



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Time Change

**PLANNING COMMITTEE
Tuesday, September 10, 2024
9:30 a.m.
Boardroom
375 11th Street
Oakland, CA 94607**

Notice is hereby given that the Tuesday, September 10, 2024 Planning Committee meeting of the Board of Directors has been rescheduled from 9:15 a.m. to 9:30 a.m. The meeting will be held in the Administration Building Boardroom at 375 11th Street, Oakland, California.

Dated: September 5, 2024

A handwritten signature in blue ink that reads "Rischa S. Cole".

Rischa S. Cole
Secretary of the District

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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA
Planning Committee
Tuesday, September 10, 2024
9:30 a.m.
Boardroom
375 11th Street
Oakland, CA 94607**

***** Please see appendix for public participation instructions*****

Committee Members: Directors Marguerite Young {Chair}, April Chan and Doug A. Linney

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.

DETERMINATION AND DISCUSSION:

1. Regulatory Compliance Semi-Annual Report – January 1, 2024 through June 30, 2024 (Briggs)
2. Sobrante Water Treatment Plant Reliability Improvements Project Update and Availability of the Draft Environmental Impact Report (Terentieff)
3. Upper Mokelumne River Watershed Authority Update (Tognolini)

ADJOURNMENT:

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.



APPENDIX

Planning Committee Meeting

*EBMUD Board committee meetings will be conducted in person and via Zoom.
These meetings are recorded and live-streamed.*

Online*

<https://ebmud.zoom.us/j/94576194030?pwd=dWZlc3hNU3JNUVBQYmNKWjJSNVZQdz09>

Webinar ID: 945 7619 4030

Passcode: 925293

By Phone

Telephone: 1 669 900 6833

Webinar ID: 945 7619 4030

Passcode: 925293

International numbers available: <https://ebmud.zoom.us/u/kdmpbwwlg2>

*To familiarize yourself with Zoom, please visit <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>

Providing public comment - *The EBMUD 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.*

- Each speaker is allotted 3 minutes to speak; the Committee Chair has the discretion to amend this time based on the number of speakers
- The Secretary will track time and inform each speaker when the allotted time has concluded
- Comments on **non-agenda items** will be heard at the beginning of the meeting
- Comments on **agenda items** will be heard when the item is up for consideration
- The Secretary will call each speaker in the order received

In person

- Fill out and submit a blue speaker card which is available in the meeting room

Via Zoom

- Use the raise hand feature in Zoom to indicate you wish to make a public comment
<https://support.zoom.us/hc/en-us/articles/205566129-Raising-your-hand-in-a-webinar>
 - If you participate by phone, press *9 to raise your hand
- When prompted by the Secretary, please state your name, affiliation if applicable, and topic

Submitting written comments or materials


- Email written comments or other materials for the Board of Directors to SecOffice@ebmud.com
- Please indicate the meeting date and agenda item number or non-agenda item topic in the subject of the email. Contact information is optional.
- **Please email by 4 p.m. the day prior to the scheduled regular meeting;** written comments and other materials submitted to the Board of Directors will be filed in the record.


To observe the Planning Committee Meeting,
please visit: <https://www.ebmud.com/about-us/board-directors/board-meetings/>

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: September 5, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager 

FROM: David A. Briggs, Director of Operations and Maintenance 

SUBJECT: Regulatory Compliance Semi-Annual Report – January 1, 2024 through June 30, 2024

SUMMARY

The attached Regulatory Compliance Semi-Annual Report provides the status of the District's efforts to meet the objectives of and to comply with environmental, health, and safety regulations in accordance with District Policy 7.05 – Sustainability and Resilience, and Policy 7.09 – Workplace Safety and Health. This report will be presented at the September 10, 2024 Planning Committee meeting.

DISCUSSION

There were no significant compliance issues during this reporting period. The more noteworthy events for the period include resolution of the source of toxicity impacting bioassays at the Orinda Water Treatment Plant, receipt of two fines associated with wastewater operations, and conclusion of two site inspections from Cal/OSHA which did not result in findings of safety violations. Details on these events and others are included in the attachment.

CCC:DAB:sd

Attachment: Regulatory Compliance Semi-Annual Report

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REGULATORY COMPLIANCE SEMI-ANNUAL REPORT
January 1, 2024 through June 30, 2024

This report provides the status of the District's efforts to meet the objectives of and comply with environmental, health, and safety regulations in accordance with District Policy 7.05 – Sustainability and Resilience and Policy 7.09 – Workplace Safety and Health.

