MINUTES

Tuesday, October 11, 2022

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

Special Meeting

President Doug A. Linney called to order the Special Meeting of the Board of Directors at 8:31 a.m. and announced in accordance with Government Code section 54953(e), this meeting was being conducted by webinar and teleconference only. A physical location was not provided for this meeting. The Board met in workshop session to receive an update on planned infrastructure maintenance and improvements activities.

ROLL CALL

Directors John A. Coleman (remote), Lesa R. McIntosh, Frank Mellon, William B. Patterson, Marguerite Young, and President Doug A. Linney were present at roll call. Director Andy Katz arrived at 8:43 a.m.

Staff participants included General Manager Clifford C. Chan, General Counsel Derek T. McDonald, Director of Engineering and Construction Olujimi O. Yoloye, Interim Director of Wastewater Donald M. Gray, Senior Civil Engineer Michael J. Hartlaub, Senior Civil Engineer Marshall P. McLeod, Senior Civil Engineer Denise V. Cicala, Senior Civil Engineer David H. Katzev, Manager of Engineering Services Division Elizabeth Z. Bialek, Manager of Wastewater Treatment Glenn D. Dombeck, Supervisor of Wastewater Planning Matthew R. Hoeft, and Secretary of the District Rischa S. Cole.

PUBLIC COMMENT

There was no public comment.

DISCUSSION

- Filed with the Board was a presentation entitled, "Long-Term Infrastructure Investment Workshop," dated October 11, 2022.

General Manager Clifford C. Chan introduced the workshop and Director of Engineering and Construction Olujimi O. Yoloye reviewed the workshop agenda; the Fiscal Year (FY) 2022-2026 Water System Infrastructure Capital Improvement Program (CIP); the drivers for infrastructure investments which include maintenance and reliability, safety, water quality, regulations, resilience, and capacity; the sequencing and timelines for major FY 2022-2026 Water System Infrastructure projects; and introduced the staff presenters.

Senior Civil Engineer Michael J. Hartlaub presented the Raw Water Supply Improvements Program, a multi-phased program to reduce corrosion in the raw water system and repair areas in

the system already impacted by corrosion. He highlighted the scope, drivers, estimated costs, and design and construction schedules for program projects including the Pardee Chemical Plant Improvements project and electrical upgrades to the Moraga and Walnut Creek pumping plants as well as for the Pardee and Briones Water Quality and Post-fire Watershed Response Study project. The Water Treatment Plant (WTP) Upgrades program includes ongoing projects and several projects planned for design and construction at the District's six WTPs. Mr. Hartlaub reviewed the status of the following projects under the program: Orinda WTP Disinfection and Chemical Systems Safety Improvements project which started construction in August 2022; Walnut Creek WTP Filters Rehabilitation and Pretreatment and Ozone Improvements project which is currently in the first year of planning; Upper San Leandro (USL) WTP Maintenance and Reliability and USL and Sobrante Chemical Safety Systems projects with the bid opening scheduled for November 2022; and the Sobrante WTP Maintenance and Reliability project which is also in the first year of planning. Mr. Hartlaub responded to questions from the Board on whether the projected costs for the Raw Water Supply Improvements Program projects were estimated with inflation taken into consideration; regulatory and/or legal drivers for projects; if the District is working with stakeholders on an avoided cost study to explore prevention versus treatment as it relates to the Pardee and Briones Water Quality and Post-fire Watershed Response Study project; and options to promote the District's values in its bidding documentation and process.

Senior Civil Engineer Marshall P. McLeod discussed the scope, drivers, estimated costs, and design and construction schedules for relining Lafayette Aqueduct No. 1 and Mokelumne Aqueducts Nos. 2 and 3; and projects to improve reliability of the infrastructure that transmits treated water including the Wildcat Aqueduct Improvement, Alameda Crossing, and Summit Pressure Zone projects.

