



**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA
Tuesday, April 11, 2017**

**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(d)(1):
 - a. *Shana J. Amenaghawon v. East Bay Municipal Utility District, et al.*
Alameda County Superior Court, No. RG16810451
 - b. Water rights hearing on *Petition Requesting Changes in Water Rights of the Department of Water Resources and U.S. Bureau of Reclamation for the California WaterFix Project*
California State Water Resources Control Board
2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
 - a. Black Mountain Construction and Development
Claim No. 2015-L-306-1
 - b. One matter.
3. Conference with Labor Negotiators Bruce Heid and Glenn Berkheimer from the Industrial Employers Distributors Association, Alexander R. Coate, Sophia D. Skoda, Laura A. Brunson and David M. Pak pursuant to Government Code Section 54957.6: Employee Organizations International Union of Operating Engineers, Local 39; American Federation of State, County and Municipal Employees, Locals 444 and 2019; and International Federation of Professional & Technical Engineers, Local 21.

(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 5 recommendations, including 2 resolutions.)

1. Approve the Special and Regular Meeting Minutes of March 28, 2017.
2. File correspondence with the Board.
3. Authorize an amendment to the agreement with Engineering/Remediation Resources Group, Inc., for general environmental services approved under Board Motion No. 113-15 dated June 23, 2015, to increase the authorization by \$1,000,000, to an amount not to exceed \$1,800,000 for three years with two options to renew for an additional one-year period at \$600,000 each, for a total cost of \$3,000,000 over five years.
4. Adopt a resolution authorizing the District to submit an application for a WaterSMART Water Marketing Strategy Grant to fund the Bay Area Regional Reliability Regional Water Market (Exchange/Transfer) Program. (Resolution)
5. Appointment of Director of Wastewater. (Resolution)

DETERMINATION AND DISCUSSION:

6. Legislative Update:
 - Receive Legislative Report No. 05-17 and consider positions on the following bills:
AB 885 (Rubio) Pupil Health: Drinking Water: Lead; and SB 427 (Leyva) Public Water Systems: Lead User Service Lines
 - Update on Legislative Issues of Interest to EBMUD
7. General Manager's Report:
 - Storm Operations Update
 - Monthly Report – March 2017

REPORTS AND DIRECTOR COMMENTS:

8. Committee Reports:
 - Finance/Administration
 - Planning
9. Other Items for Future Consideration.
10. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, April 25, 2017 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.

BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Tuesday, April 11	Planning Committee Mellon {Chair}; Linney; Young	8:00 a.m. Training Resource Center	<ul style="list-style-type: none"> • 2016 Mokolunne Fall-run Chinook Salmon and Steelhead Returns • AC Transit Bus Rapid Transit Water Main Relocations – Update • Earthquake Preparedness
	Budget Workshop #3	8:30 a.m. Training Resource Center	
	Legislative/Human Resources Committee Coleman {Chair}; Patterson; Young		<i>Cancelled</i>
	Board of Directors	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> • Closed Session • Regular Meeting
Tuesday, April 25	Sustainability/Energy Young {Chair}; Katz; Linney	TBD Training Resource Center	
	Finance/Administration Committee Patterson {Chair}; Coleman; Mellon	10:00 a.m. Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> • Closed Session • Regular Meeting
Tuesday, May 9	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.	<ul style="list-style-type: none"> • Closed Session • Regular Meeting 	

MINUTES

Tuesday, March 28, 2017

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

Special Meeting

President Lesa R. McIntosh called to order the Special Meeting of the Board of Directors at 9:34 a.m. in the Training Resource Center. The Board met in workshop session to receive an update on the District's long-term water supply.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Water and Natural Resources Richard G. Sykes, Manager of Customer and Community Services Sherri A. Hong, Manager of Water Supply Improvements Michael T. Tognolini, Manager of Water Conservation Richard W. Harris, Senior Civil Engineers Linda H. Hu and Alice E. Towey, Special Assistant to the General Manager Alison A. Kastama, and Acting Secretary of the District Rischa S. Cole.

PUBLIC COMMENT

There was no public comment.

DISCUSSION

- The following were filed with the Board: 1) a presentation entitled "Long Term Water Supply Board of Directors' Workshop," dated March 28, 2017; and 2) a brochure entitled "Commercial Kitchens Water Use Efficiency and Best Practices Guide," by the Alliance for Water Efficiency dated February 2017.

Manager of Water Supply Improvements Michael T. Tognolini summarized the workshop agenda and highlighted some of the reliability risks to the District's goal for its long-term water supply including longer droughts, climate change, and regulatory and statewide challenges.

Manager of Water Conservation Richard W. Harris provided an update on the Water Conservation program. He reviewed program highlights for Calendar Year (CY) 2016, water use trends and savings, conservation research initiatives, activities for CY17-18, and customer engagement, education and outreach efforts. He discussed reduced demand by customer sector and how it compared to last year. He noted that the Water Conservation Master Plan has been transitioning from being widget-based towards a water management, customer tools and engagement program. He reviewed customer engagement activities by customer class,

highlighted the Advanced Metering Infrastructure water-energy studies, the strategic effort of the Pipeline Rebuild program as it relates to the District's water loss reduction strategy and state related activities. He noted that the California Urban Water Conservation Council sunset in 2016 and has reformed as the California Water Efficiency Partnership. Conservation activities for CY17-18 include: updating the Water Conservation Management System; supporting an Oakland Zoo California trail exhibit; coordinating events related to storm water, rain water and graywater; and providing input on water reuse and water conservation for an ecoblock project in Oakland which is seeking ways to reduce the area's water and energy footprint.

Senior Civil Engineer Linda H. Hu presented an update on the District's recycled water program. The key focus for the upcoming year is to update the Recycled Water Master Plan which was last updated through the Water Supply Management Program 2040. A primary driver for updating the plan is to evaluate the potential for potable reuse in the service area. She reviewed the plan update schedule and said that staff will bring a contract to the Board for consideration in May. Next, she highlighted the status of the state's regulations pertaining to potable reuse and provided updates on the following projects: East Bayshore, DERWA/San Ramon Valley, North Richmond, and RARE. She also provided an update on current and potential recycled water fill stations and the status of satellite/scalping plants at country clubs in Diablo, Moraga, and Oakland and the Oakland Zoo.

Senior Civil Engineer Alice E. Towey presented an update on regional partnerships. She noted that the Bay Area Regional Reliability partners are seeking \$750,000 in United States Bureau of Reclamation WaterSMART funding to pilot transfers or exchanges to move water through the Bay Area. The District is partnering with Contra Costa Water District on potential water transfers to Los Vaqueros Reservoir. The project to expand the reservoir is in the environmental review phase and the draft document is expected to be released in June. She highlighted the District's groundwater efforts including work on the sustainability plan for the East Bay Plain sub basin, the recent test injections at Bayside, and the progress on the San Joaquin-EBMUD Groundwater Demonstration Project.

Manager of Water Supply Improvements Michael T. Tognolini closed out with an update on the lessons learned from operating the Freeport Regional Water Project during the drought, the District's goals for Freeport as they relate to preserving and maximizing our Central Valley Project deliveries and reliability, long-term water transfer partnerships and the key strategies for long-term water supply.

Board Discussion

Board members thanked staff for the presentations and requested the following:

1. Water savings details resulting from lawn and landscape conversions
2. Further information on water efficiency certifications or other training programs for landscape professionals
3. Further details on unit costs and projected yields of the East Bayshore Recycled Water Project
4. Further details on recycled water delivery options for the Diablo Country Club

ADJOURNMENT

President McIntosh adjourned the Special Meeting at 11:02 a.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: April 11, 2017

Lesa R. McIntosh, President of the Board

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MINUTES

Tuesday, March 28, 2017

**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 11:11 a.m. in the Administration Center Board Room.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Operations and Maintenance Michael J. Wallis (Item 1), Manager of Customer and Community Services Sherri A. Hong (Items 1 and 2), Manager of Real Estate Services Matt Elawady (Items 1 and 2), Attorney Jonathan D. Salmon (Item 1), Derek McDonald (Items 1 and 2), Director of Finance Sophia D. Skoda (Item 3), Manager of Human Resources Laura A. Brunson (Item 3), Manager of Employee Relations David M. Pak (Item 3), Attorney Lourdes Matthew (Item 3), and Industrial Employers Distributors Association representatives Glenn Berkheimer and Bruce Heid (Item 3).

PUBLIC COMMENT

- Addressing the Board were the following: 1) Mark Foley, President, AFSCME Local 2019 highlighted some of the union's proposals submitted to the District; and 2) Jae Park, Executive Board member, AFSCME Local 2019 commented on the District's transit subsidy and the union's proposal that the subsidy be increased and indexed to future BART fare increases.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Lesa R. McIntosh announced the Closed Session agenda. The Board convened to Conference Room 8 for discussion.

Regular Business Meeting

President Lesa R. McIntosh called to order the Regular Business Meeting of the Board of Directors at 1:23 p.m. in the Administration Center Board Room.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Acting 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 were the following: 1) John Wilson, customer, commented on the District's use of leak detection instrumentation; and 2) Lynelle M. Lewis, retiring Secretary of the District, congratulated Rischa S. Cole on her appointment to Secretary of the District.

CONSENT CALENDAR

- Item 7 was removed from the Consent Calendar for discussion.
 - Motion by Director Mellon, seconded by Director Patterson, to approve the recommended actions for Items 1-6 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 045-17** – Approved the Special and Regular Meeting Minutes of March 14, 2017.
 2. The following correspondence was filed with the Board: 1) Excerpt of EBMUD presentation entitled “Water Distribution System Leak Detection Program” dated July 26, 2016 from John Wilson; and 2) Speakers’ Bureau and Outreach Record CY17 as of March 28, 2017.
 3. **Motion No. 046-17** – Awarded a contract to the lowest responsive/responsible bidder, C. Overaa & Co., in the amount of \$3,219,000 for construction of the Main Wastewater Treatment Plant Primary Sedimentation Tanks Rehabilitation, Phase 4 under Specification SD-388.
 4. **Motion No. 047-17** – Authorized a second amendment to the agreement with SR Bray LLC, dba Power Plus approved under Board Motion No. 018-16 dated January 26, 2016, to increase the authorization by \$133,440, to an amount not to exceed \$356,370, for the rental of a standby generator at Lafayette Water Treatment Plant beginning on or after March 28, 2017.

5. **Motion No. 048-17** – Approved the assignment of the contracts for liquid oxygen supply and system maintenance for Upper San Leandro Reservoir originally awarded under Board Motion No. 070-16 on April 26, 2016, from Air Liquide, to Airgas USA, LLC.
6. **Resolution No. 35029-17** – Adopting Revised Policy 2.25, Equal Employment Opportunity (EEO); And Revised Policy 2.26, Prevention Of Sexual Harassment In The Workplace.
7. **Resolution No. 35030-17** – Appointing Rischa S. Cole As Secretary Of The District (*effective April 3, 2017*).
 - Director Mellon pulled Item 7 to welcome Ms. Cole and to congratulate her on her appointment. Ms. Cole thanked the Board for the opportunity to serve in her new capacity and thanked her family and District team members for their support.
 - Motion by Director Mellon, seconded by Director Patterson, to approve the recommended action for Item 7, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

DETERMINATION AND DISCUSSION

8. Legislative Update.

Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the bills and recommended actions contained in Legislative Report No. 04-17.

- Motion by Director Coleman, seconded by Director Mellon, to approve the recommended positions in Legislative Report No. 04-17, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 049-17 – Received Legislative Report No. 04-17 and approved positions on the following bills: OPPOSE AB 594 (Irwin) Water Supply Planning: California Environmental Quality Act: Photovoltaic or Wind Energy Generation Facility and SUPPORT IN CONCEPT SB 49 (De Leon) California Environmental, Public Health and Workers Defense Act of 2017.

9. General Manager's Report.

Manager of Water Operations Eileen M. White provided an update on District storm operations. She noted that the season-to-date precipitation in the Mokelumne watershed is 72.03 inches (186 percent of average). The snow depth at Caples Lake has increased to 112 inches (159 percent of average), and the Caples Lake snow water content has increased to 52.8 inches (191 percent of average). The season-to-date cumulative runoff in the Mokelumne watershed is 944,000 acre-feet, which is the highest on record through March 21. The District has been making the maximum allowable release of 5,000 cubic feet per second from Camanche for over 68 days and plans on decreasing the releases in April. The plan will be reassessed on a weekly basis, or more frequently as conditions change. Planned releases and storage projections are shared daily with the U.S. Army Corps of Engineers.

The East Bay rainfall to date in March is 2.26 inches (85 percent of average) and the cumulative season to date precipitation is 36.60 inches (162 percent of average). Below is the status of local reservoirs:

- Briones Reservoir is about 6.2 feet from spill.
- Lafayette Reservoir is about 1.9 feet from spill.
- San Pablo Reservoir is about 4.4 feet from spill.
- Upper San Leandro (USL) Reservoir is about 3.9 feet from spill.

There was a question regarding whether the excess hydropower being generated by state dams can be used by gas powered plants in lieu of gas. Staff advised that they will check into this and report back to the Board.

In conclusion, General Manager Coate pointed out that the latest Speakers Bureau and Outreach Record for CY17 was at Board places. He also reminded the Board of the March 23, 2017 information memo they received which included responses to questions raised at the March 14, 2017 Budget Workshop.

REPORTS AND DIRECTOR COMMENTS

10. Committee Reports.

- Filed with the Board were the Planning Committee Minutes of March 14, 2017.

11. Other Items for Future Consideration.

None.