ENVIRONMENTAL COMPLIANCE

Orinda Water Treatment Plant Bioassay Investigation

Orinda Water Treatment Plant (WTP) Acute Toxicity Exceedance: Beginning in 2022, the Orinda WTP experienced multiple failed bioassay tests. These tests are required by the facility's National Pollutant Discharge Elimination System (NPDES) permit to protect natural waterways. A series of meetings was held with the San Francisco Regional Water Quality Control Board (SFRWQCB) to investigate the cause of the failed tests.

In spring 2024, the investigation concluded the source of the toxicity to be accumulated deposits within the compliance sampling basin and unrelated to plant operation. Water discharged into San Pablo Creek routinely complied with standards, but water sampled from the designated sample location often failed.

Following this discovery, staff cleaned the piping, strainers, and pumps associated with the sampling system. Staff met with the SFRWQCB on multiple occasions to brief them on the investigative findings. SFRWQCB agreed on a timeline to submit a final investigation report and corrective actions by the end of October 2024.

Consent Decree Demand for Stipulated Penalties

On April 2, 2024, U.S. Environmental Protection Agency Region IX and the SFRWQCB issued a joint demand letter for stipulated penalties for two previously reported incidents related to the wastewater collection system and wet weather facilities. The first penalty was \$25,000 for a 47,000-gallon sanitary sewer overflow (SSO) on March 21, 2023, from the Alice Street Overflow Structure. The SSO was related to a power outage at the Main Wastewater Treatment Plant (MWWTP) during an extreme windstorm when influent pumps were offline, and wastewater backed up in the interceptors. Staff continues to conduct testing and improve back-up power systems at the MWWTP to prevent similar incidents. The second penalty was \$3,000 for a total coliform effluent limit violation at Point Isabel Wet Weather Facility on December 27, 2022. The violation occurred when the sample was taken too early during the first discharge of the rainy season which was deemed to be unrepresentative of the entire discharge. Sampling practices have been updated.

Air Quality

On June 7, 2024, approximately 43,000 cubic feet of digester gas was released at Digester 8 at the MWWTP. The release was reported to the Bay Area Air Quality Management District on

June 10, 2024, and resulted in a Notice of Violation issued July 22, 2024. This incident occurred when staff flushed sight glasses in the p-traps. Despite past corrective actions to put clear valve position indicators on each three-way valve and refresher training to standard operating procedures, a release occurred. New corrective actions include placing locked valve covers on the out-of-service drain valves to help prevent the accidental draining of an in-service p-trap. Additional systemic corrective actions are also under evaluation including the installation of a hypochlorite dosing system for the p-trap flush water and alternate valve configurations to the three-way valve.

Other Environmental Issues

Adeline Maintenance Shops Groundwater Investigation: The District has worked with Alameda County Department of Environmental Health (ACDEH) for many years to monitor and remediate soil and groundwater at the Adeline Maintenance Center (AMC). Soil and groundwater at the site was impacted by petroleum hydrocarbons associated with the District's former underground storage tanks (USTs) that were removed in 1994. The District submitted a revised workplan to the ACDEH in March 2024. This plan was subsequently approved in July 2024. The workplan will be implemented in fall 2024 and consists of additional groundwater sampling to define the limits of the petroleum hydrocarbon plume in the groundwater.

WORKPLACE HEALTH AND SAFETY

Lost-Time Injury Rate (LTIR): The District's Fiscal Year 2024 Workforce Planning and Development Strategic Plan goal includes a Key Performance Indicator for LTIR of less than or equal to 3.0. The District's LTIR as of June 30, 2024, was 2.25. If work-related COVID-19 cases are included, the LTIR was 2.90 for the same period. The LTIR measures the number of work-related injuries or illnesses resulting in days away from work per 100 employees.

COVID-19 Pandemic: During this period, there was one (1) Cal/OSHA defined COVID-19 outbreak at a District facility. There were a total of 124 reported COVID-19 cases – seven were assumed to be work related transmissions and 117 were assumed to be non-work related. On January 9, the California Department of Public Health reduced the minimum required isolation timeline for those who test positive and are symptomatic for COVID-19 from five days to 24 hours; those who test positive and have no symptoms are not required to isolate.

Cal/OSHA Inspection at Pipeline Rebuild Jobsite in Albany: Cal/OSHA conducted an inspection at a pipeline replacement jobsite in Albany on May 8, 2024. The inspection was triggered because of an employee injury that occurred on May 1, 2024, when an underground electrical line was hit by a backhoe resulting in an electrical shock to an employee. The inspection focused on excavation practices and underground utility marking. On July 2, 2024, Cal/OSHA issued a Notice of No Violation and closed the inspection. The District's internal investigation resulted in an Excavation Safety Task Force to develop Excavation Safety Practices to further enhance safety for pipeline excavation worksites.