Senior Civil Engineer Denise V. Cicala presented an overview of water distribution facilities and the Reservoir Rehabilitation Program. She reviewed ongoing and upcoming construction on steel tank reservoirs and upcoming projects to replace open-cut reservoirs (Almond, Central and Leland) with concrete tanks. The District has 150 pumping plants and since 2015, under the Pumping Plant Rehabilitation Program, 27 pumping plant projects have been completed. Currently, four plants are under construction and work is planned to start on ten additional plants in FY 2024-2025. Plans have been completed for the new 25 million gallons per day Wildcat Pumping Plant, which will improve transmission of water from Sobrante WTP. The project scope includes plans for in-conduit hydro and a portable generator and construction is scheduled to begin in FY 2026. Ms. Cicala confirmed the District has two remaining redwood reservoirs and that the redwood is reclaimed for District use when the reservoirs are demolished. She also confirmed when concrete reservoirs are replaced, the District grinds the old concrete onsite and reuses it for backfill.

- Director Katz left the meeting at 9:25 a.m. and returned at 9:30 a.m.
- Director Mellon left the meeting at 9:33 a.m. and returned at 9:48 a.m.

Senior Civil Engineer David H. Katzev presented an overview of the Pipeline Rebuild Program including the program mission, types of pipe in the District's distribution system (not including 350 miles of transmission pipe), the number of main breaks per 100 miles of pipe in 2021, and an analysis of the break and replacement rates for cast iron pipe in the distribution system. He discussed FY 2022 program highlights; plans to pilot a trenchless renewal method in FY 2024; the District's pipeline replacement selection process and data showing the annual, average miles of pipe that migrate from one risk category to the next; and a proposed pipe replacement plan to

remove the current inventory of pipe in the highest risk category. He concluded by highlighting pipe testing at the University of California, Berkeley Center for Smart Infrastructure, which the Board is scheduled to visit on October 18, and summarizing program goals. Mr. Katzev responded to questions from the Board about the high number of cast iron pipe breaks between the late 1950s and 1960s shown in the graph on presentation slide 43 and projections on the future migration rate for high-risk category pipes.

Engineering Manager Elizabeth Z. Bialek discussed building facilities projects to address aging infrastructure and reliability, achieve operational efficiencies, and meet regulatory requirements. The Willow Service Center, a new service yard in West Oakland is scheduled to begin construction in FY 2025-2026. In partnership with SupplyBank.org, a new warehouse and training facility is planned for the Oakport facility in East Oakland with construction anticipated to begin in FY 2026. General Manager Clifford C. Chan confirmed that although Governor Newsom vetoed a bill that would have assisted with the SupplyBank.org project, the project will still go forward.

- The Board recessed at 10:04 a.m. and reconvened at 10:11 a.m.

Director of Engineering and Construction Olujimi O. Yoloye discussed the long-term strategy to balance projected resource needs for the Water System CIP through FY 2040 by reprioritizing projects, adding staff, and consultant support. He reviewed proposed approaches for resources to implement the Water System CIP, perform work under the Pipeline Rebuild Program, and to perform applicant work in FY 2024-2025. There was considerable discussion by the Board about the value, criteria, and soft drivers for the proposed resourcing approaches; discussions with the unions about the potential to retrain staff to perform other operations and maintenance work; proposed plans to have contractors install pipe; monitoring the pipe replacement data and pipe migration rates discussed by Mr. Katzev to determine the accuracy of the long-term goal to replace 40 miles of pipe per year; hiring staff from union labor halls; and the need for flexibility and creativity to address applicant work.

Supervisor of Wastewater Planning Matthew R. Hoeft reviewed the agenda and introduced the speakers discussing Wastewater System infrastructure investments and resource needs. He discussed the ongoing need for aging infrastructure renewal at the Main Wastewater Treatment Plant (MWWTP) and planning, design, and construction of a new building for dewatering which is a crucial step in the wastewater treatment process. Staff has begun implementation of the Seismic Improvement Program at the MWWTP with seismic retrofits scheduled to be phased over the next ten years. Two projects – the MWWTP Administrative Facilities Seismic Retrofit and the Maintenance Center Seismic Retrofit – are currently in design while work is also starting on the IPS Resiliency Project. He highlighted previous projects that have repaired corroded and eroded portions of interceptors and manholes in the system and the nutrient roadmap which outlines actions to address the District's nutrient load cap.