12. Director Comments.

- Director Coleman reported attending/participating in the following events: East Bay Leadership Council meeting on March 21 in Walnut Creek; Meeting with EBMUD constituent Christina Haslund on March 23 in Lafayette; Lafayette Sunrise Rotary Club presentation on March 24 in Lafayette; Association of California Water Agencies (ACWA) teleconference meeting on March 27 in Oakland; and Lafayette City Council meeting on March 27 in Lafayette. He reported on plans to attend/participate in the following upcoming events: San Ramon City Council meeting on March 28 in San Ramon; ACWA Executive Committee teleconference meeting on March 31 in Oakland; ACWA Excellence in Water Leadership teleconference meeting on April 3 in Oakland; ACWA teleconference meeting on April 3 in Oakland; Contra Costa County Mayors' Conference on April 6 in Orinda; and ACWA teleconference meeting on April 10 in Oakland.
- Director Katz had no comment.
- Director Linney had no comment.

- Director Mellon reported attending/participating in the following events: interview panel for Secretary of the District on March 13 at EBMUD's Administration Building in Oakland; EBMUD Retirement Board Meeting on March 16 at EBMUD's Administration Building in Oakland; Alameda County Chapter of the California Special Districts Association's Annual Dinner Meeting at Redwood Canyon Golf Course on March 23 in Castro Valley; and the Mayor's State of the City Address for San Leandro on March 27 in San Leandro.
- Director Patterson reported attending the retirement celebration for Donald R. White - Alameda County Treasurer and Tax Collector on March 24 in Berkeley. He also provided an update on his wife's recent medical incident.
- Director Young commented on the apartment fire that occurred on March 27 in West Oakland, and requested that the meeting be adjourned in memory of those who lost their lives.
- President McIntosh reported attending/participating in the following events: West County Mayors' and Supervisors' Association meeting on March 23 in Hercules and Rodeo Municipal Advisory Council meeting on March 23 in Rodeo.

ADJOURNMENT

President McIntosh adjourned the meeting in memory of those that lost their lives in the apartment fire that occurred on March 27, 2017 in West Oakland.

The meeting was adjourned at 1:58 p.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: April 11, 2017

Lesa R. McIntosh, President of the Board



AGENDA NO. 3.
 MEETING DATE April 11, 2017

TITLE GENERAL ENVIRONMENTAL SERVICES AGREEMENT AMENDMENT

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Authorize an amendment to the agreement with Engineering/Remediation Resources Group, Inc. (ERRG Inc.) for general environmental services approved under Board Motion No. 113-15 dated June 23, 2015, to increase the authorization by \$1,000,000, to an amount not to exceed \$1,800,000 for three years with two options to renew for an additional one-year period at \$600,000 each, for a total cost of \$3,000,000 over five years.

SUMMARY

An agreement with ERRG Inc. was originally approved under Board Motion No. 113-15 on June 23, 2015 for three years in the amount of \$1,200,000, with two options to renew for an additional one year period, for a total cost of \$2,000,000 over five years. The District entered into the agreement on August 1, 2015. The District has experienced a significant increase in the need for these environmental services with expenditures totaling \$845,255 to date and projected expenditures from planned and anticipated work to exceed \$1,200,000 by the end of FY17. This trend is expected to extend into the future, necessitating an increase in the contract limit.

DISCUSSION

Since 1995, the District contracted for a wide variety of regulatory issues requiring rapid resolution including: responses to illegal dumping, spill cleanups and decontamination, non-routine waste pick-ups from District facilities, treatment of discharges to the sanitary sewer and surface waters, site assessments and remediation in support of District capital projects, and miscellaneous environmental services.

In the last two years, the District has experienced an increase in infrastructure renewal activities which have necessitated the need for environmental services such as hazardous waste remediation and management of cultural resources via archeological investigations. Also, due to the increase in wet weather events following years of drought, the District has experienced an increase in large scale environmental emergency response activities such as landslide management, riparian habitat restoration, and stormwater management. This work supports the District's Strategic Plan goal for Water Quality and Environmental Protection.

Funds Available: FY17 - 20		Budget Code: WSG/OMD/B785/ 5742/ 5231
DEPARTMENT SUBMITTING Operations and Maintenance	DEPARTMENT MANAGER or DIRECTOR <i>Michael J. Wallis</i> Michael J. Wallis	APPROVED <i>Michael R. Reed</i> General Manager

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

CONSULTANT SELECTION

ERRG Inc. was originally selected in 2015 as the most qualified firm based on the company qualifications, project team and project manager qualifications, and cost-effective technical approach toward providing the full range of environmental services needed by the District.

SUSTAINABILITY

Economic

Funds for this contract are available in the existing capital and operating budgets. This contract supports the District's efforts to reduce cost and liability by centralizing and establishing consistency in the District's assessment, remediation, permitting, characterization, waste handling, and disposal practices.

Social

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

Locals 2019, 444, and 21 were notified on March 18, 2015, and did not raise any specific issues related to this contract.

Environmental

This contract allows rapid response to events that pose a potential for environmental impacts and regulatory violations.

ALTERNATIVES

Issue separate contracts for each event. This alternative is not recommended because of the short lead time to award contracts and successfully respond to many regulatory issues. Higher costs and greater liability exposure may be incurred by managing multiple contractors for emergency or fast-track projects.

Conduct the work with District staff. This alternative is not recommended. District staff currently manages all necessary regulatory documentation for District assessment, remediation, hazardous materials, waste management, and emergency spill response efforts. However, specialized training, equipment and licenses that the District does not possess are needed to handle, characterize, contain, transport, and dispose of hazardous or potentially hazardous wastes. In addition, a substantial portion of the scope of work involves intermittent, short term, labor-intensive, and highly variable expedited or emergency response work that is difficult to manage through allocation of District labor resources.

Attachments

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Professional Services Agreement General Environmental Services Agreement Amendment - Three-Year Contract with 2 One-Year Renewal Options						DATE: March 30, 2017						
CONTRACTOR: Engineering/Remediation Resources Group, Inc. Martinez, CA 94553				Small Business		PERCENTAGE OF CONTRACT DOLLARS						
BID/PROPOSER'S PRICE: \$600,000 /yr*		FIRM'S OWNERSHIP		White Men		25%		Participation		0.0%		
		Ethnicity	Gender	White Women		6%				0.0%		
		White	Men	Ethnic Minorities		25%				100.0%		
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: Engineering/Remediation Resources Group, Inc.		\$600,000	A/PI		X			100.0%				
SUBS: None												
TOTAL		\$600,000				0.0%	0.0%	100.0%	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:		142		31		76		249				
Percent of Total Employees:		57.0%		12.4%		30.5%						
MSA Labor Market %:		28.0%		23.6%		48.4%						
MSA Labor Market Location:		California										
COMMENTS												
Contract Equity Participation - 100.0% Ethnic Minority participation												
*Total Not to Exceed \$3,000,000 = \$1,200,000 (Original) + \$1,800,000 (Amendment)												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								



AGENDA NO.
MEETING DATE

4.
April 11, 2017

TITLE BAY AREA REGIONAL RELIABILITY WATERSMART GRANT APPLICATION

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Adopt a resolution authorizing the District to submit an application for a WaterSMART Water Marketing Strategy Grant to fund the Bay Area Regional Reliability (BARR) Regional Water Market (Exchange/Transfer) Program.

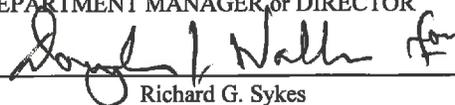
SUMMARY

On June 24, 2015, the District signed a Memorandum of Agreement (MOA) with seven other Bay Area water agencies for preparation of the BARR Drought Contingency Plan (BARR Plan). The Plan, currently in development, will evaluate how water supply, water exchange, water treatment, and intertie projects can build drought resiliency for the Bay Area. The U.S. Bureau of Reclamation (Reclamation) provided \$200,000 toward the cost of the BARR Plan through a WaterSMART Drought Contingency Planning Grant.

In February 2017, the agencies applied for additional funding for the next phase of the BARR effort, to help support a regional water market study. Reclamation staff recently informed the District that its grant application would be more competitive under a new WaterSMART funding opportunity, and the BARR partners are therefore interested in resubmitting the grant proposal. The District has been asked to submit an application on behalf of the agencies, and in order to apply, Reclamation requires that the District's Board authorize the grant application.

DISCUSSION

In the spring of 2014, Contra Costa Water District, East Bay Municipal Utility District, Santa Clara Valley Water District, San Francisco Public Utilities Commission, Zone 7 Water Agency, Alameda County Water District, Marin Municipal Water District, and the Bay Area Water Supply and Conservation Agency (BAWSCA) adopted the BARR Principles to guide them in working together to improve water supply reliability through development of projects with regional water supply benefit.

Funds Available: FY17		Budget Code: WSC/WNR/455/2010705
DEPARTMENT SUBMITTING <u>Water and Natural Resources</u>	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.

To further this mission, the agencies executed an MOA in 2015 under which each agency committed \$50,000 to support development of the BARR Plan. An additional \$200,000 was obtained from Reclamation via the WaterSMART grant program, with the District serving as the grant administrator.

The BARR Plan will describe how certain water supply, water exchange, water treatment, intertie projects, and desalination concepts can be integrated across the Bay Area water agencies to improve drought resiliency for the region. One of the draft BARR Plan projects that could provide regional benefits is a Regional Water Market Program. The goal of the proposed project would be to demonstrate and test the capability of existing Bay Area infrastructure to divert water from the Sacramento River, using the District's Freeport Regional Water Facility, to potential water exchange partners in the Bay Area.

The District had applied for funding under a previous round of WaterSMART grant funding aimed at improving drought resiliency. The Board authorized this application on January 24, 2017. In recent conversations, Reclamation staff indicated that the District's proposal would be more competitive and better suited to a new funding program that was just introduced by Reclamation in February, the "Water Marketing Strategy Grants for 2017."

This funding opportunity is intended to support the development of water marketing strategies that can contribute to water supply sustainability. Reclamation is offering cost-shared funding up to \$400,000 for projects that can be completed within three years. The District would serve as the grant administrator and contracting agency for the project on the behalf of the partner agencies. The proposed resolution would authorize the District to take all actions necessary to submit a grant application to request a \$400,000 WaterSMART Water Marketing Strategy Grant and to submit, as part of the application, a certified copy of the resolution granting authorization.

SUSTAINABILITY

Economic

The District's share of the costs to prepare the application and implement a grand-funded transfer is estimated to be less than \$40,000 payable over several years. These funds are included in the FY17 operating budget for the BARR project. Subject to future negotiations on the Regional Water Market Program, the District may receive revenue for use of Freeport and other water system facilities for conveyance and treatment.

Social

This project will lead to greater regional collaboration and cooperation through the BARR effort.

Environmental

By using existing facilities, this project could promote greater regional water supply reliability during droughts while avoiding the impacts of new construction. The Regional Water Market Program will be subject to applicable state and federal environmental regulations.

ALTERNATIVE

Do not authorize EBMUD to apply for grant funding. This alternative is not recommended because the proposed project would support greater regional water supply reliability for the entire Bay Area.

RGS:MTT:AET:acr

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RESOLUTION NO. _____

AUTHORIZING APPLICATION TO THE UNITED STATES DEPARTMENT OF THE
INTERIOR, BUREAU OF RECLAMATION FOR A WATERSMART WATER MARKETING
STRATEGY GRANT TO FUND THE BAY AREA REGIONAL RELIABILITY
REGIONAL WATER MARKET PROJECT

Introduced by Director

; Seconded by Director

WHEREAS, the United States Department of the Interior, Bureau of Reclamation (Reclamation), as part of the WaterSMART Program, is offering cost-shared funding to support the development of Water Marketing Strategies and has issued Funding Opportunity Announcement Number BOR-DO-17-F014 (the FOA) stating the requirements and terms for receiving a WaterSMART Water Marketing Strategy Grant; and

WHEREAS, on May 27, 2014, the Board of Directors of the East Bay Municipal Utility District (EBMUD) adopted the Bay Area Regional Reliability Principles (BARR Principles) which expressed EBMUD's commitment to work cooperatively with seven other Bay Area water agencies (BARR Partner Agencies or Parties) to develop regional solutions to improve the water supply reliability for the over 6 million area residents and the thousands of businesses and industries located in the area; and

WHEREAS, the BARR Principles encourage BARR Partner Agencies to work cooperatively in the pursuit of short and long-term water supply projects and to maximize the use of existing infrastructure to help achieve region-wide water supply reliability; and

WHEREAS, in 2015 the BARR Partner Agencies executed a Memorandum of Agreement to develop a Drought Contingency Plan (DC Plan) to describe how certain water supply, water exchange, water treatment, intertie projects, and desalination concepts can be integrated to improve drought resiliency in the Bay Area; and

WHEREAS, one of the projects identified in the draft DC Plan is a Regional Water Market (Exchange/Transfer) Project to demonstrate and test the capability of existing Bay Area infrastructure to divert water from the Sacramento River, using the Freeport Facilities, to potential exchange partners; and

WHEREAS, EBMUD's Board of Directors acknowledges and supports EBMUD's proposal to serve as the grant applicant and contracting entity on behalf of the BARR Partner Agencies in their combined efforts to complete the Regional Water Market (Exchange/Transfer) Project in response to the FOA; and

WHEREAS, the proposed Regional Water Market (Exchange/Transfer) Project is currently in the planning phase and has not yet been sufficiently defined to allow for analysis under the California Environmental Quality Act (CEQA) and, further, the application for Reclamation grant funding is

a type of government fiscal activity that does not constitute a project under CEQA as per CEQA Guideline section 15378(b)(4), and further, the application for Reclamation grant funding does not commit EBMUD to a definite course of action regarding the Regional Water Market (Exchange/Transfer) Project; and

WHEREAS, the FOA specifies that grant awards will not exceed 50% of the total project costs, with a requirement for local cost share of 50% or more. Reclamation is offering up to \$400,000 per project under this FOA;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District does hereby authorize the General Manager to take all actions necessary to submit a grant application to Reclamation to request a \$400,000 WaterSMART Water Marketing Strategy Grant, in a form approved by the Office of General Counsel, to help fund the Regional Water Market (Exchange/Transfer) Project and to submit as part of the application, as required, a certified copy of this Resolution as evidence of such authorization.

