2018	02/05/2018	N/A	10,000,000.00	10,000,000.00	0.00	10,000,000.00
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	02/05/2018	02/05/2018	N/A	4,000,000.00	4,000,000.00	0.00	4,000,000.00
					Sub Total		**14,000,000.00**			
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	02/22/2018	02/22/2018	N/A	3,541,000.00	3,541,000.00	0.00	3,541,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	02/08/2018	02/08/2018	N/A	3,539,000.00	3,539,000.00	0.00	3,539,000.00
					Sub Total		**7,080,000.00**			
							21,080,000.00	**21,080,000.00**	**0.00**	**21,080,000.00**

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Matured										
001 - Water System Consolidated	Federal Agency Issues (	FHLMC 1.05 2/26/2018-16	3134G8L98	02/26/2018	02/26/2018	02/26/2018	700,000.00	700,000.00	0.00	700,000.00
001 - Water System Consolidated	Federal Agency Issues (	FNMA 1.05 2/27/2018-15	3136G1DG1	02/27/2018	02/27/2018	02/27/2018	2,000,000.00	2,000,000.00	0.00	2,000,000.00
001 - Water System Consolidated	Federal Agency Issues (	FNMA 1.05 2/27/2018-15	3136G1DG1	02/27/2018	02/27/2018	02/27/2018	5,000,000.00	5,000,000.00	0.00	5,000,000.00
					Sub Total		**7,700,000.00**			
007 - Wastewater Consolidated	Federal Agency Issues (	FHLMC 1.1 2/28/2018-14	3134G3G20	02/28/2018	02/28/2018	02/28/2018	209,000.00	209,000.00	0.00	209,000.00
					Sub Total		**209,000.00**			
							7,909,000.00	**7,909,000.00**	**0.00**	**7,909,000.00**

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Calls										

*No Transaction this Period

	0.00	0.00	0.00	0.00

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Sales										

*No Transaction this Period

	0.00	0.00	0.00	0.00

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Withdrawals										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	02/20/2018	02/20/2018	N/A	15,000,000.00	15,000,000.00	0.00	15,000,000.00
					Sub Total		**15,000,000.00**			
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	02/26/2018	02/26/2018	N/A	8,907,000.00	8,907,000.00	0.00	8,907,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	02/01/2018	02/01/2018	N/A	8,867,000.00	8,867,000.00	0.00	8,867,000.00
					Sub Total		**17,774,000.00**			
							32,774,000.00	**32,774,000.00**	**0.00**	**32,774,000.00**

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
February 2018

Portfolio	Total Interest Received	Interest Transferred to Wells Fargo*	Net Interest Activity (Reinvested)**
001 - Water System Consolidated	337,275.22	(327,144.68)	10,130.54
007 - Wastewater Consolidated	53,707.81	(43,280.75)	10,427.06
049 - Ferc Partnership	-	-	-
009 - BACWA	-	-	-
015 - DERWA	-	-	-
002 - FRWA	-	-	-
014 - IICP	-	-	-
010 - UMRWA	-	-	-
003 - Employees Retirement	-	-	-
065 - Water S2008A DSRF	2,523.80	-	2,523.80
068 - Water 2010A DSRF	5.43	-	5.43
Interest Transactions Total	**393,512.26**	**(370,425.43)**	**23,086.83**
099 - Wells Fargo	-	370,425.43	370,425.43
Total	**393,512.26**	**-**	**393,512.26**

*Coupon and other interest received; reinvestment unavailable.

**Coupon and other interest payments reinvested in specific portfolio.

Prepared by: Matt Houck, Accounting Technician — Date 3/7/2018

Reviewed by: Sandy Lindley, Accounting Supervisor — Date 3/7/18

Approved by: D. Scott Klein, Controller — Date 3/7/18

EBMUD

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Interest Received (Transferred to Wells Fargo)										
001 - Water System Consolidated	Municipal Bonds	Contra Costa County Redevelopment Age	212263AQ0	02/01/2018	02/01/2018	08/01/2020	0.00	0.00	6,015.62	6,015.62
001 - Water System Consolidated	Municipal Bonds	Highland Redevelopment Agency Succes:	430034AV0	02/01/2018	02/01/2018	02/01/2021	0.00	0.00	6,480.00	6,480.00
001 - Water System Consolidated	Municipal Bonds	San Francisco City & Cnty CA Redevelopr	79770GGK6	02/01/2018	02/01/2018	08/01/2018	0.00	0.00	2,753.47	2,753.47
001 - Water System Consolidated	Municipal Bonds	San Francisco City & Cnty CA Redevelopr	79770GGM2	02/01/2018	02/01/2018	08/01/2020	0.00	0.00	5,083.33	5,083.33
001 - Water System Consolidated	Municipal Bonds	San Jose Redevelopment Agency Succes	798170AA4	02/01/2018	02/01/2018	08/01/2018	0.00	0.00	5,272.22	5,272.22
001 - Water System Consolidated	Municipal Bonds	San Jose Redevelopment Agency Succes	798170AB2	02/01/2018	02/01/2018	08/01/2019	0.00	0.00	5,291.62	5,291.62
001 - Water System Consolidated	Municipal Bonds	Santa Clara County CA 2 8/1/2019	801546PD8	02/01/2018	02/01/2018	08/01/2019	0.00	0.00	11,981.11	11,981.11
001 - Water System Consolidated	Municipal Bonds	Santee CDC Successor Agency 1.5 8/1/2(	802862AV4	02/01/2018	02/01/2018	08/01/2018	0.00	0.00	7,500.00	7,500.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FFCB 1.2 2/11/2019-16	3133EFYT8	02/11/2018	02/11/2018	02/11/2019	0.00	0.00	9,222.00	9,222.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 5/22/2019-17	3134GBLF7	02/22/2018	02/22/2018	05/22/2019	0.00	0.00	937.50	937.50
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB 1.125 8/23/2018-16	3130A8VQ3	02/23/2018	02/23/2018	08/23/2018	0.00	0.00	1,968.75	1,968.75
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1 11/23/2018-17	3134GAGG3	02/23/2018	02/23/2018	11/23/2018	0.00	0.00	5,000.00	5,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 11/23/2020-17	3134GAWW0	02/23/2018	02/23/2018	11/23/2020	0.00	0.00	18,070.31	18,070.31
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/24/2021-17	3134GAEM2	02/24/2018	02/24/2018	08/24/2021	0.00	0.00	67,500.00	67,500.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.15 5/24/2019-17	3136G3AR6	02/24/2018	02/24/2018	05/24/2019	0.00	0.00	5,750.00	5,750.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.4 2/25/2019-17	3134GAW26	02/25/2018	02/25/2018	02/25/2019	0.00	0.00	16,800.00	16,800.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/25/2021-16	3134GACG7	02/25/2018	02/25/2018	08/25/2021	0.00	0.00	31,250.00	31,250.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/25/2021-17	3134G95P8	02/25/2018	02/25/2018	08/25/2021	0.00	0.00	40,625.00	40,625.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.05 2/26/2018-16	3134G8L98	02/26/2018	02/26/2018	02/26/2018	0.00	0.00	3,675.00	3,675.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA Step 2/26/2019-16	3136G2ZX8	02/26/2018	02/26/2018	02/26/2019	0.00	0.00	6,250.00	6,250.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.05 2/27/2018-15	3136G1DG1	02/27/2018	02/27/2018	02/27/2018	0.00	0.00	36,750.00	36,750.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 11/28/2018-17	3134GAWZ3	02/28/2018	02/28/2018	11/28/2018	0.00	0.00	17,656.25	17,656.25
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/28/2019-17	3134GAEV2	02/28/2018	02/28/2018	08/28/2019	0.00	0.00	15,312.50	15,312.50
								Sub Total		**327,144.68**
007 - Wastewater Consolidated	Municipal Bonds	Brea CA Redevelopment Agency Successc	106293CE1	02/01/2018	02/01/2018	08/01/2020	0.00	0.00	1,700.00	1,700.00
007 - Wastewater Consolidated	Municipal Bonds	Brea CA Redevelopment Agency Succes:	106293CD3	02/01/2018	02/01/2018	08/01/2019	0.00	0.00	406.25	406.25
007 - Wastewater Consolidated	Municipal Bonds	Lynwood Unified School District 2 8/1/201	551800GG4	02/01/2018	02/01/2018	08/01/2019	0.00	0.00	750.00	750.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FFCB 1.12 2/22/2019-17	3133EFC70	02/22/2018	02/22/2018	02/22/2019	0.00	0.00	2,800.00	2,800.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1 11/23/2018-17	3134G8LV9	02/23/2018	02/23/2018	11/23/2018	0.00	0.00	1,850.00	1,850.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/24/2021-17	3134G92Q9	02/24/2018	02/24/2018	08/24/2021	0.00	0.00	12,500.00	12,500.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/24/2021-17	3134GAAJ3	02/24/2018	02/24/2018	08/24/2021	0.00	0.00	4,500.00	4,500.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC Step 8/27/2019-17	3134G97C5	02/27/2018	02/27/2018	08/27/2019	0.00	0.00	1,375.00	1,375.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1 8/28/2018-16	3134GACY8	02/28/2018	02/28/2018	08/28/2018	0.00	0.00	6,500.00	6,500.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1.1 2/28/2018-14	3134G3G20	02/28/2018	02/28/2018	02/28/2018	0.00	0.00	1,149.50	1,149.50
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1.3 8/28/2019-16	3134GAFY5	02/28/2018	02/28/2018	08/28/2019	0.00	0.00	9,750.00	9,750.00
								Sub Total		**43,280.75**
							0.00	**0.00**	**370,425.43**	**370,425.43**

EAST BAY MUNICIPAL UTILITY DISTRICT

Monthly Interest Activity

February 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Interest Received (Reinvested)										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	02/28/2018	02/28/2018	N/A	0.00	0.00	5,893.72	5,893.72
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	02/28/2018	02/28/2018	N/A	0.00	0.00	4,236.82	4,236.82
007 - Wastewater Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	02/28/2018	02/28/2018	N/A	0.00	0.00	10,427.06	10,427.06
065 - Water S2008A DSRF	Money Market Mutual Funds	Dreyfus MM	MM6999	02/02/2018	02/02/2018	N/A	0.00	0.00	2,523.80	2,523.80
068 - Water 2010A DSRF	Money Market Mutual Funds	Dreyfus MM	MM2642	02/02/2018	02/02/2018	N/A	0.00	0.00	5.43	5.43
							0.00	**0.00**	**23,086.83**	**11,543.42**

Monthly Investment Transactions Report
March 2018

This report is presented to the Board pursuant to Government Code Section 53607 and in accordance with the District's Investment Policy 4.07.

The attached report details transactions in the District's portfolio as follows:

- **Monthly Investment Transactions Summary** **Page 1**
- **Monthly Investment Activity** **Page 2**
  - Buys Page 3
  - Deposits Page 4
  - Matured Page 5
  - Calls Page 6
  - Sales Page 7
  - Withdrawals Page 8
- **Monthly Interest Activity** **Page 9**
  - Interest Received (Transferred to Wells Fargo) Page 10
  - Interest Received (Reinvested) Page 11

Approved by: Sophia D. Skoda, Finance Director

4-6-18
Date

SDS:DSK:MH

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Transactions Summery
March 2018

Portfolio	Beginning Balance*	Monthly Net Transaction Activity	Monthly Interest Activity	Ending Balance
001 - Water System Consolidated	594,324,212.90	(20,740,000.00)	4,806.08	573,589,018.98
007 - Wastewater Consolidated	95,530,024.15	(4,500,000.00)	4,772.29	91,034,796.44
049 - Ferc Partnership	2,000,000.00	-	-	2,000,000.00
009 - BACWA	3,167,600.00	-	-	3,167,600.00
015 - DERWA	-	-	-	-
002 - FRWA	2,150,000.00	-	-	2,150,000.00
014 - IICP	150,500.00	-	-	150,500.00
010 - UMRWA	64,000.00	-	-	64,000.00
003 - Employees Retirement	6,814,380.47	1,693,000.00	-	8,507,380.47
065 - Water S2008A DSRF	3,296,972.61	-	2,379.05	3,299,351.66
068 - Water 2010A DSRF	342,104.91	-	5.12	342,110.03
099 - Wells Fargo**	30,954,261.22	14,319,033.89	172,678.69	45,445,973.80
Total	**738,794,056.26**	**(9,227,966.11)**	**184,641.23**	**729,750,731.38**

* Portfolio balance presented at face value.

**Wells Fargo's month-end available balance per bank statement. Gross amount; not allocated by fund and not included in balances above.