Interim Director of Wastewater Donald M. Gray reported over 80 percent of nutrients in the Central San Francisco Bay are from wastewater and that 20 percent of the nitrogen comes from the District's Resource Recovery (R2) Program. The Wastewater Integrated Master Plan identified three alternatives to reduce the District's discharged nitrogen including reducing high strength waste received by the R2 Program; designing and building a sidestream treatment facility; or designing and building a full nutrient treatment facility. Mr. Gray reviewed the pros and cons and projected costs to implement one of the three alternatives; the R2 program, its waste streams and their impact on nutrients; and sidestream and mainstream treatment processes. The District has

tested a number of promising cost-effective technologies and previously led a regional sidestream study using an Environmental Protection Agency grant. Staff has been exploring additional options to reduce nitrogen discharge and the recommended approach at this time is to strategically reduce high-nitrogen waste streams to reduce nitrogen in treated wastewater by approximately 15 percent. The District has been piloting a full-scale nitrification/denitrification process in existing secondary treatment process for the past three dry weather years and staff plans to accelerate testing by running the pilot longer if wet weather conditions allow. The East Bayshore Water Quality Improvements Study and customer outreach is in progress to build-out capacity of the East Bayshore Recycled Water Project to 2.6 million gallons per day. Since urine contributes 50 to 80 percent of nitrogen in domestic sewage, urine separation processes have been considered; however only small-scale implementation has occurred to date as large-scale collection is not currently feasible. He discussed San Francisco Estuary Institute findings on wetlands treatment and the District's current nutrient watershed permit total inorganic nitrogen (TIN) discharge load caps. The Regional Water Quality Control Board has asked the District to do more to reduce its TIN discharge load caps. There was Board discussion and Mr. Gray responded to questions on whether the Regional Water Quality Control Board had implemented new regulations to reduce TIN discharge load caps; setting internal District goals for wastewater similar to its internal goals for water; mitigation credits for wetlands; and the alternatives presented to right-size the R2 Program to address nutrients.

Supervisor of Wastewater Planning Matthew R. Hoeft reviewed projected costs for the Wastewater Systems five-year CIP noting spending will increase over the next decade due to a change in competing priorities, construction of the new dewatering building and other seismic projects, nutrient removal (sidestream) project construction, and increased interceptor rehabilitation work.

Manager of Wastewater Treatment Glenn D. Dombeck discussed the current staffing approach for operations and maintenance which is being discussed with the unions, and long-term staffing needs to complete the increasing number of Wastewater System capital projects scheduled in FY 2024-2025.

Director of Engineering and Construction Olujimi O. Yoloye reviewed the District's current community outreach approach for capital projects. Additional resources may be needed as the increase in capital and Pipeline Rebuild Program projects will have a direct impact on public outreach. Additionally, staff is reviewing resource requirements for other support groups, schedules, and prioritization of the CIP. He discussed the potential rate increases that may be needed based on staff's preliminary projections for the FY 2024-2028 Water and Wastewater Systems' CIP. The projections consider the financial pressures of inflation and drought. He concluded with an overview of the schedule for the special Board meeting on October 18, 2022 where Board members are scheduled to tour District projects/facilities.

- Addressing the Board was 1) Eric Larsen, President, AFSCME Local 444, who commented on resource needs for Pipeline Rebuild Program goals and said the union does not agree with the proposal to use a mix of staff and contractors to complete pipeline work; and 2) Tony Martin, 1st Vice President, AFSCME Local 444, commented on comments from the Board about hiring staff from labor halls and the proposed approach to address resource needs for the CIP.

There was discussion by the Board regarding the October 18 tour and General Manager Clifford C. Chan confirmed the public will be able to participate in the tour of the projects/facilities. The Board requested the following:

- Provide a map showing the locations of cast iron pipe breaks
- Provide a map showing the locations of the pilot trenchless renewal projects planned for FY 2024
- Provide general information on the retirement rate for supporting the CIP
- Consider hiring staff from labor halls as an option to support the CIP peak workload
- Consider expanding the District's Maintenance Trades Training Program
- Explore options to include local contractors in capital projects
- Ensure source water protection is considered as part of the efforts to improve raw water quality
- Consider incorporating sustainable features (e.g., in-conduit hydro and photovoltaic) in capital projects
- Consider establishing more aggressive wastewater goals with respect to nutrients
- Consider mitigation credits (e.g., funding other wetland projects to reduce nutrients) as an option to meet the District's goal while balancing potential equity impacts
- Conduct an holistic evaluation of nutrient reduction options to ensure solutions do not result in impacts to other areas
- Consider commercial and industrial facilities for urine separation

ADJOURNMENT

President Linney adjourned the Special Meeting at 11:40 a.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: October 25, 2022

Doug A. Linney, President of the Board