BE IT FURTHER RESOLVED that if East Bay Municipal Utility District is offered such grant funding from Reclamation, the General Manager shall review the terms and conditions of the funding agreement and, subject to the approval of the agreement as to form by the Office of General Counsel, the General Manager is hereby authorized to execute said funding agreement and accept the funds.

ADOPTED this 11th day of April, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

ATTEST:

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel



AGENDA NO.
MEETING DATE

5.
April 11, 2017

TITLE APPOINTMENT OF DIRECTOR OF WASTEWATER

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Appoint Eileen M. White as the Director of Wastewater effective April 17, 2017.

SUMMARY

The District conducted a recruitment for the Director of Wastewater and selected Ms. White through a competitive process. Ms. White is recommended for appointment to this position. The position is exempt from the civil service provisions of the Municipal Utility District Act in accordance with Section 12055.

DISCUSSION

The Director of Wastewater is responsible for planning, organizing, directing, staffing, and administering all activities of the Wastewater Department to ensure efficiency and maximum operational effectiveness. Four major divisions report to the Director including Wastewater Engineering, Wastewater Treatment Operations, Environmental Services, and Laboratory Services.

Ms. White has served as a manager for the District for over 17 years. Prior to being a manager, Ms. White's career at the District progressed from an Assistant Engineer to Senior Civil Engineer over a 12-year period supporting both the water and wastewater systems. Her career at the District spans over 29 years. Prior to working at the District, she worked as an engineer for PG&E.

Ms. White holds a Bachelor's Degree in Civil Engineering from the University of California, Berkeley. She is also a Registered Professional Engineer in the State of California and a Grade 5 Water Distribution Operator.

Funds Available: FY		Budget Code:
DEPARTMENT SUBMITTING Human Resources	DEPARTMENT MANAGER or DIRECTOR <i>Laura A. Brunson</i> Laura A. Brunson	APPROVED <i>Michael R. Cuff</i> General Manager

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

[Handwritten Signature]
Office of General Counsel

RESOLUTION NO. _____

APPOINTING EILEEN M. WHITE AS DIRECTOR OF WASTEWATER

Introduced by Director _____ ; Seconded by Director _____

WHEREAS, the Board of Directors has heretofore established the position of Director of Wastewater, 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 Director of Wastewater 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 Eileen M. White be appointed to serve as Director of Wastewater;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Eileen M. White to serve as Director of Wastewater effective April 17, 2017.

ADOPTED this 11th day of April, 2017 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 6, 2017

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager *ARC*

SUBJECT: Legislative Report No. 05-17

The following issues are being referred to the Board of Directors for action, as appropriate.

RECOMMENDED ACTION

Approve positions on the following bills: 1) AB 885 (Rubio) Pupil health: drinking water: lead; and 2) SB 427 (Leyva) Public water systems: lead user service lines.

STATE LEGISLATION

**RECOMMENDED
POSITION**

**AB 885
(Rubio)**

**PUPIL HEALTH: DRINKING WATER:
LEAD**

**SUPPORT IF
AMENDED**

Existing law generally requires a school district to provide access to free, fresh drinking water during meal times in school food service areas. Under existing law, known as the Lead-Safe Schools Protection Act (Act), the California Department of Public Health is required to perform various activities related to reducing the risk of exposure to lead hazards in public schools, including working with the California Department of Education to develop voluntary guidelines to ensure that lead hazards are minimized in the course of school repair and maintenance programs. The Act also forbids the use of lead-based paint, lead plumbing and solders, or other potential sources of lead contamination in constructing, modernizing, or renovating schools.

AB 885 (Rubio), as amended on March 20, 2017, is intended to protect children from exposure to lead in drinking water at schools and daycare facilities. To do this, AB 885 would do four things: 1) require community water systems to annually test for the presence of lead in drinking water at each water outlet used for consumption at every school in its service area; 2) require public schools, public preschools, and daycare facilities on public school property to install certified water filters at all faucets, fountains, and other water outlets; 3) require schools to replace lead-bearing parts within a school's water delivery system where feasible and cost-effective; and 4) establish a new action level for lead of 1 part per billion (ppb) by statute. Under AB 885, schools and community water systems would be exempt from these requirements if the school's water delivery system is free of lead-bearing parts.

According to the U.S. Environmental Protection Agency (U.S. EPA), there is "no known safe level of lead in a child's blood." For infants and children, exposure to lead can result in delays in

physical or mental development. Lead exposure in adults can result in kidney problems or high blood pressure. The U.S. EPA estimates that 10 to 20 percent of human exposure from lead may come from lead in drinking water.

In 2016, Governor Brown vetoed SB 334 (Leyva) which would have required schools that have a drinking water source that does not meet drinking water standards to provide alternative drinking water to their students. In the veto message, the governor stated that schools should first understand the nature of their water quality problem and directed the State Water Resources Control Board (SWRCB) to work with school districts and public water systems on water quality testing in schools.

Subsequently, the SWRCB and the California Department of Education launched an initiative that allows schools to request lead testing from public water systems. The SWRCB has begun issuing revised domestic water supply permits for all community water systems to require each water system to test the drinking water for lead at any K-12 school in its service area that provides a written request. For the purposes of this requirement, a community water system is defined as a public water system with at least 15 service connections. This includes EBMUD. Under the SWRCB initiative, schools have until November 1, 2019 to make a one-time request for testing and up to five samples would be collected from each school. If elevated levels of lead are found, the SWRCB can provide technical assistance. To date, EBMUD has been contacted by four school districts and is developing plans to conduct testing in response to these requests and any future requests.

While schools may now make a one-time request for lead testing, AB 885's author states there is no legal requirement for schools to periodically test their drinking water outlets for lead and "until we can replace lead pipes and plumbing fixtures, the most effective way to protect children from lead threats in drinking water is to use filters certified to remove lead."

The intent of AB 885, to help protect children from lead exposure, is consistent with EBMUD's efforts to reduce lead exposure in drinking water, including EBMUD's sponsorship of prior legislation. However, as drafted, the bill raises numerous issues that should be addressed in order to facilitate the effective implementation necessary to meet the bill's intent.

First, the bill would require a sampling regime that is inconsistent with the approach adopted by the SWRCB earlier this year. The bill's requirement that the testing be mandatory, instead of the current voluntary approach, makes sense. This will ensure that all schools are checking for lead exposure through the drinking water system. However, AB 885's requirement for annual sampling from every faucet or tap that is used for drinking or cooking would likely significantly exceed the SWRCB five sample threshold in most schools. AB 885's approach would increase costs substantially while yielding little additional useful information. Rather than requiring testing at all taps and faucets annually, the bill should require an initial testing of five samples per school, consistent with the new SWRCB requirements. The data collected from this sampling should then be used to inform the approach to the replacement of any plumbing and/or fixtures at a school. After the initial testing, any additional testing required of the water system should be

limited to one sample per school per year and should be based on an evaluation of the results of the new SWRCB program.

AB 885 should be amended to make the sampling requirement consistent with the new SWRCB requirements as described above.

Second, AB 885's requirement that all K-12 schools must purchase and install filters at all outlets used for drinking or cooking prior to testing raises the question of whether any lead that may be present in the drinking water due to lead in the school's plumbing or the water delivery system will be detected. In other words, if lead is present but being filtered out the testing will not provide meaningful results. It is important that any testing be conducted in the absence of a filter. Filters that are not properly maintained can create water quality issues of their own. Filters are considered a temporary measure that should not be long-term solution particularly given the negative water quality impacts from an intermittently used and possibly under maintained device.

AB 885 should be amended to require that the testing be done in the absence of a filter and should be conducted at the point of use to ensure the faucet is included in the sampling chain. AB 885 should also be amended to require the proper maintenance of the filters and to clarify that the use of filters should only be temporary.

Third, AB 885 sets an impossible standard for a school to inventory and replace all "lead-bearing parts" in its water delivery system. In 2006, EBMUD sponsored AB 1953 (Chan) to get the lead out of drinking water plumbing. AB 1953's standard acknowledges the practical reality that some lead will be present in plumbing materials and defines lead-free as 0.2 percent to 0.25 percent (Health and Safety Code section 116875). Further, a requirement to eliminate all parts that do not meet the AB 1953 standard could effectively require the replacement of all plumbing that predates the 2010 implementation date of AB 1953.

AB 885 should be amended to replace the term "lead-bearing parts" with "lead-free pipes or plumbing fixtures as defined in Health and Safety Code section 116875".

Finally, AB 885 would bypass the robust regulatory process by setting a new action level for lead of 1 ppb. The current action level of 15 ppb was established by the U.S. EPA, and is implemented by the SWRCB, and reflects a rigorous scientific process that takes into account the protection of human health, technical feasibility, and cost. The 1 ppb action level proposed by the bill has not been developed through an established regulatory process and is below California's Detection Limit for Reporting, which is 5 ppb. Additionally, it is below the level of lead EBMUD measures in its water system. In short, the proposed 1 ppb action level is not feasible.

AB 885 should be amended to reflect the current regulatory standard.

EBMUD has historically supported measures to protect the public health by reducing exposure to lead in drinking water. In 2016, EBMUD supported SB 1398 (Leyva) to facilitate the identification and replacement of lead pipes in water systems. SB 1398 was signed into law (Chapter 731 of 2016). In 2006, EBMUD sponsored California's landmark "Get The Lead Out" legislation, AB 1953 (Chan), that was signed into law (Chapter 853 of 2006), and which reduced the allowable lead content in pipes and plumbing fixtures to a level that virtually eliminates lead contamination in faucets and drinking water, and prohibited the sale of plumbing components after 2010 not meeting the lower lead content standard. In 2008, EBMUD sponsored follow-up legislation, SB 1395 (Corbett), to require random testing of faucets through the Department of Toxics and Substance Control to help ensure that faucets and fittings sold in California complied with the lower lead standard set by AB 1953. SB 1395 was signed into law (Chapter 581 of 2008). EBMUD was also a strong proponent of subsequent federal legislation, S. 3874 (Boxer) in 2010, that was signed into law and essentially adopted AB 1953's "lead-free" standard for pipes and plumbing fixtures nationwide.

The current list of support and opposition to AB 885 is shown below.

Support

American Academy of Pediatrics, California
California Food Policy Advocates
California Public Interest Research Group
California State PTA
California Teachers Association
Center for Food Safety
Children Now
Community Water Center
Environment California
Environmental Justice Coalition for Water
Environmental Working Group
Friends Committee on Legislation of California
Pacific Water Quality Association
Pueblo Unido CDC
Water Quality Association

Opposition

Association of California School Administrators
Association of California Water Agencies (unless amended)
California Association of School Business Officials
Coalition for Adequate School Housing
County Schools Facilities Consortium
Los Angeles Unified School District

**SB 427
(Leyva)**

**PUBLIC WATER SYSTEMS: LEAD USER
SERVICE LINES**

SUPPORT

Existing law generally prohibits the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead-free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption. Current law, as a result of SB 1398 (Leyva) in 2016, which EBMUD supported, requires public water systems to compile an inventory by July 1, 2018 of known lead pipes in use in its distribution system, provide a timeline for replacement of known lead pipes to the State Water Resources Control Board (SWRCB), and identify areas that may have lead pipes in use in its distribution system. Public water systems with areas that may have lead pipes in use in their distribution system must, by July 1, 2020, either determine the existence or absence of lead pipes in these areas and provide that information to the SWRCB or provide a timeline for replacement of the pipes whose content cannot be determined.

SB 427 (Leyva), as introduced on February 15, 2017, is intended to bolster SB 1398's requirements for public water systems to identify and replace lead pipes as well as provide an enforcement mechanism. SB 427 would do four things: 1) impose a deadline by which public water systems must provide a timeline for replacing known lead pipes; 2) require each public water system to provide a timeline for replacing both lead pipes discovered during the SB 1398 required inventory and pipes whose content cannot be determined; 3) clarify the process for revising a timeline if a public water system and the SWRCB do not agree on a timeline; and 4) provide the SWRCB with the authority to enforce requirements on public water systems to identify and remove lead pipes, as well as the prohibition on using lead in the installation or repair of water pipes.

According to the U.S. Environmental Protection Agency (U.S. EPA), there is "no known safe level of lead in a child's blood." Exposure to lead can result in delays in physical or mental development in infants and children. For adults, it can result in kidney problems or high blood pressure. The U.S. EPA estimates that 10 to 20 percent of human exposure from lead may come from lead in drinking water.