Matt Houck — 4-6-2018
Prepared by: Matt Houck, Accounting Technician — Date

Sandy Lindley — 4.6.18
Reviewed by: Sandy Lindley, Accounting Supervisor — Date

D. Scott Klein — 4-6-18
Approved by: D. Scott Klein, Controller — Date

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio	Deposits	Withdrawals	Buys	Sales	Matured	Calls	Non-Investment Transactions*	Net Transaction Activity
001 - Water System Consolidated	-	(25,000,000.00)	4,260,000.00	-	-	-	-	(20,740,000.00)
007 - Wastewater Consolidated	-	(5,000,000.00)	600,000.00	-	(100,000.00)	-	-	(4,500,000.00)
049 - Ferc Partnership	-	-	-	-	-	-	-	-
009 - BACWA	-	-	-	-	-	-	-	-
015 - DERWA	-	-	-	-	-	-	-	-
002 - FRWA	-	-	-	-	-	-	-	-
014 - IICP	-	-	-	-	-	-	-	-
010 - UMRWA	-	-	-	-	-	-	-	-
003 - Employees Retirement	10,648,000.00	(8,955,000.00)	-	-	-	-	-	1,693,000.00
065 - Water S2008A DSRF	-	-	-	-	-	-	-	-
068 - Water 2010A DSRF	-	-	-	-	-	-	-	-
Investment Activity Total	**10,648,000.00**	**(38,955,000.00)**	**4,860,000.00**	-	**(100,000.00)**	-	-	**(23,547,000.00)**
099 - Wells Fargo	(10,648,000.00)	38,955,000.00	(4,860,000.00)	-	100,000.00	-	(9,227,966.11)	14,319,033.89
Total	-	-	-	-	-	-	**(9,227,966.11)**	**(9,227,966.11)**

*Non-investment transactions are net receipts and expenditures in Wells Fargo resulting from activities other than investment and interest transactions detailed in this report.

Reviewed by: Damien Charlety, Principal Mgmt Analyst

4/6/18
Date

Approved by: Richard Lou, Acting Treasury Manager

4/9/18
Date

EAST BAY MUNICIPAL UTILITY DISTRICT

Monthly Investment Activity

March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Buys										
001 - Water System Consolidated	Municipal Bonds	Los Angeles Unified School District 1.85	5446466X5	02/22/2018	03/08/2018	05/01/2018	4,260,000.00	4,260,000.00	0.00	4,260,000.00
007 - Wastewater Consolidated	Municipal Bonds	Lake Elsinore Redevelopment Agency S	86459BQ4	02/28/2018	03/20/2018	03/01/2019	100,000.00	99,841.00	0.00	99,841.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 0.875 5/21/2018	3135G0WJ8	03/12/2018	03/13/2018	05/21/2018	500,000.00	499,215.00	1,361.11	500,576.11
							4,860,000.00	**4,859,056.00**	**1,361.11**	**4,860,417.11**

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Deposits										
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	03/23/2018	03/23/2018	N/A	7,103,000.00	7,103,000.00	0.00	7,103,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	03/08/2018	03/08/2018	N/A	3,545,000.00	3,545,000.00	0.00	3,545,000.00
							10,648,000.00	**10,648,000.00**	**0.00**	**10,648,000.00**

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Matured										
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.125 3/5/2018-14	3136G1ER6	03/05/2018	03/05/2018	03/05/2018	100,000.00	100,000.00	0.00	100,000.00
							100,000.00	**100,000.00**	**0.00**	**100,000.00**

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Calls										

*No Transaction this Period

	0.00	0.00	0.00	0.00

EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Sales										

*No Transaction this Period

	0.00	0.00	0.00	0.00

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Withdrawals										
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	03/23/2018	03/23/2018	N/A	5,000,000.00	5,000,000.00	0.00	5,000,000.00
001 - Water System Consolidated	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1001	03/23/2018	03/23/2018	N/A	20,000,000.00	20,000,000.00	0.00	20,000,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	03/29/2018	03/29/2018	N/A	8,955,000.00	8,955,000.00	0.00	8,955,000.00
007 - Wastewater Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	03/23/2018	03/23/2018	N/A	5,000,000.00	5,000,000.00	0.00	5,000,000.00
							38,955,000.00	**38,955,000.00**	**0.00**	**38,955,000.00**

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
March 2018

Portfolio	Total Interest Received	Interest Transferred to Wells Fargo*	Net Interest Activity (Reinvested)**
001 - Water System Consolidated	144,532.27	(139,726.19)	4,806.08
007 - Wastewater Consolidated	37,724.79	(32,952.50)	4,772.29
049 - Ferc Partnership	-	-	-
009 - BACWA	-	-	-
015 - DERWA	-	-	-
002 - FRWA	-	-	-
014 - IICP	-	-	-
010 - UMRWA	-	-	-
003 - Employees Retirement	-	-	-
065 - Water S2008A DSRF	2,379.05	-	2,379.05
068 - Water 2010A DSRF	5.12	-	5.12
Interest Transactions Total	**184,641.23**	**(172,678.69)**	**11,962.54**
099 - Wells Fargo	-	172,678.69	172,678.69
Total	**184,641.23**	**-**	**184,641.23**

*Coupon and other interest received; reinvestment unavailable.

**Coupon and other interest payments reinvested in specific portfolio.

Prepared by: Matt Houck, Accounting Technician — Date 4-6-2018

Reviewed by: Sandy Lindley, Accounting Supervisor — Date 4.6.18

Approved by: D. Scott Klein, Controller — Date 4-6-18

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Interest Received (Transferred to Wells Fargo)										
001 - Water System Consolidated	Municipal Bonds	Alameda County Improvement Commission Successor Ag	010775BA1	03/01/2018	03/01/2018	09/01/2020	0.00	0.00	3,300.00	3,300.00
001 - Water System Consolidated	Municipal Bonds	Los Angeles County Redevelopment 1 9/1/2018	54465AGJ5	03/01/2018	03/01/2018	09/01/2018	0.00	0.00	16,250.00	16,250.00
001 - Water System Consolidated	Municipal Bonds	Santa Cruz County Redevelopment Successor Agency 1	80182YCQ8	03/01/2018	03/01/2018	09/01/2019	0.00	0.00	4,418.56	4,418.56
001 - Water System Consolidated	Municipal Bonds	Santa Cruz County Redevelopment Successor Agency 2	80182YCR6	03/01/2018	03/01/2018	09/01/2020	0.00	0.00	8,826.13	8,826.13
001 - Water System Consolidated	Municipal Bonds	Successor Agency to the Redevelopment Agency of th	79730WBF6	03/01/2018	03/01/2018	09/01/2018	0.00	0.00	12,500.00	12,500.00
001 - Water System Consolidated	Municipal Bonds	Yorba Linda Redevelopment Agency Successor Agency	986176AM7	03/01/2018	03/01/2018	09/01/2018	0.00	0.00	2,298.54	2,298.54
001 - Water System Consolidated	Municipal Bonds	Yorba Linda Redevelopment Agency Successor Agency	986176AP0	03/01/2018	03/01/2018	09/01/2020	0.00	0.00	2,136.22	2,136.22
001 - Water System Consolidated	Municipal Bonds	Yorba Linda Redevelopment Agency Successor Agency	986176AR6	03/01/2018	03/01/2018	09/01/2022	0.00	0.00	4,265.94	4,265.94
001 - Water System Consolidated	Federal Agency Issues Coupon	FAMC 1.14 9/4/2018	3132X0BT7	03/04/2018	03/04/2018	09/04/2018	0.00	0.00	678.30	678.30
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.5 9/9/2019-18	3134GA7A6	03/09/2018	03/09/2018	09/09/2019	0.00	0.00	3,150.00	3,150.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/23/2021-16	3134GAHM9	03/23/2018	03/23/2018	09/23/2021	0.00	0.00	30,000.00	30,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 9/29/2020-18	3130ACFY5	03/29/2018	03/29/2018	09/29/2020	0.00	0.00	7,500.00	7,500.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 3/30/2021-16	3130A9HD6	03/30/2018	03/30/2018	03/30/2021	0.00	0.00	20,000.00	20,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/30/2019-17	3134GAMF8	03/30/2018	03/30/2018	09/30/2019	0.00	0.00	12,062.50	12,062.50
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/30/2021-16	3134GAGL2	03/30/2018	03/30/2018	09/30/2021	0.00	0.00	12,340.00	12,340.00
								Sub Total		**139,726.19**
007 - Wastewater Consolidated	Municipal Bonds	Los Angeles County Redevelopment 1 9/1/2018	54465AGJ5	03/01/2018	03/01/2018	09/01/2018	0.00	0.00	10,000.00	10,000.00
007 - Wastewater Consolidated	Municipal Bonds	Palm Springs CA Cmnty Redevelopment Agency Success	69667ABR6	03/01/2018	03/01/2018	09/01/2020	0.00	0.00	1,678.33	1,678.33
007 - Wastewater Consolidated	Municipal Bonds	Palm Springs CA Cmnty Redevelopment Agency Success	69667ABP0	03/01/2018	03/01/2018	09/01/2018	0.00	0.00	441.67	441.67
007 - Wastewater Consolidated	Municipal Bonds	Palm Springs CA Cmnty Redevelopment Agency Success	69667ABS4	03/01/2018	03/01/2018	09/01/2021	0.00	0.00	795.00	795.00
007 - Wastewater Consolidated	Municipal Bonds	Successor Agency to the Redevelopment Agency of th	79730WBG4	03/01/2018	03/01/2018	09/01/2019	0.00	0.00	4,225.00	4,225.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FAMC 1.875 9/5/2018	31315P2G3	03/05/2018	03/05/2018	09/05/2018	0.00	0.00	4,687.50	4,687.50
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.125 3/5/2018-14	3136G1ER6	03/05/2018	03/05/2018	03/05/2018	0.00	0.00	562.50	562.50
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FAMC 1.55 9/6/2018	31315PQC6	03/06/2018	03/06/2018	09/06/2018	0.00	0.00	3,875.00	3,875.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLB 1.125 9/20/2018-13	313382DS9	03/20/2018	03/20/2018	09/20/2018	0.00	0.00	562.50	562.50
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FAMC 1.5 5/15/2019	3132X0QX2	03/21/2018	03/21/2018	05/15/2019	0.00	0.00	750.00	750.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1 3/29/2019-16	3134G9B97	03/29/2018	03/29/2018	03/29/2019	0.00	0.00	2,500.00	2,500.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.15 9/30/2019-17	3136G4CZ4	03/30/2018	03/30/2018	09/30/2019	0.00	0.00	2,875.00	2,875.00
								Sub Total		**32,952.50**
							0.00	**0.00**	**172,678.69**	**172,678.69**

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
March 2018

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/ Dividends	Total
Interest Received (Reinvested)										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	03/31/2018	03/31/2018	N/A	0.00	0.00	690.02	690.02
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	03/31/2018	03/31/2018	N/A	0.00	0.00	4,116.06	4,116.06
007 - Wastewater Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	03/31/2018	03/31/2018	N/A	0.00	0.00	4,772.29	4,772.29
065 - Water S2008A DSRF	Money Market Mutual Funds	Dreyfus MM	MM6999	03/02/2018	03/02/2018	N/A	0.00	0.00	2,379.05	2,379.05
068 - Water 2010A DSRF	Money Market Mutual Funds	Dreyfus MM	MM2642	03/02/2018	03/02/2018	N/A	0.00	0.00	5.12	5.12
							0.00	**0.00**	**11,962.54**	**11,962.54**

EBMUD

AGENDA NO. 15.
MEETING DATE April 24, 2018

TITLE INVESTMENT POLICY ANNUAL REVIEW

☐ **MOTION** ☒ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Approve revisions to Policy 4.07 – Investment Policy which was last revised on April 25, 2017, and affirm existing delegation of authority for the management of investments on behalf of the District to the Director of Finance, who is also acting as the Treasurer of the District.

SUMMARY

District Policy 4.07 – Investment Policy has been reviewed and amended as needed for clarity, and to ensure continued compliance with California Government Code. Sections have also been added as best practice.

This item was reviewed with the Finance/Administration Committee on April 24, 2018.

DISCUSSION

Section 53646 of the California Government Code encourages the Treasurer to annually present a statement of investment policy to the Board for their consideration at a public meeting. The District's policy has been reviewed to ensure its continued compliance with the California Government Code and some sections have been added as best practice. Key changes include:

- Clarification items include correcting use of diversification (versus diversity) as the proper term for the investment criteria and reorganization of the introductory paragraph in order of investment criteria (safety, then liquidity, then yield).

- An ethics and conflict of interest section was added as best practice, supplementing the District's Conflict of Interest Code with some industry standard recommendations.

Funds Available FY:	Budget Code:	
DEPARTMENT SUBMITTING: Finance	DEPARTMENT MANAGER or DIRECTOR: Sophia D. Skoda	APPROVED: General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

- Two additional exhibits were added to improve the ease of use of the policy for all stakeholders: a reference table to some of the investment options in the policy; and a glossary of commonly used investment terms, a best practice.