Cal/OSHA Inspection at Orinda Water Treatment Plant (WTP) Construction Project: Cal/OSHA conducted an inspection at the Orinda WTP Project on February 21, 2024. The inspection was

triggered by a complaint related to a personnel hoist system for a deep excavation utilized by the District's contractor. Cal/OSHA issued a partial shutdown of work inside the excavation zone for 20 working days, denied the contractor's proposed variance method, and directed the contractor to install a standard personnel hoist system. The work shutdown was lifted on March 21, 2024, following the installation and inspection of the personnel hoist. On July 18, 2024, Cal/OSHA issued a Notice of No Violation to the District. Cal/OSHA did impose two citations on the District's contractor.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: September 5, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager *CCC*

FROM: Serge V. Terentieff, Director of Engineering and Construction *ST*

SUBJECT: Sobrante Water Treatment Plant Reliability Improvements Project Update and Availability of the Draft Environmental Impact Report

SUMMARY

The Sobrante Water Treatment Plant (WTP) Reliability Improvements Project (Project) will improve treatment plant reliability, reduce disinfection byproducts, improve maintenance operations, maintain flexibility to treat water from supplemental supplies, and increase the treatment capacity to meet future demands. The Draft Environmental Impact Report (EIR) will be published on September 12, 2024. Staff will provide an update at the September 10, 2024 Planning Committee meeting.

DISCUSSION

Project Purpose and Description

The Project includes improvements at the Sobrante WTP in El Sobrante and a new transmission pipeline in public roads in the cities of Richmond and San Pablo, and unincorporated areas of El Sobrante and Rollingwood (see Figure 1). Sobrante WTP is located on an approximately 35-acre site in the City of Richmond and El Sobrante; the site is bounded by open space to the east, Amend Road to the north, Pinole Road to the south, and Valley View Road to the west. Sobrante WTP serves customers in Richmond, San Pablo, Hercules, and the unincorporated communities of El Sobrante, Rollingwood, Crockett, and Rodeo. Sobrante WTP treats water from San Pablo Reservoir, which stores water from local runoff and supplemental supply from the Sacramento River via the Freeport Regional Water Project.

The Project will be designed and constructed in two phases. Phase 1 and Phase 2 improvements include new facilities to increase the capacity from 45 million gallons per day (MGD) to 60 MGD and 80 MGD, respectively. Phase 1 improvements will occur at the Sobrante WTP and Phase 2 improvements will occur at the Sobrante WTP and in public roads to install a new transmission pipeline from Sobrante WTP to Road 20. Design is expected to take four years to complete followed by construction from 2030 to 2034 for Phase 1 improvements. The design and construction of Phase 2 improvements would depend on future demands.

The Project includes construction of staging areas; removal of vegetation including trees; grading; construction of new facilities (treatment, chlorine contact basin, electrical, chemical storage, consolidated maintenance building, buried pipelines, outdoor lighting, stormwater retention basin, security fencing, perimeter fencing, and main entrance gate); paving; demolition of existing facilities; and site restoration including new trees at the Sobrante WTP (see Figure 2). The Project also includes construction of approximately 4.2 miles of 54-inch and 72-inch large-diameter transmission pipeline to allow the additional treated water associated with Phase 2 of the Project to be conveyed to the distribution system.

Review of Environmental Impacts and Mitigation Measures

Pursuant to the California Environmental Quality Act, staff completed a Draft EIR that reviewed environmental impacts and proposes mitigation measures to reduce any potentially significant impacts to less than significant, if possible. Key mitigation measures include:

- Installing temporary sound barriers between Amend Road in El Sobrante and the nearest new structure to reduce on-site construction noise.
- Installing temporary sound barriers between the residences on La Honda Court in El Sobrante and the existing solids detention basins to reduce demolition noise.
- Restricting off-hauling of soil and demolition material to between 9:00 a.m. and 4:00 p.m. to and from the Sobrante WTP.
- Restricting off-hauling of soil and demolition material and large equipment delivery trucks to between 9:00 a.m. and 3:00 p.m. in front of schools on Valley View Road in El Sobrante.
- Installing temporary sound barriers between the D'Avila Woods Apartments building in El Sobrante and the trenchless jacking pit for the new pipeline.
- Restricting open cut construction of the new pipeline to between 7:30 a.m. and 5:30 p.m. in Contra Costa County.
- Restricting off-hauling of soil and demolition material and large equipment delivery trucks to between 9:00 a.m. and 3:00 p.m. in front of schools on Road 20 in San Pablo.
- Offering off-site lodging to residents within 660 feet of nighttime pipeline construction at busy intersections and tie-in locations.