In the 1990s, regulations required public water systems to complete an inventory of their known lead pipes and develop an optimized corrosion control program. EBMUD complied with these requirements and has been monitoring lead levels at customer home fixtures since 1992. In addition, EBMUD has been a leader in efforts to promote the protection of public health by reducing lead exposure in drinking water. In 2006, EBMUD sponsored California's landmark "Get The Lead Out" legislation, AB 1953 (Chan), that was signed into law and which reduced the allowable lead content in pipes and plumbing fixtures, and prohibited the sale of plumbing components after 2010 not meeting the lower lead content standard. EBMUD was also a strong proponent of subsequent federal legislation, S. 3874 (Boxer) in 2010, that was signed into law and essentially adopted AB 1953's "lead-free" standard for pipes and plumbing fixtures nationwide.

In 2016, EBMUD supported SB 1398, as mentioned above, to help protect public health by facilitating the identification and replacement of lead pipes used in water systems. In accordance with SB 1398's requirements, EBMUD is reviewing its inventory of service lines to identify and replace any outstanding lead pipes. Though EBMUD has not identified any substantial issues, a few lead service lines have been identified and replaced. EBMUD notifies customers prior to the replacement, provides before and after testing, and provides water filters in the event that the pipe replacement results in a temporary increase in the level of lead present in drinking water.

SB 427 would likely have a minimal impact on EBMUD, as the known pipes in EBMUD's service area have generally already been replaced and EBMUD is replacing any outstanding lead service lines as they are identified. SB 427's objective is consistent with EBMUD's efforts to reduce lead exposure in drinking water, including EBMUD's sponsorship of prior legislation.

EBMUD has historically supported measures to protect the public health by reducing exposure to lead in drinking water. As mentioned above, in 2016, EBMUD supported SB 1398 (Leyva) to facilitate the identification and replacement of lead pipes in water systems. SB 1398 was signed into law (Chapter 731 of 2016). In 2006, EBMUD sponsored AB 1953 (Chan) to reduce the allowable lead content in pipes and plumbing fixtures and prohibit the sale of pipes and plumbing fixtures that contained higher amounts of lead. AB 1953 was signed into law (Chapter 853 of 2006). In 2008, EBMUD sponsored follow-up legislation, SB 1395 (Corbett), to require random testing of faucets through the Department of Toxic Substances Control to help ensure that faucets and fittings sold in California complied with the lower lead standard set by AB 1953. SB 1395 was signed into law (Chapter 581 of 2008). EBMUD was also a strong proponent of subsequent federal legislation, S. 3874 (Boxer) in 2010, that was signed into law and essentially adopted AB 1953's "lead-free" standard for pipes and plumbing fixtures nationwide.

There are currently no entities listed in support or opposition to SB 427.

ARC:MD:JW

AMENDED IN ASSEMBLY MARCH 20, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 885

Introduced by Assembly Member Rubio

February 16, 2017

An act to add Section 32247 to the Education Code, relating to pupil health.

LEGISLATIVE COUNSEL'S DIGEST

AB 885, as amended, Rubio. Pupil health: drinking water: lead.

Existing law requires a school district to provide access to free, fresh drinking water during meal times in school food service areas, except as specified. Under existing law, known as the Lead-Safe Schools Protection Act, the State Department of Public Health is required to perform various activities related to reducing the risk of exposure to lead hazards in public schools, including, among other activities, working with the State Department of Education to develop voluntary guidelines to ensure that lead hazards are minimized in the course of school repair and maintenance programs and abatement procedures.

~~This bill would require a public or private school to ensure that drinking water is provided at the school that meets the United States Environmental Protection Agency drinking water standards for lead. The bill would require a public or private school, on or before February 1, 2018, to request water quality testing, including lead testing, from the State Water Resources Control Board, and would require the state board to perform or provide for the performance of the requested testing on or before November 1, 2019. If this testing reveals that a school has drinking water that does not meet the United States Environmental Protection Agency drinking water standards for lead, the bill would~~

require the school, contingent upon the school receiving an external source of funding, to replace any water pipes that are contributing to the lead contamination.

This bill would require a school, defined to include a public elementary school, a public secondary school, a public preschool located on public school property, and a public day care facility located on public school property, to purchase and install, on or before April 1, 2018, certified water filters at all school faucets, fountains, and other outlets designated for drinking or cooking. The bill would require a school to replace all lead-bearing parts within the school's water delivery system, where feasible and cost effective, on or before January 1, 2020. The bill would require a school, on or before July 1, 2018, to develop and adopt a plan of action relating to these requirements. The bill would require a community water system, as defined, to test, on or before July 1, 2019, and every year thereafter, for the presence of lead at each water outlet used for drinking or cooking at each school within the boundaries of the community water system. The bill would require, if testing reveals an elevated lead level, as defined, at a water outlet at a school, the school to close off access to the outlet, as specified, and report the test results to the State Water Resources Control Board. By imposing additional duties on public schools, the bill would impose a state-mandated local program. The bill would exempt a school and a community water system from its provisions if the school demonstrates to the satisfaction of the State Water Resources Control Board that its water delivery system is free of lead-bearing parts.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 32247 is added to the Education Code,
- 2 to read:

1 32247. (a) (1) *On or before April 1, 2018, a school shall*
2 *purchase and install water filters with NSF International or*
3 *equivalent certification at all school faucets, fountains, and other*
4 *outlets designated for drinking or cooking.*

5 (2) *To expedite water filter installation, a school shall give*
6 *priority to contractors that are local to the school with the expertise*
7 *to execute the project.*

8 (3) *A school shall be responsible for the ongoing cost of*
9 *operation and maintenance for all installed water filters at the*
10 *school.*

11 (b) (1) *On or before July 1, 2018, each school shall develop*
12 *and adopt a plan of action to prevent elevated lead levels in all*
13 *water used for drinking or cooking at the school. The plan of action*
14 *shall include all of the following:*

15 (A) *How the school will operate and maintain the water filters*
16 *installed by the school.*

17 (B) *An inventory of lead-bearing parts within the school's water*
18 *delivery system, including, but not limited to, fixtures and plumbing*
19 *with lead soldering, and how the school will replace those*
20 *lead-bearing parts as required by subdivision (c).*

21 (C) *Any other measures to reduce lead contamination of water.*

22 (2) *A school may adjust its plan of action concerning*
23 *subparagraphs (B) and (C) of paragraph (1), including, but not*
24 *limited to, in response to public input.*

25 (3) *A school shall submit its plan of action to an independent*
26 *entity that is experienced in the replacement of lead-bearing parts*
27 *for review of whether the school's plan of action will successfully*
28 *result in the replacement of all lead-bearing parts. A school shall*
29 *amend and resubmit its plan of action until the independent entity*
30 *makes this determination. Once the independent entity makes this*
31 *determination, the school shall submit its plan of action to the*
32 *water board and the State Department of Education for*
33 *recordkeeping.*

34 (c) *A school shall use the inventory created pursuant to*
35 *subparagraph (B) of paragraph (1) of subdivision (b) to replace*
36 *all lead-bearing parts within the school's water delivery system,*
37 *where feasible and cost effective, on or before January 1, 2020.*
38 *It is the intent of the Legislature that a school use grants and other*
39 *external sources of funding to the maximum extent possible to fulfil*
40 *this requirement.*

1 (d) (1) A community water system shall test, on or before July
2 1, 2019, and every year thereafter, for the presence of lead at each
3 water outlet used for drinking or cooking at each school within
4 the boundaries of the community water system.

5 (2) The water board may alter the annual testing requirement
6 on a case-by-case basis if it determines that a higher or lower
7 frequency of testing is necessary or sufficient to ensure public
8 health at the school, including, but not limited to, requiring the
9 community water system to conduct additional testing after
10 replacement of lead service lines at a school.

11 (3) If testing reveals an elevated lead level at a water outlet
12 used for drinking or cooking at a school, the school shall, within
13 24 hours of receiving notification from the community water
14 system, close off access to the outlet, consistent with the
15 requirements of Section 38086, and report the test results to the
16 water board.

17 (e) A school may seek the assistance of a local health agency,
18 a community water system, or the water board to help ensure its
19 compliance with this section.

20 (f) It is the intent of the Legislature that costs incurred by a
21 school pursuant to this section be reimbursed pursuant to Part 7
22 (commencing with Section 17500) of Division 4 of Title 2 of the
23 Government Code as costs mandated by the state.

24 (g) A school is exempt from this section, and a community water
25 system is exempt from subdivision (d), if the school demonstrates
26 to the satisfaction of the water board that its water delivery system
27 is free of lead-bearing parts.

28 (h) For purposes of this section, the following terms have the
29 following meanings:

30 (1) "Community water system" has the same meaning as defined
31 in Section 116275 of the Health and Safety Code.

32 (2) "Elevated lead level" means lead in excess of one part per
33 billion in water.

34 (3) "School" means a public elementary school, a public
35 secondary school, a public preschool located on public school
36 property, and a public day care facility located on public school
37 property.

38 (4) "Water board" means the State Water Resources Control
39 Board.

1 *SEC. 2. If the Commission on State Mandates determines that*
2 *this act contains costs mandated by the state, reimbursement to*
3 *local agencies and school districts for those costs shall be made*
4 *pursuant to Part 7 (commencing with Section 17500) of Division*
5 *4 of Title 2 of the Government Code.*

6 ~~SECTION 1. Section 32247 is added to the Education Code,~~
7 ~~to read:~~

8 ~~32247. (a) A public or private school shall ensure that drinking~~
9 ~~water is provided at the school that meets the United States~~
10 ~~Environmental Protection Agency drinking water standards for~~
11 ~~lead.~~

12 ~~(b) A public or private school shall, on or before February 1,~~
13 ~~2018, request water quality testing, including lead testing, from~~
14 ~~the State Water Resources Control Board. The state board shall,~~
15 ~~on or before November 1, 2019, perform or provide for the~~
16 ~~performance of the requested testing, including, at a minimum, at~~
17 ~~drinking fountains, cafeteria and food preparation areas, and water~~
18 ~~bottle filling stations.~~

19 ~~(c) If the testing conducted pursuant to subdivision (b) reveals~~
20 ~~that a school has drinking water that does not meet the United~~
21 ~~States Environmental Protection Agency drinking water standards~~
22 ~~for lead, the school shall replace any water pipes that are~~
23 ~~contributing to the lead contamination. This requirement is~~
24 ~~contingent upon the school receiving a grant or other external~~
25 ~~source of funding for the water pipe replacement.~~

AMENDED IN SENATE MARCH 22, 2017

SENATE BILL

No. 427

Introduced by Senator Leyva

February 15, 2017

An act to amend Section 116885 of, and to add Section 116890 to, the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL'S DIGEST

SB 427, as amended, Leyva. Public water systems: lead user service lines.

(1) Existing law prohibits the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption, except as specified.

Existing law requires, by July 1, 2018, a public water system to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system. Existing law requires the public water system, after completing the inventory, to provide a timeline for replacement of known lead user service lines in the distribution system to the State Water Resources Control Board. Existing law requires, by July 1, 2020, a public water system with areas that may have lead user service lines in use in its distribution system to either determine the existence or absence of lead user service lines in these areas and provide that information to the state board or provide a timeline for replacement of the user service lines whose content cannot be determined.

This bill, by July 1, 2020, would require a public water system to provide the timeline for replacement of known lead user service lines in use in its distribution system to the state board. The bill, by July 1,

2020, would require a public water system that has identified areas that may have lead user service lines in use in its distribution system to (a) provide to the state board its determination as to whether there are any lead user service lines in use in those areas of its distribution system and provide a timeline to the state board for replacement of those lead use service lines, and (b) provide findings as to whether there are any areas for which it cannot determine the content of the user service lines and a timeline for the replacement of those user service lines.

(2) Existing law requires the state board to either approve a proposed replacement timeline or deny and propose a revised replacement timeline to the public water system, as specified. If the public water system rejects the state board's revised timeline, existing law requires the public water system and the state board to develop a compromise timeline within 30 days.

This bill, if a compromise timeline is not developed within 30 days, would require the public water system to comply with the state board's revised timeline. The bill would authorize the state board to amend its revised timeline by incorporating elements of the public water system's proposed timeline.

(3) Existing law, the California Safe Drinking Water Act, imposes on the state board various responsibilities and duties relating to providing a dependable, safe supply of drinking water. The act prohibits a person from operating a public water system without a permit and requires any person who owns a public water system to ensure that the system, among other things, provides a reliable and adequate supply of pure, wholesome, healthful, and potable water. Existing law authorizes the state board to issue an order, as specified, whenever the state board determines a person has violated or is violating the act. The act provides that a person who knowingly makes a false statement or representation in a report submitted, maintained, or used for purposes of compliance with the act or who violates an order issued by the state board pursuant to the act that has a substantial probability of presenting an imminent danger to the health of persons may be punished as a misdemeanor.

This bill would specifically authorize the state board to apply and enforce these provisions relating to lead user service lines in public water systems under the California Safe Drinking Water Act and would make a violation of a provision in (1) or (2) a violation for purposes of the act. Because a misstatement in the above-described compiled inventory would be a crime, and a violation of an order issued by the state board relating to the use of any pipe, pipe or plumbing fitting or

fixture, solder, or flux that is not lead free, as specified, would be a crime, this bill would impose a state-mandated local program by expanding the scope of a crime.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 116885 of the Health and Safety Code
2 is amended to read:

3 116885. (a) By July 1, 2018, a public water system shall
4 compile an inventory of known lead user service lines in use in its
5 distribution system and identify areas that may have lead user
6 service lines in use in its distribution system.

7 (b) (1) By July 1, 2020, a public water system that has identified
8 known lead user service lines in use in its distribution system as
9 provided in subdivision (a) shall provide a timeline for replacement
10 of known lead user service lines in use in its distribution system
11 to the state board.