The proposed policy with changes marked, and the proposed policy in unmarked form are attached.

This review supports the District's Long-Term Financial Stability Strategic Plan goal.

Attachments

I:\Sec\2018 Board Related Items\042418 Board Agenda Items\FIN - BD1 - Investment Policy Annual Review 042418.doc

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Policy 4.07R

EFFECTIVE 254 APR 178

SUPERSEDES 265 APR 167

INVESTMENT POLICY

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPAs) in compliance with investment criteria for safety, liquidity, yield and ~~diversity~~ diversification as set forth herein. Investments shall be in securities with a range of maturities to provide adequate security and liquidity to pay demands when due ~~a high rate of return on investments~~ while providing ~~adequate security and liquidity to pay demands when due~~ a high rate of return on investments.

Authority

Section 53600 et. seq. of the California Government Code (Code), and Article 7 in Chapter 6 of the Municipal Utility District Act (M.U.D. Act) govern the investment of idle monies of the District. Section 53635 of the Code defines how investments are to be handled for Joint Powers Authorities.

Delegation of Authority

The authority and responsibility to invest idle monies of the District is delegated to the Director of Finance as the Treasurer.

No Bond Proceeds

The investment of bond proceeds is specifically defined in individual bond indenture documents and is not included in this policy.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall:

- refrain from personal business activity that could conflict with proper execution of the District's investment program, or which could impair their ability to make impartial investment decisions on behalf of the District,
- disclose any material financial interest in financial institutions that conduct business with the District,
- disclose material personal financial/investments that are related to or could reasonably be affected by the performance of the District's investments,
- refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District's investments, and
- comply with the District's Conflict of Interest Code, as required.

Investment Criteria

Criteria for selecting investments shall:

- adhere to the prudent investor standard, described in Section 53600.3 of the Code as follows: "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency," **and**

- conform with the Code and M.U.D. Act, **and**

- have the following objectives, in order of priority:

1. *Safety* - The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.

2. *Liquidity* - The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives.

3. *Yield* – The District's ability to provide maximum return on the District's investments while conforming to the safety and liquidity criteria above.

4. ~~*Diversity*~~ *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types for the District. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings, and maturity, rating and other restrictions where applicable.

Maturity

The weighted average maturity of the portfolio shall not exceed 720 days.

Rating Agencies and Rating Requirements

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:

- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

Investment Options

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Code, Article 7 in Chapter 6 of the M.U.D. Act, Board Resolutions, and via this policy. As used in this section, the term "Portfolio" refers to ~~each~~ all ~~investment~~investable ~~portfolio~~ funds managed by the District.

1. United States Treasury Obligations

   - Maximum Share of Portfolio: Unlimited
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: Not to exceed five (5) years from the settlement date
   - Minimum Rating: n/a
   - Other Restrictions: none

2. United States Government Agencies Obligations

Under this subsection, only obligations issued by the following agencies are permitted:
  - Federal Agricultural Mortgage Corporation (Farmer Mac)
  - Federal Farm Credit Bank (FFCB)
  - Federal Home Loan Bank (FHLB)
  - Federal Home Loan Mortgage Corporation (FHLMC)
  - Federal National Mortgage Association (FNMA)

- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: 40% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

- Maximum Share of Portfolio: as determined by Section 16429.1 of the Code
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: n/a
- Other Restrictions: none

4. Local Government Investment Pools

Under this subsection, only obligations of the following agencies are permitted:
  - California Asset Management Program (CAMP)

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: Ratings of AAAm by at least one Rating Agency
- Other Restrictions: none

5. Money Market Mutual Funds

Under this subsection, only Money Market Mutual Funds with stable, non-floating NAV (Net Asset Value, the value of assets divided by number of shares) are permitted
- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Fund Limit: 5% of Money Market Mutual Fund's assets in the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: AAAm by at least two Rating Agencies
- Other Restrictions: n/a

6. Certificates of Time Deposit

Code Section 53601.8 allows investments in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States. Under this subsection, only such purchases are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April ~~2017~~2018)
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
    - Investment in local branches within the District, whenever possible

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2017)
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions: Issued by banks with total deposits of one billion dollars ($1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 10% of outstanding amount for the issuer
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions: issued by an entity that is, at the time of purchase:
    - organized and operating in the United States as a general corporation, with total assets exceeding $500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
    - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, **and** has commercial paper that is rated A-1+ by at least one Rating Agency

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 30% of the Portfolio
- Maximum Issuer Limit: 10% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions: issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
  - Collateral may only be in any securities authorized in items 1, or 2
  - A Master Repurchase Agreement must be on file with the District
  - Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- Any local agency within the State of California
- the State of California

- Municipal Bonds:
  - Maximum Share of Portfolio: 40% of the Portfolio when added together with Municipal Notes
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue Limit: 10% of original issue amount
  - Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
  - Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
  - Other Restrictions: none

- Municipal Notes:
  - Maximum Share of Portfolio: 40% of the Portfolio together with Municipal Bonds
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue limit: 10% of original issue amount
  - Maximum Maturity: n/a
  - Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
  - Other Restrictions: none

Investment Placement

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

Selling Securities Prior To Maturity

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
- to comply with this policy, while considering the impact of the sale(s), or
- if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

Purchasing Entities

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, or
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA).

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

Trade Confirmations and Settlements

To ensure a high degree of internal control, the District shall comply with the following:

1. All Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).

2. All trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.

Review And Reporting Requirements

On a monthly basis, in accordance with Section 53607 of the Code, the Treasurer shall prepare and submit a report to the General Manager and the Board of Directors listing investment transactions.

On a quarterly basis, in accordance with Section 53646 of the Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors which shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

Performance Review And Internal Control

Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26,2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016

Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution XXXXX-18, April 24, 2018

Reference	Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1
RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	←Minimum rating required for district investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
A-1+	P-1	F1+	←Minimum rating required for district investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

FUNDS			
S&P	**MOODY'S**	**FITCH**	
AAAm	Aaa-mf	AAAf	←Minimum rating required for district investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

EXHIBIT 2

East Bay Municipal Utility District

Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District.
Please send completed form:

via mail, to:	**and**	electronically, to:
Damien Charléty East Bay Municipal Utility District 375 11th Street, MS809 Oakland, CA 94607		damien.charlety@ebmud.com

---

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility**)

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ Issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____ Sign Name _____

Title _____ Date _____

EXHIBIT 3

East Bay Municipal Utility District

Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools	20%	AAAm	n/a	see page 3, Item 4
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	30%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	40%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Commonly Used Investment Terms

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Code, or M.U.D. Act.

ACCRUED INTEREST	The amount of interest that is earned but unpaid since the last interest payment date.
ASK PRICE	The price at which securities are offered from a seller.
AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BASIS POINT	One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.
BID PRICE	The price at which a buyer offers to buy a security.
BOOK VALUE	The original cost of the investment, plus accrued interest and amortization of any premium or discount.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CALL PRICE	The price at which an issuer may redeem a bond prior to maturity.
CALLABLE BONDS	Bonds that may be redeemed by the issuing company prior to the maturity date.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
COUPON	The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
CURRENT YIELD	The annual income from an investment divided by the current market value.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DISCOUNT	The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
FIXED-INCOME SECURITIES	Securities that return a fixed income over a specified period.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MARKET VALUE	The price at which a security is trading and could presumably be purchased or sold.
MATURITY	The date upon which the principal or stated value of an investment

	becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
NON-CALLABLE	Bond that cannot be called at the option of the issuer.
OFFER PRICE	The price asked by a seller of securities.
PAR or PAR VALUE	The amount of principal that must be paid on the maturity date. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.
PREMIUM	The difference between the par value of a bond and the market value of the bond, when the market value is above par.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivery in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD TO CALL (YTC)	The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.
YIELD TO MATURITY (YTM)	The rate of return earned on an investment held to maturity considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.
YIELD	The annual rate of return on a debt investment expressed as a percentage.

EBMUD

Policy 4.07

EFFECTIVE 24 APR 18

SUPERSEDES 25 APR 17

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- have the following objectives, in order of priority:

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3. *Yield* – The District's ability to provide maximum return on the District's investments while conforming to the safety and liquidity criteria above.

4. *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types for the District. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings, and maturity, rating and other restrictions where applicable.

Maturity

The weighted average maturity of the portfolio shall not exceed 720 days.

Rating Agencies and Rating Requirements

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:
- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

Investment Options

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Code, Article 7 in Chapter 6 of the M.U.D. Act, Board Resolutions, and via this policy. As used in this section, the term "Portfolio" refers to all investable funds managed by the District.

1. United States Treasury Obligations

   - Maximum Share of Portfolio: Unlimited
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: Not to exceed five (5) years from the settlement date
   - Minimum Rating: n/a
   - Other Restrictions: none

2. United States Government Agencies Obligations

   Under this subsection, only obligations issued by the following agencies are permitted:
   - Federal Agricultural Mortgage Corporation (Farmer Mac)
   - Federal Farm Credit Bank (FFCB)
   - Federal Home Loan Bank (FHLB)
   - Federal Home Loan Mortgage Corporation (FHLMC)
   - Federal National Mortgage Association (FNMA)

   - Maximum Share of Portfolio: Unlimited
   - Maximum Issuer Limit: 40% of the Portfolio
   - Maximum Issue Limit: n/a
   - Maximum Maturity: Not to exceed five (5) years from the settlement date
   - Minimum Rating: n/a
   - Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

   - Maximum Share of Portfolio: as determined by Section 16429.1 of the Code
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: n/a
   - Minimum Rating: n/a
   - Other Restrictions: none

4. Local Government Investment Pools

   Under this subsection, only obligations of the following agencies are permitted:
   - California Asset Management Program (CAMP)

   - Maximum Share of Portfolio: 20% of the Portfolio
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: n/a
   - Minimum Rating: Ratings of AAAm by at least one Rating Agency
   - Other Restrictions: none

5. Money Market Mutual Funds

   Under this subsection, only Money Market Mutual Funds with stable, non-floating NAV (Net Asset Value, the value of assets divided by number of shares) are permitted
   - Maximum Share of Portfolio: 20% of the Portfolio
   - Maximum Fund Limit: 5% of Money Market Mutual Fund's assets in the Portfolio
   - Maximum Issue Limit: n/a
   - Maximum Maturity: n/a
   - Minimum Rating: AAAm by at least two Rating Agencies
   - Other Restrictions: n/a

6. Certificates of Time Deposit

   Code Section 53601.8 allows investments in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States. Under this subsection, only such purchases are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2018)
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
    - Investment in local branches within the District, whenever possible

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2017)
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions: Issued by banks with total deposits of one billion dollars ($1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 10% of outstanding amount for the issuer
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions: issued by an entity that is, at the time of purchase:
    - organized and operating in the United States as a general corporation, with total assets exceeding $500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
    - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, **and** has commercial paper that is rated A-1+ by at least one Rating Agency

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 30% of the Portfolio
- Maximum Issuer Limit: 10% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions: issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
  - Collateral may only be in any securities authorized in items 1, or 2
  - A Master Repurchase Agreement must be on file with the District
  - Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- Any local agency within the State of California
- the State of California

- Municipal Bonds:
  - Maximum Share of Portfolio: 40% of the Portfolio when added together with Municipal Notes
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue Limit: 10% of original issue amount
  - Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
  - Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
  - Other Restrictions: none

- Municipal Notes:
  - Maximum Share of Portfolio: 40% of the Portfolio together with Municipal Bonds
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue limit: 10% of original issue amount
  - Maximum Maturity: n/a
  - Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
  - Other Restrictions: none

Investment Placement

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

Selling Securities Prior To Maturity

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
- to comply with this policy, while considering the impact of the sale(s), or
- if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

Purchasing Entities

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, or
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA).

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

Trade Confirmations and Settlements

To ensure a high degree of internal control, the District shall comply with the following:

1. All Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).

2. All trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.

Review And Reporting Requirements

On a monthly basis, in accordance with Section 53607 of the Code, the Treasurer shall prepare and submit a report to the General Manager and the Board of Directors listing investment transactions.

On a quarterly basis, in accordance with Section 53646 of the Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors which shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

Performance Review And Internal Control

Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26,2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016

Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution XXXXX-18, April 24, 2018

Reference Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1
RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	←Minimum rating required for district investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
A-1+	P-1	F1+	←Minimum rating required for district investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

FUNDS			
S&P	**MOODY'S**	**FITCH**	
AAAm	Aaa-mf	AAAf	←Minimum rating required for district investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

EXHIBIT 2

East Bay Municipal Utility District

Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District.
Please send completed form:

via mail, to:
Damien Charléty
East Bay Municipal Utility District
375 11th Street, MS809
Oakland, CA 94607

and

electronically, to:
damien.charlety@ebmud.com

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility**)

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ Issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____ Sign Name _____

Title _____ Date _____

EXHIBIT 3

East Bay Municipal Utility District

Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools	20%	AAAm	n/a	see page 3, Item 4
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	30%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	40%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Commonly Used Investment Terms

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Code, or M.U.D. Act.