Even after implementation of mitigation measures, one environmental impact for noise is considered significant and unavoidable for construction activities that are anticipated to generate a temporary increase in ambient noise levels in excess of standards established in the local general plan or noise ordinance. For Phase 1 construction, pile driving for installation of I-beams would exceed the City of Richmond's noise threshold for approximately 20 days. In addition, extended concrete pours at Sobrante WTP require a 6:00 a.m. start time to minimize disruptions that could affect the quality of the concrete work and service life of the structure being constructed; therefore, early morning noise from haul truck traffic before 7:00 a.m. is considered to be a significant and unavoidable impact for approximately 36 days over the entire Phase 1 construction duration. For Phase 2, noise would have a significant and unavoidable impact for concrete pours at Sobrante WTP for approximately 33 days; trenchless construction of pipeline for approximately 42 days; open cut construction of pipeline for approximately 5 days at each

location; and nighttime open cut construction of pipeline at busy intersections and tie-in locations for approximately 5 to 10 days at each location over the entire Phase 2 construction duration.

The District will incorporate its standard construction specifications, District Procedures, and Engineering Standard Practices into the Project. These standard practices and procedures are designed to address typical characteristics of District construction projects and reflect generally applicable District standard operating procedures.

Public Outreach

Outreach meetings with staff from Contra Costa County, City of Richmond, City of San Pablo, and Richmond Fire Department were held throughout 2021 to 2023. A Project briefing was provided to Contra Costa County District 1 Supervisor John Gioia in October 2022 and the El Sobrante Municipal Advisory Council in August 2023. A community outreach and scoping meeting was held in March 2022 to present the conceptual site and landscape plans, discuss the potential environmental factors to be addressed in the Draft EIR, and receive community feedback. Postcards about the community meeting were sent to affected residents near the Project site and posted on NextDoor and the District's website. Additional public meetings and meetings with neighbors on Amend Road were held in October 2022 and April 2023 as a follow up to the March 2022 meeting.

Concerns raised by agencies, cities, and the community included construction-related traffic, noise, and dust; aesthetics; landscaping; security fencing; chemical hazards; and wildlife/biological impacts; all of which are addressed in the Draft EIR. In response to community feedback, the Project design was significantly modified to increase setback of the nearest structure to Amend Road from approximately 50 to 100 feet; change the perimeter fence on Amend Road from 8-foot high metal wire type to four-foot high wrought iron type that matches the fence at the neighboring fire station; change the architectural style of buildings closest to Amend Road to the mission revival style of the neighboring fire station; and additional landscaping between Amend Road and nearest structures.

NEXT STEPS

The Draft EIR will be published on September 12, 2024, with a public review period ending on October 28, 2024. A virtual public meeting is scheduled for October 10, 2024, to solicit comments on the Draft EIR. The Final EIR, which will respond to any comments received during the public review period, is scheduled for Board consideration in July 2025. If the Board certifies the Final EIR, Phase 1 Project design will begin in 2027 and construction is expected to begin in 2030.

CCC:SVT:djr








Attachments: Figure 1: Project Location
Figure 2: Project Improvements at Sobrante WTP

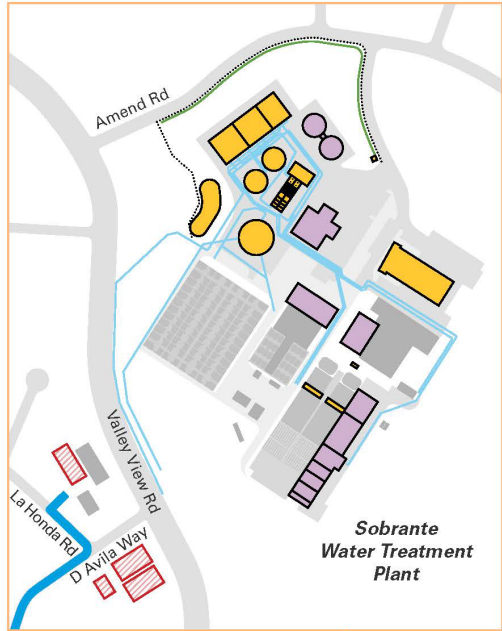
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Figure 1: Project Location