12 (2) By July 1, 2020, a public water system that has identified
13 areas that may have lead user service lines in use in its distribution
14 system as provided for in subdivision (a) shall do both of the
15 following:

16 (A) Provide to the state board its determination as to whether
17 there are any lead user service lines in use in those areas of its
18 distribution system and provide a timeline to the state board for
19 replacement of those lead user service lines that the public water
20 system has identified.

21 (B) Provide its findings as to whether there are any areas for
22 which it cannot determine the content of the user service lines and
23 a timeline to the state board for replacement of the user service
24 lines whose content cannot be determined.

25 (c) The state board shall review and approve a timeline
26 established pursuant to subdivision (b) as follows:

1 (1) The state board shall review a public water system’s
2 proposed timeline for lead user service line replacement and, within
3 30 days of submission of the timeline to the state board, do either
4 of the following:

- 5 (A) Approve the proposed timeline.
- 6 (B) Deny the proposed timeline and propose a revised timeline
7 to the public water system. The state board shall explain to the
8 public water system, in writing, why the public water system’s
9 timeline was not approved, the factors that the state board used to
10 propose a revised timeline, and why the state board used those
11 factors.

12 (2) If the state board fails to act within 30 days of the submission
13 of the timeline, the timeline shall be deemed approved.

14 (3) If the public water system rejects the state board’s proposed
15 revised timeline, the public water system and the state board shall
16 develop a compromise timeline within 30 days. If the public water
17 system and the state board have not developed a compromise
18 timeline within 30 days, the public water system shall comply with
19 the state board’s revised timeline. The state board may amend its
20 revised timeline by incorporating elements of the public water
21 system’s proposed timeline.

22 (4) An approved timeline or a compromise timeline shall be a
23 public record and available on the state board’s Internet Web site.

24 (5) In cases where a portion of a public water system’s
25 distribution system is located within a Superfund site, as designated
26 under the Comprehensive Environmental Response, Compensation,
27 and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et
28 seq.), under an active cleanup order, the state board shall not
29 propose a timeline for lead user service line replacement that does
30 not conform to any applicable federal regulatory requirements or
31 timelines.

32 SEC. 2. Section 116890 is added to the Health and Safety Code,
33 to read:

34 116890. (a) For purposes of this article, the following
35 definitions apply:

- 36 (1) “Public water system” has the same meaning as in Section
37 116275.
- 38 (2) “State board” means the State Water Resources Control
39 ~~Board~~ Board.

1 (3) “User service line” has the same meaning as in Section
2 64551.60 of Title 22 of the California Code of Regulations.

3 (b) The state board may apply the requirements of ~~this article~~
4 *subdivision (a) of Section 116875 and Section 116885* to, and
5 enforce the requirements of ~~this article~~ *those provisions* against,
6 public water systems under Chapter 4 (commencing with Section
7 116270). For purposes of Article 7 (commencing with Section
8 116525), Article 8 (commencing with Section 116625), and Article
9 9 (commencing with Section 116650) of Chapter 4, a violation of
10 subdivision (a) of Section 116875 or Section 116885 by a public
11 water system is a violation of Chapter 4 (commencing with Section
12 116270).

13 SEC. 3. No reimbursement is required by this act pursuant to
14 Section 6 of Article XIII B of the California Constitution because
15 the only costs that may be incurred by a local agency or school
16 district will be incurred because this act creates a new crime or
17 infraction, eliminates a crime or infraction, or changes the penalty
18 for a crime or infraction, within the meaning of Section 17556 of
19 the Government Code, or changes the definition of a crime within
20 the meaning of Section 6 of Article XIII B of the California
21 Constitution.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 6, 2017

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Eileen M. White, Manager of Water Operations *Eileen M. White*

SUBJECT: Storm Operations Update

INTRODUCTION

The District continues to operate its reservoirs to address the historic precipitation and snow received to date, flood control encroachment, reservoir spilling, and projected precipitation. This memo provides an update on the District's Mokelumne and East Bay operations.

DISCUSSION**Mokelumne Operations**

The season-to-date precipitation in the Mokelumne watershed is 73.99 inches (178 percent of average). The snow depth at Caples Lake is 109 inches (165 percent of average), and the Caples Lake snow water content is currently 52.47 inches (190 percent of average). As of April 3, the Pardee and Camanche reservoir system is encroached 24,000 acre-feet (AF) (15 percent). Remaining storage capacity in Pardee and Camanche Reservoirs has increased by 33,730 AF in the past two weeks and totals 134,965 AF.

The season-to-date cumulative runoff in the Mokelumne watershed is 1,025,000 AF, which is the highest on record through April 3. Camanche Reservoir level peaked on February 24 at elevation 233.76 feet, corresponding to 1.74 feet below the spillway. The reservoir level has decreased since that date and is currently at elevation 218.1 feet, corresponding to 17.4 feet below the spillway. Storage space in Camanche Reservoir continues to increase with the reduced flows into the Pardee and Camanche system.

The District began decreasing Camanche releases on April 3 by 200 cubic feet per second (cfs) per day and will continue reducing releases by this rate through Friday, April 7. The rate of release by the end of day on Friday, April 7, will be 4,000 cfs. This rate is necessary to accommodate the anticipated runoff from the upcoming weekend storm. With the historic precipitation and snow in the Mokelumne watershed, the District made the maximum allowable release of 5,000 cfs from Camanche for 80 days, which is the greatest number of days at this rate of release in any year since the construction of Camanche Dam in 1964.

The forecast is for 4.78 inches of precipitation in the Mokelumne watershed for the next two weeks. If temperatures stay cool, Pardee and Camanche Reservoirs will continue to recover storage space over the next two weeks. The Camanche release rate will be reassessed on Monday, April 10, and will continue to be reassessed on a weekly basis, or more frequently as conditions change. The goal of the release adjustment plan is to maintain adequate flood control space and to bring the Pardee and Camanche system close to full on July 1, as water cannot be diverted to storage in Camanche Reservoir after that date.

The District notified the appropriate agencies as well as the landowners downstream of Camanche, via automated message, of changes in releases. Staff continues to review system storage, daily runoff, the weather forecast, and snowpack, to manage water supply and flood control space. Planned releases and storage projections are shared daily with the U.S. Army Corps of Engineers. Staff continues to provide updates each day on the status of the Mokelumne operations to the San Joaquin Office of Emergency Services and the other agencies.

East Bay Operations

The East Bay cumulative season to date precipitation is 38.03 inches (158 percent of average). Below is the status of local reservoirs:

- Briones Reservoir is 7.1 feet from spill.
- Lafayette Reservoir is 1.8 feet from spill.
- San Pablo Reservoir is 4.9 feet from spill.
- Upper San Leandro (USL) Reservoir is 5.5 feet from spill. USL release is 50 cfs.
- Chabot Reservoir is spilling 50 cfs.

The current forecast is for 2.6 inches of precipitation in the East Bay over the next two weeks. If necessary, releases from USL and San Pablo Reservoirs will be scheduled during dry periods between storms when San Leandro and San Pablo Creeks have available capacity. The District has developed an automated notification system to alert stakeholders downstream from USL and San Pablo Reservoirs of significant increases in spill rates.

ARC:EMW:ss

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 6, 2017
MEMO TO: Board of Directors
FROM: Alexander R. Coate, General Manager *ARC*
SUBJECT: Monthly Report – March 2017

HIGHLIGHTS

The District received funding from the Department of Water Resources (DWR) to repair levees that support the Mokelumne Aqueducts. The Mokelumne Aqueducts cross Delta Islands/Tracts and are vulnerable to levee failures. To date, about 40 miles of the 55 miles of levees that protect the aqueducts have been rehabilitated at a cost of \$41.4 million, paid 85 percent by the state and 15 percent by EBMUD. EBMUD and Reclamation Districts Nos. 2024, 2072, and 2038 submitted applications to the Department of Water Resources (DWR) to fund three additional projects to rehabilitate an additional 9.2 miles of levees and complete additional strengthening on the remaining levees that protect the aqueducts. DWR has approved the three projects with 85 percent funding from the state, or \$12,243,100, with 15 percent local funding of \$2,160,547, for a total project amount of \$14,403,647.

On March 24, the Mokelumne aqueducts were returned to full service. On January 21, 2017, a series of winter storms and strong winds upcountry impacted water quality in Pardee Reservoir and the aqueducts were shut down due to high turbidity water. After several months of supplying water from Briones Reservoir to customers east of the hills, staff embarked on a delicate operation to return the aqueducts to full service. The plan was developed and successfully implemented by a team of engineers and operations staff that balanced competing concerns such as reversing flows on aging pipelines, flushing the aqueducts, balancing production, while still maintaining high quality water for the District's customers.

WATER SUPPLY

On March 3, the District hosted a meeting of the Bay Area agencies considering involvement in the Los Vaqueros Reservoir Expansion project. Contra Costa Water District is preparing environmental documentation analyzing the possible expansion of Los Vaqueros Reservoir from 160 to 275 thousand acre feet. The District is participating in the evaluation and assessing potential costs and benefits of participating in the project, either by contributing Mokelumne River water during wet years in exchange for an option during droughts, or by wheeling water to the Reservoir for some of the eleven other project partners. The draft environmental document is scheduled to be released for public review in June 2017.

On March 21, the San Joaquin County Board of Supervisors accepted the groundwater export permit application for the Demonstration Recharge, Extraction and Aquifer Management (DREAM) Project and set a public hearing date of April 11. The permit would allow EBMUD to extract groundwater from San Joaquin County in exchange for making a 1,000 acre-foot groundwater recharge.

On March 22, staff attended Central Contra Costa Sanitary District's (CCCSD) Real Estate, Environmental and Planning Committee. CCCSD's Board discussed the option of diverting wastewater from Dougherty Valley to Dublin San Ramon Services District to supplement the recycled water supply for DSRSD-EBMUD Recycled Water Authority (DERWA). The CCCSD Board Committee expressed a willingness to further discuss a possible diversion for DERWA. Staff will be working together in the coming months develop the project concept.

Bay Area Regional Reliability (BARR) Drought Contingency Plan Project draft Tech Memo (TM) 2 released. This TM builds on the findings of the first TM by identifying a group of 15 drought mitigation measures that could help improve regional water supply reliability. The BARR partners and Task Force members discussed TM2 at a workshop on March 29. These measures include water exchanges, intertie projects, advanced water and recycled water treatment, new supplies such as desalination, and new storage such as enlarged Los Vaqueros Reservoir.

Precipitation. The East Bay precipitation for March was 3.69 inches (94% of average) and the season total through the end of March is 38.03 inches (159% of average). The Mokelumne precipitation for March was 5.27 inches (73% of average) and the season total is 73.99 inches (180% of average).

Water Releases

Camanche Reservoir. The average rate of Camanche release for March was 4,972 cfs (1,076 cfs generation, 3,859 cfs sluice, and 36 cfs through the hatchery), and the average flow below Woodbridge Dam was 4,557 cfs, both in accordance with the Joint Settlement Agreement "Normal & Above" criteria. The Camanche Reservoir release was maintained at the maximum rate for flood control every day in March.

East Bay Reservoirs. USL and Chabot Reservoirs spilled in March. Releases were made from San Pablo Reservoir to prevent spill, and from USL Reservoir to limit spill.

Water Storage

Mokelumne reservoirs storage is 101% of average. As of March 31, 2017, Pardee was at 562.4 feet or 103% of average, and the Camanche was at 219.1 feet or 101% of average. Combined Pardee and Camanche reservoir storage was 495,000 acre-feet compared to 378,000 acre-feet last year.

East Bay reservoirs storage is 100% of average. As of March 31, 2017, USL was at 455.4 feet or 103% of average, San Pablo was at 309.4 feet or 101% of average, and Briones was at 569.2 feet or 95% of average. Total terminal reservoir storage was 139,000 acre-feet compared to 139,000 acre-feet last year.

Mokelumne Aqueducts and Raw Water Pumping Plants. Mokelumne Aqueduct No. 2 remained out of service for the month. Mokelumne Aqueduct No. 1 was returned to service on March 27 and Mokelumne Aqueduct No. 3 was returned to service on March 30. Briones Aqueduct and Lafayette Aqueduct No. 2 provided water to the in-line water treatment plants when Mokelumne Aqueducts 1 and 3 were out of service. The average rate of Mokelumne Aqueduct draft for March 2017 was 17 MGD. Walnut Creek, Moraga and Briones Raw Water Pumping Plants remained out of service for the month.

Water Production. Average rate of gross water production for March:

	March 2017	March 2016	March 2013	Average of FY 2005-2007
East of Hills	24 MGD	23 MGD	43 MGD	33 MGD
West of Hills	101 MGD	95 MGD	116 MGD	129 MGD
Total	125 MGD	118 MGD	159 MGD	162 MGD
Max Day Production	131 MGD (3/13/2017)	131 MGD (3/14/2016)	172 MGD (3/27/2013)	

Note: Data are all from preliminary daily operational reports and are subject to revision

WATER QUALITY AND ENVIRONMENTAL PROTECTION

On March 1, staff attended the California Department of Fish and Wildlife 2016 Salmon Information Meeting, which covered catch-and-recovery data during the 2016 season. Mokelumne origin salmon continue to contribute at a high rate to the commercial and recreational fisheries relative to the overall size of the river’s watershed. The Mokelumne River is less than 3 percent of the flow into the Delta. During the 2016 ocean fishing season, Mokelumne salmon made up 19 percent of the recreational catch and 16 percent of the commercial harvest. The Mokelumne River also provided excellent returns for anglers with four salmon captured for every 100 hours fished, which is slightly better than the rate for the Sacramento River. The 2016 return to the Mokelumne River was comprised of nearly 50 percent 2-year-old salmon, which is indicative of strong ocean survival in 2015 and a potential strong return in fall 2017.