ACCRUED INTEREST	The amount of interest that is earned but unpaid since the last interest payment date.
ASK PRICE	The price at which securities are offered from a seller.
AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BASIS POINT	One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.
BID PRICE	The price at which a buyer offers to buy a security.
BOOK VALUE	The original cost of the investment, plus accrued interest and amortization of any premium or discount.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CALL PRICE	The price at which an issuer may redeem a bond prior to maturity.
CALLABLE BONDS	Bonds that may be redeemed by the issuing company prior to the maturity date.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
COUPON	The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
CURRENT YIELD	The annual income from an investment divided by the current market value.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DISCOUNT	The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
FIXED-INCOME SECURITIES	Securities that return a fixed income over a specified period.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MARKET VALUE	The price at which a security is trading and could presumably be purchased or sold.
MATURITY	The date upon which the principal or stated value of an investment

	becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
NON-CALLABLE	Bond that cannot be called at the option of the issuer.
OFFER PRICE	The price asked by a seller of securities.
PAR or PAR VALUE	The amount of principal that must be paid on the maturity date. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.
PREMIUM	The difference between the par value of a bond and the market value of the bond, when the market value is above par.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivery in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD TO CALL (YTC)	The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.
YIELD TO MATURITY (YTM)	The rate of return earned on an investment held to maturity considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.
YIELD	The annual rate of return on a debt investment expressed as a percentage.

Draft Prepared By

Office of General Counsel

RESOLUTION NO._____

ADOPTING REVISED POLICY 4.07, "INVESTMENT POLICY"

Introduced by Director ; Seconded by Director

WHEREAS, it is the desire and intention of the Board of Directors to update and revise Policy 4.07, "Investment Policy;"

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that revised Policy 4.07, attached hereto as Exhibit A, is hereby adopted.

ADOPTED this 24th day of April, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
President

ATTEST:

_____
Secretary

APPROVED AS TO FORM AND PROCEDURE:

_____
General Counsel

EBMUD

Policy 4.07R

EFFECTIVE 254 APR 178

SUPERSEDES 265 APR 167

INVESTMENT POLICY

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPAs) in compliance with investment criteria for safety, liquidity, yield and ~~diversity~~ diversification as set forth herein. Investments shall be in securities with a range of maturities to provide adequate security and liquidity to pay demands when due ~~a high rate of return on investments~~ while providing ~~adequate security and liquidity to pay demands when due~~ a high rate of return on investments.

Authority

Section 53600 et. seq. of the California Government Code (Code), and Article 7 in Chapter 6 of the Municipal Utility District Act (M.U.D. Act) govern the investment of idle monies of the District. Section 53635 of the Code defines how investments are to be handled for Joint Powers Authorities.

Delegation of Authority

The authority and responsibility to invest idle monies of the District is delegated to the Director of Finance as the Treasurer.

No Bond Proceeds

The investment of bond proceeds is specifically defined in individual bond indenture documents and is not included in this policy.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall:

- refrain from personal business activity that could conflict with proper execution of the District's investment program, or which could impair their ability to make impartial investment decisions on behalf of the District,
- disclose any material financial interest in financial institutions that conduct business with the District,
- disclose material personal financial/investments that are related to or could reasonably be affected by the performance of the District's investments,
- refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District's investments, and
- comply with the District's Conflict of Interest Code, as required.

Investment Criteria

Criteria for selecting investments shall:

- adhere to the prudent investor standard, described in Section 53600.3 of the Code as follows: "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency," **and**
- conform with the Code and M.U.D. Act, **and**

EXHIBIT A

- have the following objectives, in order of priority:

1. *Safety* - The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.

2. *Liquidity* - The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives.

3. *Yield* – The District's ability to provide maximum return on the District's investments while conforming to the safety and liquidity criteria above.

4. ~~*Diversity*~~ *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types for the District. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings, and maturity, rating and other restrictions where applicable.

Maturity

The weighted average maturity of the portfolio shall not exceed 720 days.

Rating Agencies and Rating Requirements

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:
- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

Investment Options

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Code, Article 7 in Chapter 6 of the M.U.D. Act, Board Resolutions, and via this policy. As used in this section, the term "Portfolio" refers to ~~each~~ all ~~investment~~investable ~~portfolio~~ funds managed by the District.

1. United States Treasury Obligations

   - Maximum Share of Portfolio: Unlimited
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: Not to exceed five (5) years from the settlement date
   - Minimum Rating: n/a
   - Other Restrictions: none

2. United States Government Agencies Obligations

Under this subsection, only obligations issued by the following agencies are permitted:

- Federal Agricultural Mortgage Corporation (Farmer Mac)
- Federal Farm Credit Bank (FFCB)
- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC)
- Federal National Mortgage Association (FNMA)

- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: 40% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

- Maximum Share of Portfolio: as determined by Section 16429.1 of the Code
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: n/a
- Other Restrictions: none

4. Local Government Investment Pools

Under this subsection, only obligations of the following agencies are permitted:

- California Asset Management Program (CAMP)

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: Ratings of AAAm by at least one Rating Agency
- Other Restrictions: none

5. Money Market Mutual Funds

Under this subsection, only Money Market Mutual Funds with stable, non-floating NAV (Net Asset Value, the value of assets divided by number of shares) are permitted

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Fund Limit: 5% of Money Market Mutual Fund's assets in the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: AAAm by at least two Rating Agencies
- Other Restrictions: n/a

6. Certificates of Time Deposit

Code Section 53601.8 allows investments in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States. Under this subsection, only such purchases are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April ~~2017~~2018)
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
    - Investment in local branches within the District, whenever possible

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2017)
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions: Issued by banks with total deposits of one billion dollars ($1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 10% of outstanding amount for the issuer
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions: issued by an entity that is, at the time of purchase:
    - organized and operating in the United States as a general corporation, with total assets exceeding $500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
    - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, **and** has commercial paper that is rated A-1+ by at least one Rating Agency

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 30% of the Portfolio
- Maximum Issuer Limit: 10% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions: issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
  - Collateral may only be in any securities authorized in items 1, or 2
  - A Master Repurchase Agreement must be on file with the District
  - Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- Any local agency within the State of California
- the State of California

- Municipal Bonds:
  - Maximum Share of Portfolio: 40% of the Portfolio when added together with Municipal Notes
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue Limit: 10% of original issue amount
  - Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
  - Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
  - Other Restrictions: none

- Municipal Notes:
  - Maximum Share of Portfolio: 40% of the Portfolio together with Municipal Bonds
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue limit: 10% of original issue amount
  - Maximum Maturity: n/a
  - Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
  - Other Restrictions: none

Investment Placement

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

Selling Securities Prior To Maturity

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
- to comply with this policy, while considering the impact of the sale(s), or
- if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

Purchasing Entities

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, or
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA).

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

Trade Confirmations and Settlements

To ensure a high degree of internal control, the District shall comply with the following:

1. All Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).

2. All trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.

Review And Reporting Requirements

On a monthly basis, in accordance with Section 53607 of the Code, the Treasurer shall prepare and submit a report to the General Manager and the Board of Directors listing investment transactions.

On a quarterly basis, in accordance with Section 53646 of the Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors which shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

Performance Review And Internal Control

Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26,2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016

Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution XXXXX-18, April 24, 2018

Reference Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1
RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	←Minimum rating required for district investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
A-1+	P-1	F1+	←Minimum rating required for district investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

FUNDS			
S&P	**MOODY'S**	**FITCH**	
AAAm	Aaa-mf	AAAf	←Minimum rating required for district investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

EXHIBIT 2

East Bay Municipal Utility District

Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District.
Please send completed form:

via mail, to:
Damien Charléty
East Bay Municipal Utility District
375 11th Street, MS809
Oakland, CA 94607

and

electronically, to:
damien.charlety@ebmud.com

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility**)

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ Issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____ Sign Name _____

Title _____ Date _____

EXHIBIT 3

East Bay Municipal Utility District

Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools	20%	AAAm	n/a	see page 3, Item 4
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	30%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	40%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Commonly Used Investment Terms

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Code, or M.U.D. Act.

ACCRUED INTEREST	The amount of interest that is earned but unpaid since the last interest payment date.
ASK PRICE	The price at which securities are offered from a seller.
AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BASIS POINT	One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.
BID PRICE	The price at which a buyer offers to buy a security.
BOOK VALUE	The original cost of the investment, plus accrued interest and amortization of any premium or discount.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CALL PRICE	The price at which an issuer may redeem a bond prior to maturity.
CALLABLE BONDS	Bonds that may be redeemed by the issuing company prior to the maturity date.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
COUPON	The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
CURRENT YIELD	The annual income from an investment divided by the current market value.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DISCOUNT	The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
FIXED-INCOME SECURITIES	Securities that return a fixed income over a specified period.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MARKET VALUE	The price at which a security is trading and could presumably be purchased or sold.
MATURITY	The date upon which the principal or stated value of an investment

	becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
NON-CALLABLE	Bond that cannot be called at the option of the issuer.
OFFER PRICE	The price asked by a seller of securities.
PAR or PAR VALUE	The amount of principal that must be paid on the maturity date. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.
PREMIUM	The difference between the par value of a bond and the market value of the bond, when the market value is above par.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivery in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD TO CALL (YTC)	The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.
YIELD TO MATURITY (YTM)	The rate of return earned on an investment held to maturity considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.
YIELD	The annual rate of return on a debt investment expressed as a percentage.

EBMUD

Policy 4.07

EFFECTIVE 24 APR 18

SUPERSEDES 25 APR 17

INVESTMENT POLICY

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPAs) in compliance with investment criteria for safety, liquidity, yield and diversification as set forth herein. Investments shall be in securities with a range of maturities to provide adequate security and liquidity to pay demands when due while providing a high rate of return on investments.

Authority

Section 53600 et. seq. of the California Government Code (Code), and Article 7 in Chapter 6 of the Municipal Utility District Act (M.U.D. Act) govern the investment of idle monies of the District. Section 53635 of the Code defines how investments are to be handled for Joint Powers Authorities.

Delegation of Authority

The authority and responsibility to invest idle monies of the District is delegated to the Director of Finance as the Treasurer.

No Bond Proceeds

The investment of bond proceeds is specifically defined in individual bond indenture documents and is not included in this policy.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall:

- refrain from personal business activity that could conflict with proper execution of the District's investment program, or which could impair their ability to make impartial investment decisions on behalf of the District,
- disclose any material financial interest in financial institutions that conduct business with the District,
- disclose material personal financial/investments that are related to or could reasonably be affected by the performance of the District's investments,
- refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District's investments, and
- comply with the District's Conflict of Interest Code, as required.

Investment Criteria

Criteria for selecting investments shall:

- adhere to the prudent investor standard, described in Section 53600.3 of the Code as follows: "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency," **and**

- conform with the Code and M.U.D. Act, **and**

- have the following objectives, in order of priority:

1. *Safety* - The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.

2. *Liquidity* - The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives.

3. *Yield* – The District's ability to provide maximum return on the District's investments while conforming to the safety and liquidity criteria above.

4. *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types for the District. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings, and maturity, rating and other restrictions where applicable.

Maturity

The weighted average maturity of the portfolio shall not exceed 720 days.

Rating Agencies and Rating Requirements

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:
- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

Investment Options

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Code, Article 7 in Chapter 6 of the M.U.D. Act, Board Resolutions, and via this policy. As used in this section, the term "Portfolio" refers to all investable funds managed by the District.