New vegetation management pasture in service. In an effort to reduce the wildfire potential within the Camanche North Shore Recreation Area, staff fenced 30 acres between the maintenance yard and Mobilehome Park No.1, facilitating grazing at that site for vegetation abatement to reduce wildfire risk.

Staff continued storm cleanup. The V-ditch at North Reservoir was cleared of rocks and debris. A mudslide behind Emmons Reservoir was removed.

At the end of March, staff began a project to improve water quality in the Bridgeview Drive/Leimert Boulevard area in Oakland. A combination of 2,700' of 6" steel pipe and 1,000' of 8" HDPE pipe will be used to replace old cast iron pipe believed to be the source of the water quality complaints.

State Water Resources Control Board (SWRCB) statewide Water Quality Enforcement Policy update. The District, along with the Association of California Water Agencies, California Association of Sanitation Agencies, California Water Association, Central Valley Clean Water Association and several others have been meeting with SWRCB members and staff during March to express concerns and requested that SWRCB members and staff continue to work with the stakeholders to resolve some of the most concerning elements of the proposed amendments to their existing statewide Water Quality Enforcement Policy which provides guidelines for Regional Water Quality Control Board staff to use when assessing penalties for discharge violations. The SWRCB deferred the item to April 4, 2017.

On March 8, the Main Wastewater Treatment Plant blend tank odor control unit quarterly test for total carbon indicated a possible exceedance of the total carbon limit in the Bay Area Air Quality Management District (BAAQMD) permit to operate. The issue was discussed with the District's BAAQMD inspector and a Reportable Compliance Activity form notifying BAAQMD of the possible exceedance was submitted. Staff is working with BAAQMD to provide any additional information. A similar issue occurred in December 2015 and it was determined not to be a violation.

On March 15, the District received a proposed settlement offer letter from BAAQMD to address a series of digester venting incidents that occurred in 2015 and 2016. BAAQMD has offered to settle the NOV's through payment of a \$19,200 civil penalty. The offer is currently being reviewed by staff; the District has 30 calendar days to reach agreement.

All authorized discharges from the Main Wastewater Treatment Plant (MWWTP) were in compliance with the permit limits for the month of March. This is the 211th consecutive month that the MWWTP experienced no exceedances.

The District received four odor reports in March from the public. Two reports came within the same time frame from the same location west of the MWWTP. An investigation concluded that the MWWTP was not the source of the odors. Over the past year, staff received other complaints from this location that were attributed to debris build up in the City of Oakland's collection system. The other two complaints came from the Montclair neighborhood and were not attributed to the MWWTP. The callers were referred to the City of Oakland.

INFRASTRUCTURE INVESTMENT

Orinda Water Treatment Plant Reliability and Maintenance project update. The contractor successfully completed the planned work related to shutdown activities. The emergency generator, new above-ground fuel tank, fiber optic work and control system functional testing were completed and the new flow meter was commissioned. Related training for District staff was also completed. Test results demonstrated that new metering equipment is far more accurate than the legacy equipment, which will result in more accurate water production accounting, allowing the District to better track water loss and more accurately dose treatment chemicals.

The treatment plant is expected to return to service by April 15. After the treatment plant has been in service for about a month, San Pablo Water Treatment Plant will shut down followed by shutting down Upper San Leandro Water Treatment Plant. As these plants shut down, more west of hills customers will be receiving Mokelumne water from Orinda Water Treatment Plant.

The San Ramon Valley Recycled Water Pipeline – Bishop Ranch Project requires an increase in change order contingency. This project included the installation of 18,000 feet of PVC pipe up to 16 inches in diameter and 1,500 feet of ML&PCS pipe up to 16 inches in diameter in the San Ramon Bishop Ranch commercial district. The work on this project is complete; however, there remain a number of potential change orders to negotiate. There were forty-two added 12-inch and 16-inch diameter steel offsets and three added 8-inch offsets plus six electrical utility relocations due to unidentified underground installations. It is expected that the total change order amount will be \$698,000 or 12.5 percent of the original contract amount of \$5,583,550.

New fencing installed along Highway 49. Staff and CalFire crews removed brush and installed new fencing along 6,000 feet of EBMUD property boundary line along Highway 49, south of the Mokelumne River.

Watershed maintenance activities ramping up in spring. Staff in the East Bay and Mokelumne watersheds is conducting numerous projects to recover from the long wet winter. These activities include hazardous tree/fallen tree removal, clearing floating debris from reservoirs, burning brush piles, and repairing trails, roads, and culverts.

Construction of the MWWTP Digester Lighting Project was completed under SD-378. This \$157,000 construction contract improved lighting conditions around the anaerobic digesters and biogas conditioning equipment to address safety concerns, while reducing energy and maintenance costs.

Construction of the MWWTP Primary Sedimentation Tanks/Influent Channel Rehabilitation Phase 3 Project was completed under SD-364. This \$4.8 million construction contract included concrete repair, and piping and equipment replacement at several primary influent channels and sedimentation tanks, as well as aerated grit chambers to maintain structural integrity and process reliability.

Staff completed design of the MWWTP Gallery Drains and Piping Improvements Project. This \$3.5 million project is the first phase of a multi-phased project to address drainage issues in the piping galleries that run underneath the MWWTP. This project also includes replacement of the corroded sludge piping and replacement of the ferric chloride feed system to the sludge blend tanks. Construction is scheduled for completion in late 2018.

On March 27, staff began replacement of 7,000' of 8" HDPE pipe in Orinda. Paving will follow in partnership with the city's paving program.

Throughout March, staff graded/prepped pads at various areas for facility improvements. Included were filtration equipment/pumps at Briones, portable pumps at San Ramon Pumping Plant, concrete slab at Lafayette #1 Aqueduct, and replacement of a 9' filter column at Walnut Creek Pumping Plant.

On March 11, staff completed final paving of a large main repair project in the high-traffic downtown area of Montclair using 140 tons of asphalt.

Upper Happy Valley Road, Lafayette update. During the month of March, staff transferred customer services from 12" asbestos cement pipe to a temporary above ground piping system. The Cured-in-Place-Pipe (CIPP) vendor mobilized to begin renewal of approximately 5,300' of pipe. This project is expected to be completed by June.

March main breaks totaled 37. The attached table lists the main breaks that were repaired by staff in March, sorted by city and street. The associated map shows the location of the breaks.

CUSTOMER AND COMMUNITY SERVICES

On March 3, as part of an outreach to several hospitals in the District's service area, staff met with facilities management and safety personnel at John Muir Hospital in Walnut Creek to discuss emergency preparedness and water supply expectations for both the District and the hospital. The objective of the meeting was to reach out to the hospital to learn about their recent construction improvements related to on-site water supply capabilities, learn about their emergency water supply plans, get updated contact information to ensure ongoing communications, and to discuss options for improving water supply reliability. Staff also shared information on the District's past water supply and seismic improvements, current water supply capabilities and expectations in the event of a major earthquake, and its emergency preparedness. The meeting was well received by the hospital and may lead to further discussions on emergency preparedness between the hospital, Contra Costa Water District, and District staff.

On March 10, staff participated in the Greenleaf Middle School (Oakland) Career Day. Staff visited two 6th grade classes and one 7th grade class to introduce students to the District and discuss careers in civil and mechanical engineering. Staff led the classes in an "engineering instincts" exercise where students worked in teams to create structures out of gum drops and

toothpicks. Following the activity, students discussed challenges relating to design, communication, and teamwork.

As a part of Infrastructure Week school outreach efforts, staff visited classrooms at the following East Bay schools in March: East Oakland Pride Elementary, Reach Academy, Madison Park Academy, Manzanita Charter Middle School, St. Paul's Episcopal School, Oakland Unity Middle School Pinole Valley High School, Learning Without Limits Elementary, and Downer Elementary. Staff's presentation topics included water supply, water treatment, water distribution and maintenance, wastewater treatment, and careers at the District.

On March 15, thirty 4th grade students from Edison Elementary School (Alameda) participated in the 20th Annual Egg Drop Contest. During the event, staff presented the "Journey of Your Water" explaining the District's raw water source and transmission, water treatment, water distribution, wastewater collection and treatment, the process of main break repair, and hydrant testing. Students learned about the engineering profession and the physics of the egg drop, and observed a fire hydrant test. After the presentations, students designed and constructed their own egg drop devices and participated in the actual dropping of their egg devices.

In March, staff held nine ranger-led environmental education programs in the local and upcountry watersheds. Over 230 elementary school students participated and learned about watershed function. They also collected and planted willows and acorns.

On March 16, the Camanche Regional Park Advisory Board (CRPAB) convened for its regular meeting at the Mokelumne Headquarters. The Board was updated on water levels as well as revenue and attendance for 2017, and provided with the 2016 Mokelumne Area Recreation Annual Report.

Volunteers spent March 18 assisting with rock wall construction. Continuing the focus on landscape maintenance at the historic Wildermuth House, six volunteers assisted staff in repairing the rock walls for the volunteer work day.

On March 14, the Electronic Certified Prevailing Wage Reporting Software was launched to monitor required contractor payroll submittals to the State. The software also provides staff with reports to track the Board initiative on promoting their local hiring pilot. Initially, the software is being piloted on five construction projects and will be expanded to all major construction projects in the future.

During March, outreach efforts for the Customer Assistance Program (CAP) resulted in 170 new applications. Staff met with the Oakland Housing Development Department to provide information on CAP and water use efficiency services and is identifying additional efforts to help promote these District programs.

Staff met with City of Oakland’s Housing and Community Development Department Director and Home Management Specialist II to share information about the District’s services such as our customer assistance and water use efficiency programs. Staff proposed attendance at an Oakland sponsored workshop to educate residents on our program offerings.

Diversity and Inclusion

On March 3, Earn & Learn East Bay, a shared initiative of the Workforce Development Board, the Contra Costa Economic Partnership and the Diablo Gateways to Innovation Consortium, had their 2017 Kick-Off Breakfast at the Hilton Concord to recognize community partners for efforts in championing youth advocacy. Last year, the District provided 9 high quality work-based learning experiences to student interns. The District’s participation in this and the following two events supports the District’s long-term efforts to represent the District in the community, develop a diverse pipeline of candidates for our future workforce needs, develop collaborative relationships with local partner organizations, and to provide positive role models within the local community.

On March 8, staff participated in BAYWORK’s Career Exploration and Water/Wastewater Job Fair at Laney College in Oakland. Staff showcased the importance of mission critical jobs in the water and wastewater industry through fun and educational hands-on activities. The demonstration table, along with several sizable display boards of the District’s career pathways, attracted over 600 local high school students to explore career opportunities at the District. In addition, information was provided on the District’s civil service exam process and upcoming 2017 job openings to over 200 job seekers looking to get into or already working in the water and wastewater industry.

On March 29 and 30, staff gave a presentation to Environmental and Science classes at Berkeley High School, providing information on career pathway, experience working for the District, and guidance in preparing for upcoming District trades opportunities.

Water Conservation

Staff joined the Ecology Center and Greywater Action in Berkeley to present two workshops as part of the District-funded greywater speaker/workshop. The first workshop on March 2, *Greywater 101*, covered an overview of installing residential greywater systems, plant friendly soaps and products, general costs and water-savings potential. Staff provided event coordination, oversight and information regarding EBMUD’s rebate programs. Approximately 30 people attended the two-hour presentation.

At the second workshop on March 18 participants learned how to design, build, and install a real laundry-to-landscape graywater system. The workshop covered: greywater principles, best plants to water with graywater, how to avoid common pitfalls, and materials and supplies needed for installation. Staff provided information on the District’s water conservation programs. Twenty-three people participated in the workshop.

On March 7, staff provided their bi-annual lecture at UC Berkeley’s Energy DeCal class. This lecture focused on water resources in the State of California and EBMUD water system. Thirty-three students attended the presentation.

On March 11, staff presented the talk *The Joys of Drip Irrigation* to members of The Plant Exchange, an Oakland-based Community Group as part of their *Sustainable Urban Gardening Speaker Series*. Approximately twenty people attended.

On March 14 staff attended the Ewing Irrigation Contractor Event in Pacheco, CA. The District provided Ewing Irrigation with a water conservation kiosk in the fall which is used regularly by landscape contractors. Approximately forty people attended the event.

On March 20, the District hosted the Landscape Advisory Committee General Meeting. The theme was traditional management practices to support oak tree health. Guest speaker Dr. Lee Klinger covered natural and non-toxic forest management techniques adapted from centuries of Native American traditional knowledge. Participants learned a variety of restoration and maintenance techniques on how to restore native oaks and other trees. Approximately forty people attended.

Staff participated in the following outreach events:

- March 8 - Kensington Hilltop Elementary School, Kensington, CA – (25 second grade students attended)
- March 15 - Central Valley Facility Expo and Conference, Modesto, CA (42 people attended)
- March 20 - Alameda Garden Club, Alameda, CA (30 members attended)

Media. A media event celebrating the Carr Ranch purchase with partner John Muir Land Trust was held on March 15. Speakers included EBMUD Board and staff, and representatives from the Town of Moraga, Alameda County Board of Supervisors, and the John Muir Land Trust. The event was covered by various local media outlets.

Staff responded to 14 media calls, focused on local trout, budget/rates, and water supply and flooding.

Social Media. Top tweets in March with over 1,000 impressions each were on EBMUD's dam safety program and San Pablo Reservoir. Daily tweets were posted on Fix-a-Leak Week, March 20-26, and the 2017 Conservation Showcase.