1. United States Treasury Obligations

   - Maximum Share of Portfolio: Unlimited
   - Maximum Issuer Limit: n/a
   - Maximum Issue Limit: n/a
   - Maximum Maturity: Not to exceed five (5) years from the settlement date
   - Minimum Rating: n/a
   - Other Restrictions: none

2. United States Government Agencies Obligations

Under this subsection, only obligations issued by the following agencies are permitted:
  - Federal Agricultural Mortgage Corporation (Farmer Mac)
  - Federal Farm Credit Bank (FFCB)
  - Federal Home Loan Bank (FHLB)
  - Federal Home Loan Mortgage Corporation (FHLMC)
  - Federal National Mortgage Association (FNMA)

- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: 40% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

- Maximum Share of Portfolio: as determined by Section 16429.1 of the Code
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: n/a
- Other Restrictions: none

4. Local Government Investment Pools

Under this subsection, only obligations of the following agencies are permitted:
  - California Asset Management Program (CAMP)

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: Ratings of AAAm by at least one Rating Agency
- Other Restrictions: none

5. Money Market Mutual Funds

Under this subsection, only Money Market Mutual Funds with stable, non-floating NAV (Net Asset Value, the value of assets divided by number of shares) are permitted
- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Fund Limit: 5% of Money Market Mutual Fund's assets in the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: AAAm by at least two Rating Agencies
- Other Restrictions: n/a

6. Certificates of Time Deposit

Code Section 53601.8 allows investments in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States. Under this subsection, only such purchases are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2018)
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
    - Investment in local branches within the District, whenever possible

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: maximum FDIC insured ($250,000 as of April 2017)
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions: Issued by banks with total deposits of one billion dollars ($1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 10% of outstanding amount for the issuer
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions: issued by an entity that is, at the time of purchase:
    - organized and operating in the United States as a general corporation, with total assets exceeding $500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
    - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, **and** has commercial paper that is rated A-1+ by at least one Rating Agency

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 30% of the Portfolio
- Maximum Issuer Limit: 10% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions: issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
  - Collateral may only be in any securities authorized in items 1, or 2
  - A Master Repurchase Agreement must be on file with the District
  - Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- Any local agency within the State of California
- the State of California

- Municipal Bonds:
  - Maximum Share of Portfolio: 40% of the Portfolio when added together with Municipal Notes
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue Limit: 10% of original issue amount
  - Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
  - Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
  - Other Restrictions: none

- Municipal Notes:
  - Maximum Share of Portfolio: 40% of the Portfolio together with Municipal Bonds
  - Maximum Issuer Limit: 20% of the Portfolio
  - Maximum Issue limit: 10% of original issue amount
  - Maximum Maturity: n/a
  - Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
  - Other Restrictions: none

Investment Placement

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

Selling Securities Prior To Maturity

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
- to comply with this policy, while considering the impact of the sale(s), or
- if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

Purchasing Entities

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, or
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA).

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

Trade Confirmations and Settlements

To ensure a high degree of internal control, the District shall comply with the following:

1. All Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).

2. All trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.

Review And Reporting Requirements

On a monthly basis, in accordance with Section 53607 of the Code, the Treasurer shall prepare and submit a report to the General Manager and the Board of Directors listing investment transactions.

On a quarterly basis, in accordance with Section 53646 of the Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors which shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

Performance Review And Internal Control

Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26,2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016

Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution XXXXX-18, April 24, 2018

Reference Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1
RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	←Minimum rating required for district investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	**MOODY'S**	**FITCH**	
A-1+	P-1	F1+	←Minimum rating required for district investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

FUNDS			
S&P	**MOODY'S**	**FITCH**	
AAAm	Aaa-mf	AAAf	←Minimum rating required for district investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

EXHIBIT 2

East Bay Municipal Utility District

Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District.
Please send completed form:

via mail, to:	**and**	electronically, to:
Damien Charléty		damien.charlety@ebmud.com
East Bay Municipal Utility District		
375 11th Street, MS809		
Oakland, CA 94607		

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility**)

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ Issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____ Sign Name _____

Title _____ Date _____

EXHIBIT 3

East Bay Municipal Utility District

Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools	20%	AAAm	n/a	see page 3, Item 4
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	30%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	40%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Commonly Used Investment Terms

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Code, or M.U.D. Act.

ACCRUED INTEREST	The amount of interest that is earned but unpaid since the last interest payment date.
ASK PRICE	The price at which securities are offered from a seller.
AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BASIS POINT	One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.
BID PRICE	The price at which a buyer offers to buy a security.
BOOK VALUE	The original cost of the investment, plus accrued interest and amortization of any premium or discount.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CALL PRICE	The price at which an issuer may redeem a bond prior to maturity.
CALLABLE BONDS	Bonds that may be redeemed by the issuing company prior to the maturity date.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
COUPON	The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
CURRENT YIELD	The annual income from an investment divided by the current market value.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DISCOUNT	The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
FIXED-INCOME SECURITIES	Securities that return a fixed income over a specified period.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MARKET VALUE	The price at which a security is trading and could presumably be purchased or sold.
MATURITY	The date upon which the principal or stated value of an investment

	becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
NON-CALLABLE	Bond that cannot be called at the option of the issuer.
OFFER PRICE	The price asked by a seller of securities.
PAR or PAR VALUE	The amount of principal that must be paid on the maturity date. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.
PREMIUM	The difference between the par value of a bond and the market value of the bond, when the market value is above par.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivery in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD TO CALL (YTC)	The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.
YIELD TO MATURITY (YTM)	The rate of return earned on an investment held to maturity considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.
YIELD	The annual rate of return on a debt investment expressed as a percentage.

EBMUD

AGENDA NO. 16.
MEETING DATE April 24, 2018

TITLE **APPOINTMENT OF MANAGER OF MAINTENANCE AND CONSTRUCTION/WATER OPERATIONS**

☐ **MOTION** ☒ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Appoint Michael R. Ambrose as Manager of Maintenance and Construction/Water Operations managing the Maintenance and Construction Department, effective April 30, 2018.

SUMMARY

Following a comprehensive recruitment process, Michael R. Ambrose is recommended for appointment as the Manager of the Maintenance and Construction Department. The Manager of Maintenance and Construction/Water Operations is exempt from the civil service provisions of the MUD Act in accordance with Section 12055 which excludes officers, assistant officers, and other persons and employees appointed by the Board of Directors.

Mr. Ambrose has over 24 years of experience in increasingly responsible positions at the District and is currently the Manager of Regulatory Compliance. As the Manager of Regulatory Compliance, Mr. Ambrose is responsible for the District's environmental compliance, emergency preparedness, business continuity, and workplace health and safety programs. Prior to his position in Regulatory Compliance, Mr. Ambrose was a Senior Mechanical Engineer in the Design Division. Mr. Ambrose has a Bachelor of Science degree in Mechanical Engineering from Washington State University, a Master of Science degree in Engineering Management from Portland State University, and is a licensed mechanical engineer in the State of California.

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Funds Available: FY18/19	Budget Code: Various/Various	
DEPARTMENT SUBMITTING Operations and Maintenance	DEPARTMENT MANAGER or DIRECTOR Clifford C. Chan	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

Draft Prepared By

Office of General Counsel

RESOLUTION NO._____

APPOINTING MICHAEL R. AMBROSE AS MANAGER OF MAINTENANCE AND CONSTRUCTION/WATER OPERATIONS

Introduced by Director ; Seconded by Director

WHEREAS, the Board of Directors has heretofore established the position of Manager of Maintenance and Construction/Water Operations, and such position has been assigned a salary range under the Management Salary Plan heretofore established for District officers, assistant officers, civil service exempt and certain civil service classes; and

WHEREAS, the Manager of Maintenance and Construction/Water Operations position is exempt from the District civil service pursuant to State of California Public Utilities Code section 12055; and

WHEREAS, the General Manager has recommended that Michael R. Ambrose be appointed to serve as Manager of Maintenance and Construction/Water Operations of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Michael R. Ambrose to serve as Manager of Maintenance and Construction/Water Operations effective April 30, 2018.

ADOPTED this 24th day of April, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
President

ATTEST:

_____
Secretary

APPROVED AS TO FORM AND PROCEDURE:

_____
General Counsel

{00026085;1}

EBMUD

AGENDA NO. 17.
MEETING DATE April 24, 2018

TITLE APPOINTMENT OF TREASURY MANAGER

☐ **MOTION** ☒ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Appoint Robert L. Hannay as the Treasury Manager effective April 30, 2018, and confirm the signatory authority of the Treasury Manager as Assistant Treasurer.

SUMMARY

Following a comprehensive recruitment process, Robert L. Hannay is recommended for appointment as the Treasury Manager of the District. The Treasury Manager position is exempt from civil service provisions of the MUD Act in accordance with Section 12055(b) which excludes officers, assistant officers and other persons and employees appointed by the Board of Directors.

DISCUSSION

The Treasury Manager is responsible for managing a professional team charged with administering the treasury and financial planning activities of the District. Areas of responsibility include long-range financial planning, debt management, the development and administration of water and wastewater rates and charges, liquidity and cash management, and investment management. After a competitive and comprehensive recruitment, Mr. Hannay is recommended for appointment to this position.

Mr. Hannay has a strong background in debt investments and significant exposure to water and wastewater rates from his role as Director and Senior Credit Analyst with Standard & Poor's Ratings Services. Mr. Hannay has also served as a financial advisor and investment banker to public agencies in connection with the issuance of municipal bonds. He is also a Chartered Financial Analyst (CFA) charter holder, demonstrating his ability to manage the investments of the District including the pension fund. Mr. Hannay's education includes a Bachelor of Science degree in Civil Engineering from Texas A&M University and Master's degrees in Civil Engineering and City Planning from the University of California Berkeley.

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Funds Available: FY	Budget Code:	
DEPARTMENT SUBMITTING Human Resources	DEPARTMENT MANAGER or DIRECTOR Luisa Sarani for L.B. Laura Brunson	APPROVED Alexander R. Coate General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

Draft Prepared By

Office of General Counsel

RESOLUTION NO._____

APPOINTING ROBERT L. HANNAY AS TREASURY MANAGER

Introduced by Director ; Seconded by Director

WHEREAS, the Board of Directors has heretofore established the position of Treasury Manager in the Finance Department, and such position has been assigned a salary range under the Management Salary Plan heretofore established for District officers, assistant officers, civil service exempt and certain civil service classes; and

WHEREAS, the Treasury Manager position is exempt from the District civil service pursuant to State of California Public Utilities Code section 12055; and

WHEREAS, the General Manager has recommended that Robert L. Hannay be appointed to serve as Treasury Manager of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Robert L. Hannay to serve as Treasury Manager effective April 30, 2018.

BE IT FURTHER RESOLVED that Robert L. Hannay as Treasury Manager has the signatory authority as the Acting Treasurer in the absence of the Director of Finance as set forth in and subject to the Municipal Utility District Act and the laws of the State of California or as otherwise established by law, including acts of the Board of Directors expressed by motion, resolution or ordinance, and is authorized to execute, when serving as Acting Treasurer, all documents, instruments and other papers requiring such signature in the capacity of Acting Treasurer of the East Bay Municipal Utility District.

ADOPTED this 24th day of April, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
President

ATTEST:

_____
Secretary

APPROVED AS TO FORM AND PROCEDURE:

_____
General Counsel

EBMUD

AGENDA NO. 18.
MEETING DATE April 24, 2018

TITLE SUPPORT FOR MOKELUMNE RIVER WILD AND SCENIC RIVER STUDY REPORT

☐ **MOTION** ☒ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Adopt a resolution of support for the Mokelumne River Wild and Scenic River Study Report including its recommendation for designation of approximately 37 miles of the river into the California Wild and Scenic Rivers System.

INTRODUCTION

Assembly Bill No. 142 (AB 142), which was signed into law in October 2015, required the California Natural Resource Agency (CNRA) to evaluate portions of the Mokelumne River for potential inclusion into the California Wild and Scenic Rivers System (W&SRS). In January 2018, CNRA completed the draft study report and circulated it for public comments. CNRA received comments through March 8, 2018 and published the final study report (Report) on April 18, 2018 at http://resources.ca.gov/programs-projects/wildandscenic. The Report recommends the designation of five river segments totaling approximately 37 miles stretching from just upstream of Pardee Reservoir to just downstream of Salt Springs Dam. The Report also recommends inclusion of special provisions to protect interests of the Pacific Gas and Electric Company (PG&E), Amador and Calaveras Counties, Amador Water Agency, Calaveras County Water District, Calaveras Public Utility District, EBMUD, and Jackson Valley Irrigation District. A resolution of support for the Report will assist in a future legislative effort for designation. The other Upper Mokelumne River Watershed Authority (UMRWA) agencies are expected to consider similar resolutions within the next two to three weeks. A summary of the Report was discussed at the February 27, 2018 Board meeting.

DISCUSSION

The purpose of the Report is to meet the requirements of AB 142, specifically to:

- Make eligibility determinations for five river segments based on extraordinary fishery, recreational, scenic or wildlife values;
- Determine if eligible segments should be classified as wild, scenic or recreational;
- Determine suitability for inclusion of the segments into the California W&SRS; and
- Make a clear recommendation.

Funds Available FY:	Budget Code:	
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR Richard G. Sykes	APPROVED General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.

The Report provides substantial detail on each of the segments based on existing data sources. It summarizes key issues regarding the study including hydroelectric and water supply development, watershed and environmental protection, climate change, and the various positions taken by key stakeholders. The Report notes EBMUD Board approval of Resolution No. 34024-15 in March 2015, which supported a California Wild and Scenic Designation for the Mokelumne River.