On March 8 staff held a joint meeting with Contra Costa County Flood Control District (FC District) for residents along San Pablo Creek to provide an update on San Pablo creek flows, reservoir operations and creek maintenance. Speakers included EBMUD Board and staff and representatives from Contra Costa County Board of Supervisors and the FC District. The event was announced via Nextdoor and a mailing to 233 homes along the creek. There were 50 attendees at the meeting.

Staff participated in the Alameda and Contra Costa County Science and Engineering Fairs. On March 11, staff volunteered at the Alameda County Science and Engineering Fair. This annual fair provides local students an opportunity to showcase their savvy in science, technology, engineering, and mathematics. Staff judged water and wastewater project displays from middle school students and awarded prizes at the fair in *Excellence in Water Research*.

On March 17, staff coordinated the judging of Excellence in Water, Wastewater and Recycled Water Research Award Contra Costa County Science and Engineering Fair. EBMUD is a sponsor of the Science and Engineering Fairs in collaboration with 20 agencies and municipalities in Contra Costa and Alameda counties. This award promotes scientific research and awareness at the high school level in our communities. The award winners will be recognized at the April 25 Board meeting.

Panoramic Hill Improvements. Staff provided weekly email updates to residents in advance of road work and the upcoming Lower Panoramic Hill road closure which will limit daytime access to the neighborhood. Staff updated the area councilmember on the upcoming closures, outlined EBMUD's timeline of Panoramic Hill mailings and meetings to City of Berkeley's paving contractor, and provided feedback on the City's paving outreach approach for subsequent work in the same neighborhood.

3rd Street Sewer Interceptor rehabilitation. Staff mailed postcards to 308 recipients announcing the start of the project, and followed up by phone and email to individual key stakeholders in the neighborhood.

On March 16 staff presented to the West Oakland Neighbors group. The discussions focused on water supply sources, rates, local construction, treatment plant and distribution system operation, as well as customer resources for water quality concerns. Approximately 20 people attended.

Sherwick Reservoir playground. On March 17 staff met with three community representatives to review plans to rebuild a playground in the area next to the reservoir as part of the original agreement. Community members, in consideration of District feedback, are researching alternative structures that meet safe playground standards.

WORKFORCE PLANNING AND DEVELOPMENT

On March 9 staff presented a paper entitled, "Electrical Hazard Prevention Program at a Water and Wastewater Utility" at the 23rd Annual Institute of Electrical and Electronics Engineers (IEEE) Electrical Safety Workshop. The District's electrical hazard program was started in 2004 in the water department and in 2008 in the wastewater department. Sponsored by the IEEE Industrial Applications Society, the workshop provided a forum for people to exchange ideas for preventing electrical accidents and injuries in the workplace.

On March 13-17, staff hosted Infrastructure Week 2017, a celebration that recognized the diverse talents, innovation, and collaboration of District staff that serve our local communities by maintaining and upgrading our infrastructure. This is the second year since the District’s “Engineer’s Week” was rebranded to “Infrastructure Week” to be more inclusive of all staff. This year’s goal was to embed the District’s values of stewardship, integrity, respect, and teamwork in all Infrastructure Week 2017 activities, including:

- The week-long *poster board, slideshow, and technology demonstrations* highlighted cross-departmental collaboration and teamwork in recent maintenance and construction projects. On March 13, the staff demonstrated up and coming survey technology, including Light Imaging Detection and Ranging (LIDAR), used in current capital improvement projects.
- On March 13, UC Berkeley Professor David Sedlak discussed the future of water infrastructure and his book *Water 4.0: The Past, Present, and Future of the World’s Most Vital Resource*. District staff connected with others across departments and displayed their skills in the 2nd annual HDPE Ring Toss contest at AMC on March 14 and the 20th Annual Egg Drop Contest on March 15. Staff also gained new skills and insight from participating in District trivia, B-Map, and Marconi challenges.
- On March 14, approximately 32 staff members learned about the District’s work on cross-connection inspections, testing of customer’s backflow devices, and efforts to support water loss initiatives like the Automated Metering Infrastructure (AMI) project.
- On March 16, a presentation was provided on the EcoWater Project, a \$2 billion program to upgrade the Sacramento Regional Wastewater Treatment Plant to meet new ammonia and Title 22 discharge requirements.

On March 14 and 15, staff completed a two-day maintenance training workshop on asbestos cement pipe lined with Aqua-Pipe liner. The training focused on tapping, leak detection, and repair. A video was developed along with a document containing step-by-step instructions and lessons learned.

EBMUD staff presentations at 2017 Salmonid Restoration Federation Conference in Davis, California. On March 29, staff made two presentations at the Salmonid Restoration Federation Conference - “*Floodplain Restoration Strategies, Efforts, and Monitoring on the Lower Mokelumne River*” for the workshop titled, “What We’ve Learned About West Coast Floodplains: Lessons from the Landscape”, and “*A Grassroots Project to Evaluate Reintroduction of Anadromous Fish into the Upper Mokelumne*” with the Foothill Conservancy. Approximately 70 people were in attendance.

Tuition Reimbursement

	March 2017	FY17 Total
# of Employees	16	149
# of Classes	24	206
Total Reimbursed	\$16,505	\$129,074

Employment Information

	March 2017	FY17 Total
Retirements – Regular	5	56
Retirements – Vested	1	15
Hires/Rehires	16	146
Other Separations	7	64

FINANCIAL STABILITY

There were no material, supply or construction contracts over \$70,000 and less than \$100,000 approved by the General Manager in March 2017.

The Net Mokelumne Power Revenue for March was \$866,761. Inflows into Pardee Reservoir for March were 364 percent of plan. Generation was 207 percent of plan. The District sold Renewable power, related Renewable Energy Credits (REC), and Resource Adequacy capacity to Marin Clean Energy (MCE). Sales of RECs generated \$268,570, and Resource Adequacy sales generated \$13,216 in revenue. The average electricity price was \$22/MWh. Total net revenue for FY17 to date is an estimated \$5,098,029 which is 145.7 percent of budgeted \$3,500,000.

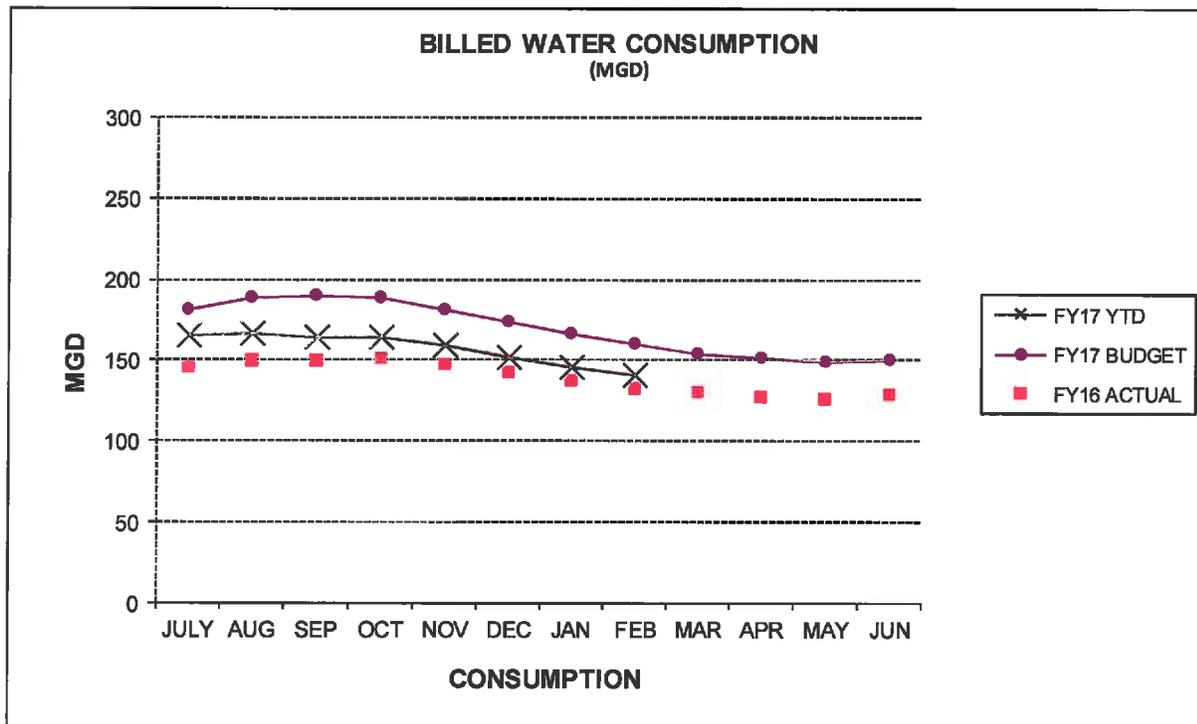
FY17	Net Revenue		Inflow (Acre Feet)	
	Plan	Actual	Plan	Actual
January 2017	\$184,940	\$1,283,848	28,100	256,445
February 2017	\$345,460	\$1,016,253	44,400	364,079
March 2017	\$361,500	\$866,761	54,700	198,969
FY17 YTD Total	\$2,672,880	\$5,098,029	317,000	1,039,674

Bold items are estimated

Water Sales (Consumption)

The following consumption information is the average water consumption in million gallons per day (MGD) for the fiscal year through February. The budgeted average daily water consumption for the entire fiscal year is 151 MGD. The table below shows the average billed water consumption information by customer class with a comparison to the prior fiscal year’s data from the same period of time. At this time last year, the District was selling 132 MGD. By the close of the fiscal year the District had sold on average only 128 MGD. To date in FY17, the District has sold 140 MGD, but sales are projected to fall based on historical trends for this time of year. Current fiscal year-to-date actuals are above prior year actuals for the same period, and February sales alone were 7.1% more than last February.

Fiscal Year To Date Billed Water Consumption			
Usage Type	FY17 (MGD)	FY16 (MGD)	Year-over-Year (% change)
Residential	71.6	65.6	9.1%
Commercial	46.9	45.1	4.0%
Industrial	15.6	15.8	-1.3%
Public Authority	6.0	5.8	3.4%
Total Billed Water Consumption	140.1	132.3	5.9%



Source: Customer Information System

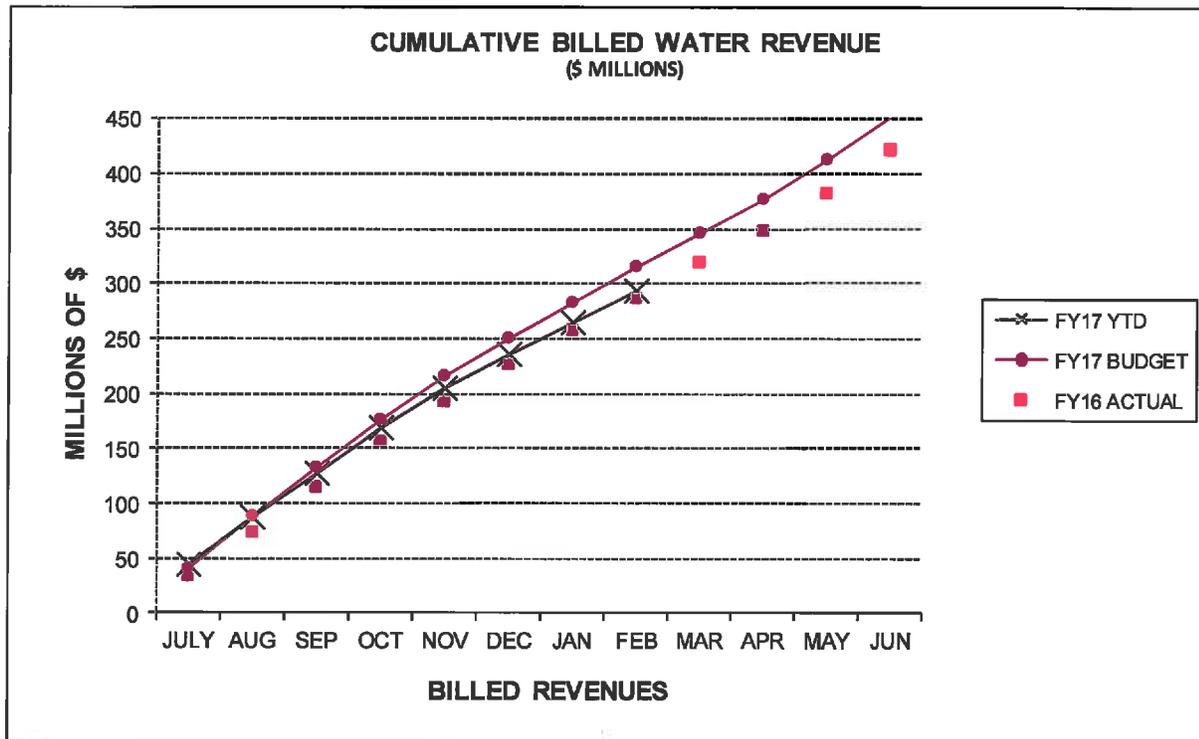
Water Sales (Revenue)

The following revenue information is the total billed water revenues in million dollars for the fiscal year through February. The table below shows the total billed water revenue information by revenue type with a comparison to the budgeted data for the same period of time. Current fiscal year-to-date actuals are below current fiscal year budgeted amounts and above prior year actuals for the same period.