The Report recommends that all five segments be included in the W&SRS with detailed special provisions that protect existing and future activities by PG&E and water suppliers upstream of Pardee Reservoir. The special provisions also include language to protect existing land uses by Roaring Camp, a private recreation site within one of the designated segments. Staff of all the UMRWA water agencies met with CNRA, Friends of the River and the Foothill Conservancy in late March to refine the final language for the special provisions and staff from these agencies will be recommending support for the Report and its recommendations to their respective Boards in the near future.

Over the next several weeks, EBMUD will work with CNRA and other supporters on legislation for designation that is based on the Report recommendations and special provisions. It appears that legislation based on the Report would have broad support from the local community and throughout the state.

SUSTAINABILITY

Economic

The recommended resolution will have no significant fiscal impact on the District.

Environmental

A designation of the 37 miles of the Mokelumne River will maintain the undeveloped nature of the river, protect its extraordinary values and preserve it for future generations.

Social

This proposed action is broadly supported by water agencies and environmental organizations. The Report was crafted in a manner that encouraged stakeholder input and resulted in broad support for an effort that only four years ago was substantially controversial.

ALTERNATIVE

Do not adopt a resolution of support for the Report. This alternative is not recommended as the resolution will demonstrate EBMUD's support for CNRA's work and be useful in legislative efforts for designation.

Draft Prepared By

Office of General Counsel

RESOLUTION NO._____

SUPPORTING THE CALIFORNIA NATURAL RESOURCES AGENCY'S MOKELUMNE RIVER WILD AND SCENIC RIVER STUDY REPORT

Introduced by Director ; Seconded by Director

WHEREAS, in 2015 the Board of Directors of the East Bay Municipal Utility District voted to support a wild and scenic river designation under the California Wild and Scenic Rivers Act (Act) for certain reaches of the Mokelumne River above Pardee Reservoir; and

WHEREAS, Assembly Bill No. 142 was enacted into law in 2015, which legislation directed the Secretary of the California Natural Resources Agency to study and submit to the Governor and Legislature a report that analyzes the suitability or nonsuitability of the designation of segments of the Mokelumne River under the Act; and

WHEREAS, the California Natural Resources Agency has completed its *Mokelumne River Wild and Scenic River Study Report,* dated March 2018 (Report), which Report includes a recommendation and five Special Provisions concerning designation of reaches of the Mokelumne River above Pardee Reservoir under the Act; and

WHEREAS, the Board of Directors of the East Bay Municipal Utility District wishes to express its support of the Report, its recommendation and the five Special Provisions in the recommendation;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District does hereby express its support of the California Natural Resources Agency's *Mokelumne River Wild and Scenic River Study Report,* dated March 2018, and said Report's recommendation and five Special Provisions concerning designation of reaches of the Mokelumne River above Pardee Reservoir under the California Wild and Scenic Rivers Act.

ADOPTED this 24th day of April, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
President

ATTEST:

_____
Secretary

APPROVED AS TO FORM AND PROCEDURE:

_____
General Counsel

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 19, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager ARC

FROM: Marlaigne Dumaine, Manager of Legislative Affairs

SUBJECT: State Legislative Initiative #4 for 2018 Legislative Year

At the December 12, 2017 Board meeting, staff was directed to proceed with three state legislative initiatives for 2018. These initiatives are:

1. Advance EBMUD's interests as the administration and the legislature consider the development of a statewide low-income water-rate assistance program.

2. Continue to support the advancement of long-term water-use efficiency/drought planning legislation and work to retain EBMUD secured amendments.

3. Protect EBMUD's interests in any efforts to update the Local Agency Formation Commission process for annexations.

This memo presents a fourth initiative for Board consideration:

4. Work with stakeholders to identify and advance a legislative vehicle to codify the March 2018 California Natural Resources Agency (CNRA) Report recommendation and five special provisions to add five segments of the Mokelumne River to the California Wild and Scenic River System (W&SRS).

LEGISLATIVE INITIATIVE	ADDITIONAL 2018 RECOMMENDATIONS
4. Work with stakeholders to identify and advance a legislative vehicle to codify the March 2018 CNRA Report recommendation and five special provisions to add five segments of the Mokelumne River to the W&SRS.	Proceed – Legislation is needed to codify the CNRA report recommendation and five special provisions, which reflect broad stakeholder input and agreement. Stakeholders, including upstream water users and environmental organizations, are in the process of taking action to express formal support. Broad stakeholder support will be necessary to advance legislation. 1. Once stakeholder actions to express formal support have concluded in the coming weeks, staff will work with stakeholders, including water users upstream of Pardee Reservoir and environmental organizations, to identify and advance a legislative vehicle to codify the CNRA Report recommendation and five special provisions.

ARC:MD

Attachment

STATE LEGISLATIVE INITIATIVES – 2018

INITIATIVE #4 – WORK WITH STAKEHOLDERS TO IDENTIFY AND ADVANCE A LEGISLATIVE VEHICLE TO CODIFY THE MARCH 2018 CALIFORNIA NATURAL RESOURCES AGENCY REPORT RECOMMENDATION AND FIVE SPECIAL PROVISIONS TO ADD FIVE SEGMENTS OF THE MOKELUMNE RIVER TO THE CALIFORNIA WILD AND SCENIC RIVER SYSTEM

Existing law, as required by Assembly Bill 142 (AB 142), requires the California Natural Resource Agency (CNRA) to evaluate portions of the Mokelumne River for potential inclusion into the California Wild and Scenic Rivers System (W&SRS) and provide a report with its recommendations. In January 2018, CNRA completed the draft study report and received public comments through March 8, 2018. The final study report "Mokelumne River Wild and Scenic Study Report" (Report) is dated March 2018 and was released April 18, 2018.

The Report recommends the inclusion of five river segments in the W&SRS and includes five special provisions to protect interests of Amador and Calaveras Counties, Amador Water Agency, Calaveras County Water District, Calaveras Public Utility District, EBMUD, Jackson Valley Irrigation District, and the Pacific Gas and Electric Company (PG&E).

DISCUSSION

In March 2015, EBMUD's Board approved Resolution No. 34024-15 which expresses support for "a California Wild and Scenic River designation for approximately 35 miles (or as many segments thereof that are determined to qualify) of the Mokelumne River below Salt Springs Dam to the upper extent of Pardee Reservoir (at 580 feet elevation above mean sea level) that is protective of the East Bay Municipal Utility District's water rights, facilities, and operations, and urges the state Legislature and Governor Edmund G. Brown, Jr. to pass and sign legislation that is broadly supported to designate the Mokelumne a state Wild and Scenic River."

In October of 2015, AB 142, authored by Assembly Member Bigelow, was signed into law. Subsequently, and in accordance with AB 142, CNRA conducted the required evaluation and released the final Report on April 18, 2018. The Report recommends that all five of the segments studied be included in the W&SRS. The recommendation includes five detailed special provisions that protect the river and existing and future activities by PG&E and water suppliers upstream of Pardee Reservoir and the Roaring Camp recreation area.

LEGISLATIVE PROPOSAL

The CNRA Report recommendation and five special provisions that would add five segments of the Mokelumne River to the W&SRS are consistent with EBMUD's March 2015 Board approved Resolution No. 34024-15. Advancing legislation that enjoys broad stakeholder support is also consistent with EBMUD's 2015 resolution.

Legislation is needed to codify the Report recommendation and five special provisions, which reflect broad stakeholder input and agreement. Stakeholders, including upstream water users and environmental organizations, are in the process of completing their review of the final Report and taking action to express formal support of the recommendation and five special provisions. This broad stakeholder support will be necessary to advance legislation.

Once stakeholder actions to express formal support have concluded in the coming weeks, staff will work with stakeholders, including water users upstream of Pardee Reservoir and environmental organizations, to identify a legislative vehicle and advance legislation to codify the CNRA Report recommendation and five special provisions.

EBMUD

AGENDA NO. **20.**
MEETING DATE April 24, 2018

TITLE **CONSIDER REVISED POLICY ON STATEWIDE RETAIL WATER USER SURCHARGES**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

Consider a revised policy on statewide retail water user surcharges. Staff is recommending the following action:

Rescind the May 26, 2015 Policy Position on Statewide Retail Water User Fees and adopt the revised April 24, 2018 Policy on Assessing Statewide Retail Water User Surcharge Proposals.

If the Board wishes to consider amendments to the revised policy, staff recommends that the policy be returned to the Legislative/Human Resources Committee for the drafting of amendments prior to further consideration by the Board.

SUMMARY

At the December 12, 2017 Legislative/Human Resources Committee meeting, staff was asked to bring the existing policy position on statewide retail water user fees back to the Legislative/Human Resources Committee and Board for consideration. The existing policy position adopted by the Board on May 26, 2015 opposed the imposition of any state retail water user fees. At the January 9, 2018, February 13, 2018, and March 13, 2018 Legislative/Human Resources Committee meetings, revised versions of the policy were discussed. At the April 10, 2018 Legislative/Human Resources Committee meeting staff was asked to make one final edit to the April 10, 2018 revised policy and bring it to the Board for adoption on April 24, 2018.

DISCUSSION

Discussions on funding for a variety of water-related programs have become increasingly focused on using "retail water user surcharges" (surcharges were previously referred to as fees) rather than relying on new or increased allocations from the state general fund and/or bond funding. Such programs include safe drinking water for disadvantaged communities, statewide low-income rate assistance, ecosystem

Funds Available: FY	Budget Code:	
DEPARTMENT SUBMITTING Office of Intergovernmental Affairs	DEPARTMENT MANAGER or DIRECTOR Marlaigne Dumaine Marlaigne Dumaine	APPROVED General Manager

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restoration, water resources research and monitoring, healthy forest initiatives, stormwater management, and improvements to water systems throughout the state.

Proposals to impose retail water user surcharges vary in application, complexity, and amount. A policy would assist staff in evaluating individual proposals for consideration by the Board. The policy is not intended to replace a Board-adopted position on individual proposals. Consistent with past practice, prior to advocating on specific proposals staff will continue to bring individual proposals to the Board for consideration at the appropriate time.

FISCAL IMPACT

Consideration of this revised policy is not expected to have a fiscal impact on the District.

ALTERNATIVE

Rescind the May 26, 2015 policy position opposing the imposition of any statewide retail water user fees and do not adopt a revised policy. This alternative is not recommended. State level discussions of several retail water user surcharge proposals are on-going. A policy would assist staff in evaluating individual proposals for consideration by the Board.

Attachments

- April 24, 2018 Policy on Assessing Statewide Retail Water User Surcharge Proposals
- May 26, 2015 Policy Position on Statewide Retail Water User Fees
- Tracked Change Version of Policy on Statewide Retail User Fees/Surcharges

April 24, 2018
Policy on Assessing Statewide Retail Water User Surcharge Proposals

INTRODUCTION

This policy is intended to facilitate Board deliberations on statewide "retail water user surcharge" proposals by providing staff with a consistent baseline framework for the analysis of individual proposals. This policy is not intended to replace a Board-adopted position on individual proposals.

BACKGROUND

Statewide retail water user surcharges are a proposed funding mechanism where the state would require that funds be collected by retail water agencies via a surcharge on retail customer water bills. All or a portion of the collected funds would then be forwarded to the state to fund specific state programs. A retail water user surcharge is variously referred to as a public goods charge, a water fee, or water tax.

Examples of programs for which a statewide retail water user surcharge has been discussed are safe drinking water for disadvantaged communities, statewide low-income rate assistance, ecosystem restoration, water resources research and monitoring, healthy forest initiatives, stormwater management, and statewide improvements to water systems.

The retail water user surcharge approach is different from existing "public benefits charge" programs for publicly owned electrical utilities. Public benefits charge programs collect and spend the revenues locally with no subsidies sent to the state. Funds are expended locally for programs to promote energy efficiency and energy conservation, develop renewable energy sources, and provide assistance to low-income electricity customers. Examples of existing public benefits charge programs include those administered by the City of Burbank Water and Power, the City of Alameda Municipal Utilities, and the Los Angeles Department of Water and Power, among others.

PERSPECTIVES ON STATEWIDE RETAIL WATER USER SURCHARGES

Proponents of retail water surcharges assert that surcharges are warranted due to a nexus with water, that surcharges would open a new stream of revenue for various water-related needs, and the revenue stream is more reliable when compared to bond measures and the state's general fund. Proponents also assert that a retail water surcharge would be administratively simple to implement from the state's perspective as the responsibility for surcharge assessment, collection, and eligibility verification would lie with local water agencies.

Opponents of retail water surcharges assert that retail water use surcharges may create inappropriate subsidies outside the local water agency's service area, displace local infrastructure investment, raise affordability issues, and are administratively inefficient. Opponents also argue that once a retail water surcharge mechanism is established, it is difficult to establish adequate protections to ensure the surcharge is not expanded to finance other unfunded programs.

ASSESSMENT OF INDIVIDUAL PROPOSALS

In order to provide the Board with a consistent framework to consider proposals on a case-by-case basis, staff will assess individual proposals on the specifics of that proposal and include a discussion of the macro and local factors presented in alphabetical order below. Staff recommendations will be based on the comprehensive analysis on each individual proposal.

However, if the analysis indicates there would be a significant net negative impact to EBMUD's budget or its ratepayers such that there are no corresponding benefits to EBMUD or its ratepayers, or that there would be a disproportionate impact on any residential tier as compared to the other tiers such that the surcharge would be imposed on some but not all residential tiers, staff will highlight this information in the analysis. Where feasible, suggestions to reduce negative impacts will be included. Staff will make a position recommendation primarily based on this information but will also consider other factors including what position would likely provide EBMUD an opportunity to constructively engage in the legislative process to address its concerns, as appropriate.

Beneficiaries
Evaluation of individual proposals will include a discussion of the intended beneficiaries and the ability of the beneficiaries to pay.

Benefit to Society
Proposals will be assessed in terms of the intended social benefit both within and outside of EBMUD's service area, including a discussion of how the revenue from the surcharge would be allocated to all those who stand to benefit.

Board Objectives
Proposals will be assessed for whether the surcharge would support Board objectives by considering the proposal in terms of EBMUD's mission.

Effect on EBMUD Budget and Ratepayers
Proposals will be assessed in terms of estimated fiscal benefit to and impact on EBMUD's budget, including infrastructure investment and the degree of anticipated impact, if any, on EBMUD's bond rating. Proposals will also be assessed in terms of the projected fiscal benefit to and impact on EBMUD's ratepayers. The ratepayer assessment will specifically focus on rate affordability and an evaluation of how the surcharge would be applied across EBMUD's customer base (e.g., single-family residential, multi-family residential, and other users) and to each of EBMUD's residential tiers.

Efficiency and Accountability
Individual proposals will be evaluated for the efficiency of the proposed process to collect and distribute funds, both from the state and EBMUD's perspective. Proposals will also be evaluated for oversight intended to ensure accountability for the efficient collection of funds and the expenditure of funds for the intended purpose.

Equity
Individual proposals will be assessed in terms of the benefits and obligations on urban water users as compared to other water users and relevant stakeholders.

Safeguards
Individual proposals will be assessed for safeguards intended to restrict surcharge increases or expansions in scope beyond the initially stated purpose.

May 26, 2015 Policy Position on Statewide Retail Water User Fees

Funding for a variety of water-related projects and programs has become increasingly dependent on bond funding rather than allocations from the state general fund. Such programs include ecosystem restoration, research and monitoring, improvements to the statewide water system, and safe drinking water for disadvantaged communities. While bond measures can provide significant infusions of financial support for such actions, they are an unreliable funding mechanism as they require voter approval, and incur greater costs over the long run due to interest payments.

Retail water user fees have been proposed as an alternative way to ensure a steady revenue source to fund water-related programs considered by the state to be in the public's interest. Water fees have also been referred to as a public goods charge or a water surcharge. In most proposals, funds would be collected through a charge on retail customer water bills, placing the burden on urban ratepayers and urban water agencies.

Proponents of a retail water fee have asserted a fee would better adhere to the beneficiary pays principle, which holds that those who benefit from a project or program should pay for it. Further, a retail water fee would also be administratively simple to implement from the state's perspective. Opponents of a retail water fee assert that retail water use fees are inefficient and unfair, create inappropriate subsidies, and actually violate the beneficiary pays principle.

EBMUD is opposed to the imposition of state retail water use fees or surcharges on customer water bills on the basis of equity, affordability, and accountability.

Equity: Even though all Californians rely on surface or groundwater supplies, many water users would not contribute under a retail water user fee system as their consumption is not measured. These include most agricultural users, private well owners, and some urban users who do not yet have meters. This places the entire burden on retail customers who consume only a portion of the water used in the state.

Affordability: Retail water use fees added to customer bills would not be related to the cost of water service but would increase the payment amount. This would directly affect the affordability for rate payers, particularly those that are low income.

Beneficiary pays: A retail water user fee system would redirect resources away from water agencies that have carefully managed their finances and investments, and subsidize those that have not. EBMUD has been a leader in water use efficiency, natural resources stewardship, and integrated water planning while relying on a carefully established, fair and sustainable rate structure for its customers. For projects with multiple beneficiaries, the state should implement a rigorous beneficiary pays system to limit "free riders", including an analysis of the benefits that are truly public and would merit state funding. A

more thorough analysis of beneficiaries and benefits for a given project or program would improve the economic justification for beneficiary contributions, and in all likelihood reduce the state's cost share for clearly defined public benefits.

Local control and infrastructure investment: In many parts of EBMUD's service area, water collection and distribution systems are reaching the end of their normal lifespan, and replacement costs will grow at a rate far exceeding inflation in the coming decades. A retail water user fee added to customer bills would impair the ability of water agencies to raise rates needed to fund critical infrastructure. Given the public's sensitivity to rate increases and the requirements of Prop 218, imposing a retail water use fee would effectively redirect ratepayer dollars to the state and displace critical investments in local infrastructure, thus undermining the continued reliability of our water systems.

Due to the deepening drought, EBMUD recently made the difficult decision to impose drought surcharges on customer bills to help meet fixed costs, which comprise the large majority of our capital and operating costs in providing water service. Even if precipitation returns to normal levels next year, many water purveyors will have deficits in their supplies and rationing may have to continue, with the accompanying reductions in revenue.

Efficiency and Accountability: With every additional step in revenue collection, administrative costs are incurred that erode the value and impact of the funds. Accountability is also lost as the path from revenue source to expenditure becomes clouded.

~~May 26, 2015~~ April 24, 2018

Policy ~~Position~~ on Assessing Statewide Retail Water User ~~Fees~~Surcharge Proposals

~~Funding~~

INTRODUCTION

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Safeguards
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EBMUD

AGENDA NO. 21.
MEETING DATE April 24, 2018

TITLE 2018 WATER SUPPLY AVAILABILITY AND DEFICIENCY REPORT

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION

1. File the Water Supply Availability and Deficiency Report in conformance with District Policy 9.03 – Water Supply Availability and Deficiency.
2. Declare that the District's water supply is sufficient for meeting customer demands in 2018.

SUMMARY

The annual Water Supply Availability and Deficiency Report is prepared and submitted to the Board of Directors pursuant to Policy 9.03 – Water Supply Availability and Deficiency. The report evaluates the adequacy of the current year's (2018) water supply. In low water years, this annual report provides the basis for the Board's consideration of possible demand management and/or supplemental supply measures as part of the District's Drought Management Plan. In years of available water supply, this report provides the basis for the Board's determination of additional availability of water for potential use by others.

For 2018, the end of September total system storage (TSS) is projected to be full, greater than 630 thousand acre-feet (TAF), resulting in the District's water supply being sufficient to meet customer demands in 2018. The 2018 assessment also concludes that projected runoff and water storage require designating 'Below Normal' water year type flows in the lower Mokelumne River under the District's Joint Settlement Agreement (JSA). This determination is based on the State of California Department of Water Resources' (DWR) April 1 snow survey. The Mokelumne River runoff forecast as of April 9 is 76 percent of average.

DISCUSSION

2018 Water Supply and Demand Assessment

Current year water supply availability is determined by forecasting the amount of water that will be stored in District reservoirs on September 30, which marks the end of the "water year." This forecast is a two-step calculation. First, the amount of TSS as of September 30 is determined by adding projected runoff amounts to existing storage levels. The second step is the subtraction of anticipated customer demands and the volume of water that must be released from the District's storage reservoirs to meet downstream obligations. These obligations include minimum flows for fishery requirements, use by senior water right holders, and water requirements by other

Funds Available: FY	Budget Code:	
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR Richard G. Sykes	APPROVED General Manager

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downstream interests. If the projected TSS on September 30, 2018 exceeds 500 TAF, the District's water supply is deemed sufficient to meet customer needs. If the sum is less than 500 TAF, the District's water supply is deemed deficient.

The dry winter in the early part of water year 2018 resurrected memories of the recent drought in California, but powerful storms in March helped improve storage levels. The water year total precipitation as of April 9 in the Mokelumne watershed is 48.28 inches (94 percent of average) and the total precipitation in the East Bay is 27.15 inches (79 percent of average). The median unimpaired runoff projection is 565 TAF, and this corresponds to a median projection for TSS at the end of September of 630 TAF. These projections are based on DWR's April 1 snow survey. With customer usage lower than the 2013 levels, the median runoff conditions combined with suppressed customer demands will enable the TSS to be greater than 500 TAF at the end of the current water year, the threshold for determining that the District's water supply for 2018 is sufficient.

The water year type is classified as "Below Normal," based on DWR's April 1 forecast for unimpaired runoff of 605 TAF into Pardee Reservoir. The "Below Normal" condition will determine the requirements for the releases from Camanche Reservoir and the flow expected below Woodbridge Dam during the April 1, 2018 through September 30, 2018, in accordance with the JSA year-type flow schedule.

The JSA requires additional releases from Camanche Reservoir of up to 200 cubic feet per second dependent upon combined Pardee and Camanche storage levels in Below Normal year types. Storage levels will hit those triggers this year, and these releases will be in addition to all other required releases to meet downstream obligations.

Based on current 2018 runoff projections for the remainder of the year, Woodbridge Irrigation District will receive its full base supply of 60,000 acre-feet (AF); Jackson Valley Irrigation District will receive its maximum entitlement of 3,850 AF; and North San Joaquin Water Conservation District (NSJWCD), a junior water right holder, may not receive the 20,000 AF they requested on January 22, 2018 as there may not be adequate water to store the requested full amount during the storage season. Runoff projections will continue to be updated through May and if runoff is found to be sufficient, the District will notify NSJWCD that storage is available. Flood control releases are being made currently and have occurred earlier this year as necessary to meet flood control obligations.

The JSA provides that the District notify resources agencies of the availability of surplus water. There will be no surplus water based on current projections.

State Regulations

EBMUD continues to comply with the State Water Resources Control Board (SWRCB) regulatory requirements for monthly reporting on water usage. There are no current drought water-use restrictions in effect.

DREAM Project

The Demonstration Recharge Extraction and Aquifer Management (DREAM) project is a pilot conjunctive use groundwater replenishment project to enable banking of up to 1,000 AF of water. This project is a joint effort of the San Joaquin County (County), the NSJWCD, and the District.

On March 23, the State Water Resources Control Board (SWRCB) granted the District a permit for the DREAM Project. The permit enables the project to start testing the viability of groundwater banking and extraction. Surplus water for the DREAM Project is not projected to be available at this time. However, runoff projections will continue to be updated and if found sufficient, the District will begin deliveries this year and continue for an additional one to two irrigation seasons.

Bayside Groundwater Project – Phase 1

This project is designed to store excess water in the East Bay Plain Groundwater Basin by injecting drinking water during wet years for later extraction during dry years. The District obtained a permit from the SWRCB in 2007 to inject water into the aquifer. This permit remains current. The District also applied to the State's Division of Drinking Water (DDW) for the permit to extract and use the groundwater in the event drought conditions return. The DDW has not approved the permit at this time.

In 2017, the District injected water for five days to test the groundwater aquifer's reaction. The test took place from February 10, 2017 to February 12, 2017 and just over 1.3 million gallons were injected. Since then, no water has been injected at Bayside. The District may inject water into the Bayside aquifer later this year, depending on availability of water in the upper San Leandro watershed.

Pulse Flow Operations

Pulse flows are intended to mimic the natural variability found in undammed rivers, and help cue fish migration. The District conducted multiple pulse flow releases in the fall of 2017. Each pulse resulted in an increase in salmon returning to the Mokelumne River.

This year, staff will develop a spring pulse flow plan to be operated in May to assist outmigrating juvenile salmon. Pulse flow timing would be coordinated with other fishery resource agencies and downstream Mokelumne River water users. Fall pulse flows will be determined in the fall.