Fiscal Year to Date Billed Water Revenue (\$ Millions)				
Usage Type	Current FY Budget ¹	Current FY Actuals ²	Prior FY Actuals	Year-over-Year (% change)
Normal	\$314.1	\$287.8	\$252.3	14.1%
Drought Surcharge	-	\$5.7	\$33.7	-83.1%
Drought Excessive Use Penalty	-	\$0.1	\$0.6	-83.3%
Total Revenue	\$314.1	\$293.6	\$286.6	2.4%

¹Based on the estimated annual water sales of 151 MGD under normal seasonal water use patterns.

²Includes prorated drought surcharge revenue from the July and August billing cycles for consumption from May and June 2016.



Source: Customer Information System

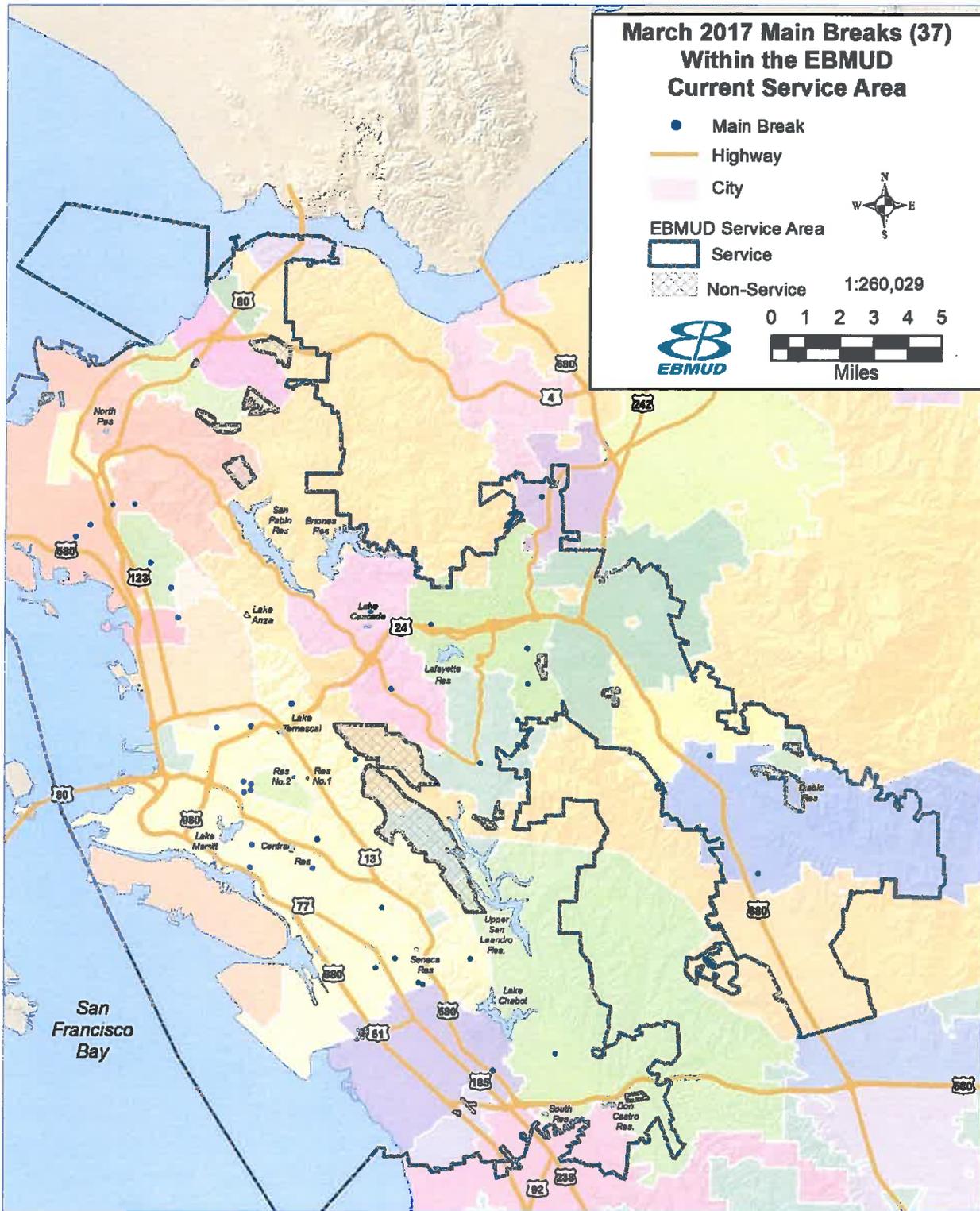
MARCH 2017 MAIN BREAKS

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
BERKELEY		NEILSON	ST	CAST IRON	4.00	1949	23,040	3/26/2017	3/27/2017	Yes
CASTRO VALLEY		MAGEE	WAY	CAST IRON	6.00	1951	12,960	3/2/2017	3/10/2017	Yes
DANVILLE		DANFORTH	CT	ASBESTOS CEMENT	6.00	1973	900	3/9/2017	3/9/2017	Yes
DANVILLE		EL PINTADO		ASBESTOS CEMENT	6.00	1960	43,200	3/4/2017	3/9/2017	Yes
EL CERRITO		BALRA	DR	ASBESTOS CEMENT	6.00	1948	9,000	3/30/2017	3/30/2017	Yes
EL CERRITO		SCHMIDT	LN	ASBESTOS CEMENT	6.00	2004	11,520	2/27/2017	3/6/2017	Yes
LAFAYETTE		LAS TRAMPAS	RD	CAST IRON	4.00	1940	2,880	3/13/2017	3/14/2017	Yes
LAFAYETTE		ST MARYS	RD	CAST IRON	12.00	1949	34,560	2/28/2017	3/7/2017	Yes
LAFAYETTE		ST MARYS	RD	CAST IRON	6.00	1942	6,750	3/2/2017	3/2/2017	Yes
LAFAYETTE		UPPER HAPPY VAL	RD	NON METALLIC / PLASTIC	2.00	N/A	0	3/23/2017	3/23/2017	Yes
MORAGA		SANDRINGHAM N		ASBESTOS CEMENT	6.00	1975	12,960	3/19/2017	3/21/2017	Yes
OAKLAND		8 TH	AVE	CAST IRON	6.00	1887	1,440	3/14/2017	3/14/2017	Yes
OAKLAND		62 ND	ST	CAST IRON	6.00	1938	0	3/8/2017	3/16/2017	No
OAKLAND		92 ND	AVE	CAST IRON	4.00	1911	0	3/13/2017	3/20/2017	Yes
OAKLAND		109 TH	AVE	CAST IRON	6.00	1939	0	3/15/2017	3/21/2017	Yes
OAKLAND		15 TH	AVE	CAST IRON	6.00	1935	0	3/15/2017	3/15/2017	Yes
OAKLAND		91 ST	AVE	NON METALLIC / PLASTIC	6.00	1983	4,500	3/26/2017	3/26/2017	Yes
OAKLAND		ARROWHEAD	DR	STEEL	8.00	1962	540	2/28/2017	3/1/2017	Yes
OAKLAND		GALODEN	ST	CAST IRON	4.00	1948	23,040	3/26/2017	3/27/2017	Yes
OAKLAND		HUMBOLDT	AVE	CAST IRON	6.00	1925	1,350	3/1/2017	3/1/2017	Yes
OAKLAND		LAIRD	AVE	CAST IRON	2.00	1938	900	3/8/2017	3/8/2017	Yes
OAKLAND		MARIPOSA	AVE	CAST IRON	8.00	1908	2,880	3/2/2017	3/2/2017	Yes
OAKLAND		MONTE CRESTA	AVE	CAST IRON	6.00	1938	18,000	3/29/2017	3/29/2017	Yes
OAKLAND		NORFOLK	RD	STEEL	8.00	1980	4,320	3/22/2017	3/22/2017	Yes
OAKLAND		ROSS	ST	CAST IRON	6.00	1928	2,880	3/9/2017	3/10/2017	Yes
OAKLAND		SCENIC	AVE	CAST IRON	6.00	1939	0	3/1/2017	3/8/2017	Yes
OAKLAND		VOLTAIRE	AVE	CAST IRON	8.00	1939	8,640	3/1/2017	3/6/2017	Yes

*KPI = turnaround time to repair the leak

MARCH 2017 MAIN BREAKS

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
ORINDA		LA ESPIRAL		CAST IRON	6.00	1934	1,350	3/14/2017	3/14/2017	Yes
ORINDA		ORCHARD	RD	CAST IRON	6.00	1938	1,800	3/21/2017	3/21/2017	Yes
PIEDMONT		NACE	AVE	CAST IRON	6.00	1940	0	3/8/2017	3/14/2017	Yes
PIEDMONT		SUNNYSIDE	AVE	CAST IRON	12.00	1933	18,000	3/4/2017	3/4/2017	Yes
PLEASANT HILL		GRAYSON	LN	CAST IRON	6.00	1941	900	3/1/2017	3/2/2017	Yes
RICHMOND		BISSELL	AVE	CAST IRON	6.00	1936	7,200	3/3/2017	3/7/2017	Yes
RICHMOND		CARLSON	BL	CAST IRON	12.00	1941	81,000	3/18/2017	3/19/2017	Yes
RICHMOND		CLINTON	AVE	CAST IRON	12.00	1955	10,080	3/17/2017	3/23/2017	Yes
RICHMOND		KENSINGTON	AVE	CAST IRON	6.00	1937	9,000	3/26/2017	3/26/2017	Yes
SAN LEANDRO		CAROLYN	ST	CAST IRON	4.00	1946	9,000	3/3/2017	3/4/2017	Yes
TOTAL							364,590			



EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: April 6, 2017
MEMO TO: Board of Directors
THROUGH: Alexander R. Coate, General Manager *ARC*
FROM: Rischa S. Cole, Secretary of the District *Rischa*
SUBJECT: Finance/Administration Committee Minutes – March 28, 2017

Director John A. Coleman called to order the Finance/Administration Committee meeting in the Training Resource Center at 9:02 a.m. Director Frank Mellon was present at roll call and Chair William B. Patterson arrived at 9:08 a.m. Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Customer and Community Services Sherri A. Hong, Acting Director of Wastewater Jacqueline T. Zipkin, Manager of Laboratory Services Nirmela Arsem, Internal Auditor Supervisor Barry N. Gardin, Special Assistant to the General Manager Alison A. Kastama, and Acting Secretary of the District Rischa S. Cole.

Public Comment. None.

Franchise Tax Board Intercept Collection Pilot Program. Manager of Customer and Community Services Sherri A. Hong presented an update on a proposed pilot program to recover a portion of uncollectible residential customer debt from water and wastewater charges through the State of California Franchise Tax Board's Interagency Intercept Collection (IIC) program. The pilot will assess the staff resources needed to support the program and the effectiveness of the collection method. The District currently contracts with Collection Bureau of America (CBA) to recover delinquent customer account debt for water and wastewater charges. On average, the District's annual write-off amount is approximately \$2.2 million, and CBA collects about 21 percent or \$476,700. The remaining \$1,793,300 represents an opportunity to recover additional revenue. CBA charges a 20 percent commission on all District debt recovered.

The IIC program intercepts funds from state income tax refunds, unclaimed property payments held by the state, and California State Lottery winnings, and remits those monies to participating state and local governments. The District is only able to collect when the state is refunding money to a resident or taxpayer. Collection attempts can be made on debt for four years after the debt is written off by the District. Customers will be notified of the District's attempt to collect debt through the IIC program prior to forwarding collection requests to the Franchise Tax Board. The IIC program charges a \$2.00 flat fee for each successful collection. Program costs are estimated at less than \$15,000 per year. It is estimated that the District can potentially recover approximately \$179,000 to \$359,000 annually. Next steps are for staff to develop program protocols and train with Experian credit reporting agency on use of their software for debtor identification and location. The District expects to start receiving payments by the spring of 2018.

Private Well Water Testing. Manager of Laboratory Services Nirmela Arsem provided an update on proposed use of the District's lab to provide water quality testing services for private well owners. She explained the analytical and non-analytical scopes of service and noted that the District's estimated cost to provide testing is more than double the price charged by a commercial lab for comparable analyses. She outlined some challenges in developing a testing program and said that because the District's lab is a closed facility, if a testing program is implemented, a location would need to be established for customers to drop off samples.

Ms. Arsem advised that over the next several years, groundwater quality information will become increasingly available because the Sustainable Groundwater Management Act requires that Groundwater Sustainability Agencies develop groundwater sustainability plans for all significant groundwater basins in the state by 2022. These plans will include publicly available information on water quality including information for the East Bay Plain Basin. This information will also provide a reasonable indication of groundwater quality in the areas. In the near term, staff recommends that customers work with a commercial lab that can perform small projects economically, or with institutions such as UC Davis, which has expertise and a well-established program to test well water. The Committee asked staff to consider providing lab analyses to private well owners to augment the District's work as the Groundwater Sustainability Agency for the portion of the East Bay Plain Basin located within the District's service area.

Review of Revisions to District Policies. Internal Auditor Supervisor Barry N. Gardin reported that two policies warrant modification to clarify their purpose and accurately reflect current procedures and/or operating practices. Policy 2.25 – Equal Employment Opportunity is being modified to comply with Fair Employment and Housing Council regulations. Policy 2.26 – Prevention of Sexual Harassment in the Workplace is also being modified to comply with Fair Employment and Housing Council regulations, reword the title to Prevention of Workplace Harassment and adjust the language to include all manners of workplace harassment. It was moved (Director Mellon), seconded (Director Coleman), and unanimously carried (3-0) to forward the policies to the full Board for approval.

Adjournment. Chair Patterson adjourned the meeting at 9:28 a.m.

ARC/RSC

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