ITEM 22

GENERAL MANAGER'S REPORT

WILL BE PROVIDED
AS AN ORAL REPORT

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 19, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager ARC

FROM: Rischa S. Cole, Secretary of the District RC

SUBJECT: Planning Committee Minutes – April 10, 2018

Chair Frank Mellon called to order the Planning Committee at 8:30 a.m. in the Training Resource Center. Director Marguerite Young was present at roll call and Director Doug Linney was absent (excused). Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Operations and Maintenance Clifford C. Chan, Manager of Security and Emergency Preparedness Steven G. Frew, Manager of Regulatory Compliance Michael R. Ambrose, Manager of Water Quality Susan M. Teefy, Director of Engineering and Construction Xavier J. Irias, Senior Civil Engineer Roberts H. McMullin, Director of Water and Natural Resources Richard G. Sykes, Manager of Fisheries and Wildlife Jose D. Setka, Ranger Supervisor Mark E. Bolton, Manager of Watershed and Recreation Scott D. Hill Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Earthquake Preparedness. Manager of Security and Emergency Preparedness Steven G. Frew provided an update on the District's Emergency Preparedness Program and associated plans as outlined in Policy 7.03 – Emergency Preparedness/Business Continuity. He reviewed the Strategic Plan key performance indicators for the program which are target to be met in Fiscal Year 2018 and the District's mutual assistance partnerships and agreements with emergency agencies, cities and counties. In February 2018, staff conducted a mutual assistance workshop with Las Vegas Valley Water District and Los Angeles Department of Water and Power with plans to conduct a more extensive exercise in Los Angeles in August. The District continues coordinating with service area cities and counties to plan for water service disruption following an earthquake and will continue this work in Fiscal Year 2018. In support of this effort, on April 19, staff will conduct a tour of District facilities with Alameda County emergency responder representatives.

Earthquake Preparedness – HayWired Report Update. Senior Civil Engineer Roberts H. McMullin presented an overview of volume two of the United States Geological Survey (USGS) HayWired Report which is scheduled to be published on April 18. Volume two focuses on multiple impacts to Bay Area infrastructure and businesses, including the District's and San Jose Water Company's water distribution systems following a hypothetical magnitude 7.0 earthquake on the Hayward Fault. The District provided considerable assistance to the USGS and their academic team to develop the science and predictive model used to estimate damage and repair timeframes for the District's water distribution system following the hypothetical earthquake, associated infrastructure and lifeline disruptions. He reviewed the report findings and discussed how the District continues work to improve its network resilience and water system reliability after a major earthquake through its Large Diameter Pipeline Replacement and Pipeline Rebuild Programs. The report provides the District with additional tools to further guide capital programs and risk reduction efforts. Volume three of

the report will discuss consequences following a major event and is scheduled for release in November 2018. Staff anticipates using the information provided in volume three to continue coordinating with service area cities and counties to determine water needs after a major earthquake. The Committee discussed the information presented and requested additional information on post-earthquake operating strategies and estimated water loss and asked for a presentation on the report to the full Board after volume three is published in November.

Regulatory Compliance Semi-Annual Report – September 2017 through March 2018. Manager of Regulatory Compliance Michael R. Ambrose provided an update on regulatory compliance activities and National Pollutant Discharge Elimination System (NPDES) and Waste Discharge Requirements (WDR) permits issues for the reporting period. During this time, the District did not receive any notices of violation of its NPDES or WDR permits. He reported on settlement agreements for violations that occurred in 2015 and 2016 and a settlement agreement with Cal/OSHA for a March 2017 employee injury incident. The District's lost time injury rate continues to decline as staff remains focused on promoting ways to prevent job injuries. He noted that in coordination with the United States Bureau of Land Management, remediation at Poison Lake was completed in November 2017. Upcoming activities include continued improvements to the monitoring and control systems for the filter backwash settling pond discharge systems at the Orinda Water Treatment Plant, staff participation in discussions regarding the state's Mercury in Drinking Water Reservoirs Program, enhanced compliance actions and quarterly reporting as part of the final settlement agreement related to three main breaks in 2015 and 2016, and work with industry groups to shape emerging regulations regarding workplace violence prevention. The Committee asked questions about the remediation of Poison Lake, the District's lost time injury rate compared to similar sized agencies and requested that staff review whether workplace violence prevention training is included in current harassment training for employees.

Water Quality Program Semi-Annual Update. Manager of Water Quality Susan M. Teefy reported that the District met all federal and state drinking water standards for calendar year 2017. The District has 125 internal water quality goals and met 94 percent of those goals. The District exceeded its internal goals for total trihalomethanes (TTHMs), five haloacetic acids, n-nitrosodimethylamine and post-filter turbidity at the treatment plants. She highlighted the factors that contributed to the various exceedances and noted that since early 2017, TTHM concentrations have steadily decreased as raw water quality improved and staff implemented monitoring and control measures. She reviewed the District's four lead monitoring and control programs and provided an update on lead sampling in service area schools. More than 70 percent of the public schools (including charters schools) and 11 percent of private schools were sampled in 2017. The District is on track to meet the existing regulatory deadline to test service area schools. During this time period, Ms. Teefy noted the District experienced no major taste and odor incidents, provided support to the City of Alameda with its cross-connection issues at Alameda Point, and continued to address nitrification/chlorine residuals in the water distribution system. In 2018, efforts will focus on maintaining high disinfectant residuals in the distribution system, controlling taste and odors and other algal byproducts, aggressively investigating potential cross connections, and continuing work with stakeholders related to lead sampling in schools.

2017 Mokelumne Fall-run Chinook Salmon and Steelhead Returns. Manager of Fisheries and Wildlife Jose D. Setka presented an overview of salmon returns in 2017. Approximately 19,954 fish returned to the Mokelumne River, the highest ever recorded since 1940 and about 400 percent of the long-term average of 4,905 fish. He reviewed District program changes that have improved the sustainability of the Mokelumne salmon population, the Mokelumne's contribution to the salmon industry, the status of Central Valley salmon, activities at ocean fisheries, and actions being implemented to improve the survival of juvenile salmon as they migrate through the central delta. A November 2017 media day at the fish hatchery received positive press through various news sources. Going forward, Mr. Setka said the District will remain active in the Bay Delta Water Quality Control Plan Phase 2 process and will continue working with resource agencies and others to ensure that any outcome is protective of the Mokelumne fishery and that the hatchery continues to support a sustainable fishery in a manner that is compatible with the protection and recovery of listed salmonids in the Central Valley.

Annual Recreation Report – 2017. Ranger Supervisor Mark E. Bolton provided an update on recreation activities in the Mokelumne watershed for 2017. Key performance indicators (KPIs) were met for eleven of the twelve benchmarks tracked at the Mokelumne Recreation areas. Visitation in the Mokelumne was nearly 663,000 visitors which is a 21 percent increase over 2016 and revenues at recreation areas were 20 percent higher than the prior year. He reviewed the infrastructure projects and programs that were completed or ongoing during this time period and noted that in 2018, efforts will be focused on completing paving renewal in the Camanche Recreation Areas, assisting Rocky Mountain Recreation Company during their first year at Pardee Recreation Area, and addressing the challenges at the smaller, unstaffed recreation areas at Middle Bar and the Mokelumne River Day Use Area. Next, Manager of Watershed and Recreation Scott D. Hill provided an update on activities in the East Bay watershed. In 2017, KPIs were met for cost recovery, public safety, and visitor satisfaction. Visitation at the Lafayette and San Pablo recreation facilities declined slightly, while the watershed trail system showed a significant 21 percent increase. In 2018, he reported that efforts in the East Bay will focus on replacing the aged force sewer main, resurfacing the paved hiking trail, and upgrading self-contained restrooms facilities at Lafayette Reservoir. At the San Pablo Recreation Area, the paved service roads and hiking trails will be resurfaced. Trail improvements are planned to accommodate limited bicycle access on the East Bay watershed pending approval of the updated East Bay Watershed Master Plan. The Committee asked staff to review and provide input as appropriate on proposed legislation that limits alcohol use for boat drivers and that staff make updates to the signage at East Bay watershed trail head stations and report on progress during the next report. A request was also made to include Middle Bar trails use data in the next annual report.

Adjournment. Chair Mellon adjourned the meeting at 10:10 a.m.

ARC/RSC

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 19, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager ARC

FROM: Rischa S. Cole, Secretary of the District RC

SUBJECT: Legislative/Human Resources Committee Minutes – April 10, 2018

Chair John A. Coleman called to order the Legislative/Human Resources Committee at 10:12 a.m. in the Training Resource Center. Directors William B. Patterson and Marguerite Young were present at roll call. Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Acting Manager of Human Resources Lisa A. Sorani, Manager of Employee and Organizational Development Derry L. Moten, Diversity and Inclusion Officer Dorian West Blair, Manager of Legislative Affairs Marlaigne K. Dumaine, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischa S. Cole.

Public Comment. Addressing the Board was Mark Foley, President, AFSCME Local 2019, who commented on the union's previous request for the District to consider paying overtime to the Local 2019 employees who participated in the final labor negotiations meeting.

Consider Revised Policy on Assessing Statewide Retail Water User Surcharge Proposals. Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the latest revisions to the District's existing policy position on statewide retail water user fees which was adopted by the Board on May 26, 2015. This item was previously discussed by the Committee on January 9, February 13 and March 13. Ms. Dumaine reviewed the edits made to the second paragraph of the "Assessment of Individual Proposals" section of the policy and to the "Benefits to Society" and "Effect on EBMUD Budget and Ratepayers" criterion language based on Committee input during the March 13 meeting. The Committee discussed the updates and requested an additional revision to the "Benefits to Society" criteria language so that it reads: *"Proposals will be assessed in terms of the intended social benefit both within and outside of EBMUD's service area, including a discussion of how the revenue from the surcharge would be allocated to all those who stand to benefit."* It was moved by Director Young, seconded by Director Patterson and carried (3-0) to recommend the updated policy, with the additional revision to the "Benefits to Society" criteria language, to the full Board for consideration.

Legislative Update. Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the three bills in Legislative Report No. 03-18. The Committee had no questions. It was moved by Director Patterson, seconded by Director Young and carried (3-0) to forward the recommended positions to the full Board.

District 401(a) and 401(k) Deferred Compensation Plan Changes. Acting Manager of Human Resources Services Lisa A. Sorani reviewed the proposed amendments to the District's 401(a) and 401(k) plans. She explained it was recently discovered that the plans contain erroneous language that requires married participants to take a Qualified Joint Survivor Annuity (QJSA) as the mandatory, rather than as an optional form of distribution. This language was drafted into the plans' language in 2002. In June 2017, staff submitted the issue to the Internal Revenue Service (IRS) Voluntary Compliance Program and in January 2018, the IRS authorized the District to amend the plans, retroactive to January 1, 2002, to conform the plans' language to the actual operations; specifically,

that the QJSA was an optional form of distribution. The Board will be asked to consider a resolution approving the plan amendments at its meeting in the afternoon. The Committee had no questions. It was moved by Director Patterson, seconded by Director Young and carried (3-0) to forward staff's recommendations to the full Board.

Update on EBMUD and Peralta College Partnership for Workforce Development. Manager of Employee and Organizational Development Derry L. Moten provided an update on the District's continuing education pilot program with the Peralta Community College District (Peralta). The pilot kicked off in August 2017 with 29 students enrolled in the eight course program. Twenty-six students completed the first three courses and advanced to the second semester in January 2018. He reviewed the program components including the pilot of a tuition advancement program which is an extension of the District's Tuition Reimbursement Program. He noted that to date, all students have successfully completed the requirements of the pilot program. He explained solutions to some program challenges including the need to extend some courses from eight to sixteen weeks to ensure adequate time for students to cover the course material. During the summer of 2018, semester participants will enroll in a Work Experience Program, engage in on-the-job projects aligned with their existing work and be evaluated by Laney staff for college credit. It was moved by Director Patterson, seconded by Director Young and carried (3-0) to accept the report.

Technical Trades Apprenticeship Program. Diversity and Inclusion Officer Dorian West Blair presented an overview of the proposed joint partnership between the District and the Advanced Manufacturing and Transportation Apprenticeships of California (AMTAC) to establish a Technical Trades Apprenticeship Program (TTAP). District staff and members of AFSCME Local 444 have been working with AMTAC and Laney College representatives since January 2018 to develop the program framework and standards. The governing organization of the TTAP will be a Joint Apprenticeship Committee (JAC) comprised of an equal number of District management and AFSCME Local 444 members with equal voting rights and will be chaired by a community college representative with a relevant trades program. The proposed partnership with AMTAC will assist the District with recruiting for difficult to fill positions in its existing Maintenance Trades Training Program. The pilot will focus on Maintenance Machinists and Plant Maintenance Mechanics. The District will convert three existing Limited-Term (LT) Special Employment Program (SEP) positions to a new LT Technical Trades Apprentice classification. The pilot will run for 18 to 24 months and upon completion, participants will receive a certificate of completion and possess the skills and experience to compete for the Maintenance Machinist and Plant Maintenance Mechanic positions. The JAC anticipates filing program standards with the state by April 2018. The program is scheduled to begin in August 2018, pending state approval of the standards and Board consideration of converting the three LT SEP positions in June 2018. The Committee commended staff for their efforts and discussed the need to consider developing similar programs for middle and high school students. The Committee also asked staff to consider expanding the program to include training for additional District classifications before the end of the pilot period and to discuss ways to include local trades unions in the program with AFSCME Local 444. It was moved by Director Patterson, seconded by Director Young and carried (3-0) to support staff's recommendations.

Adjournment. Chair Coleman adjourned the meeting at 10:53 a.m.

ARC/RSC