SOBRANTE WATER TREATMENT PLANT RELIABILITY IMPROVEMENTS PROJECT

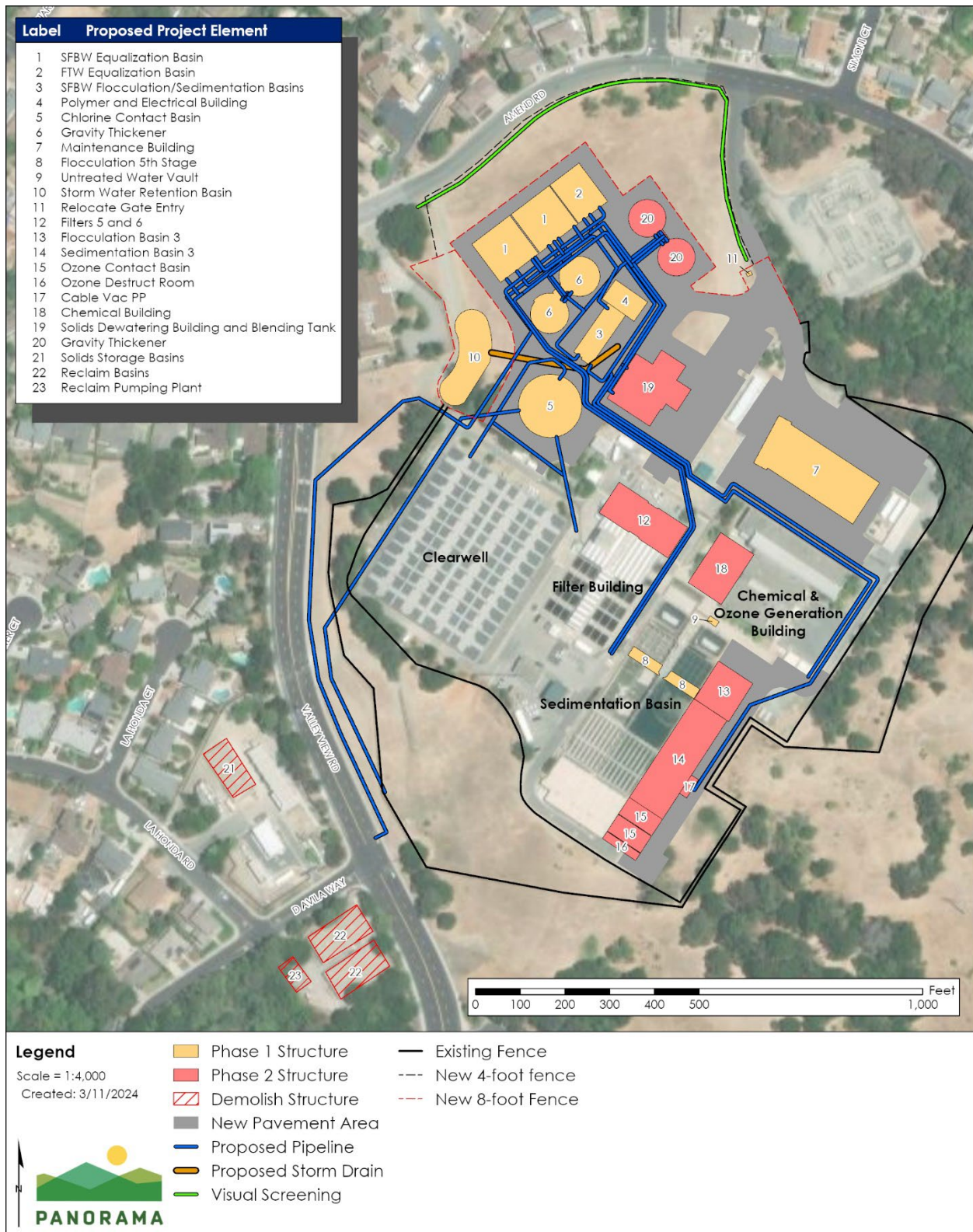
Legend

	Phase I Structures		New Fence
	Phase II Structures		Visual Screen
	Structures to be demolished after Phase I completed		Proposed Central North Aqueduct Pipeline
			Proposed Site Utilities



Map 593 • 05/24

Figure 2: Project Improvements at Sobrante WTP



EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: September 5, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager *CCC*

FROM: Michael T. Tognolini, Director of Water and Natural Resources *MTT*

SUBJECT: Upper Mokelumne River Watershed Authority Update

SUMMARY

EBMUD is a founding member of the Upper Mokelumne River Watershed Authority (UMRWA), a Joint Powers Authority (JPA) formed in 2000. UMRWA's recent activities have focused on forest health and fuels reduction in the upper watershed, most of which has been funded through State grants. In January 2024, UMRWA signed a loan agreement with Blue Forest to provide bridge funding. EBMUD is negotiating an Advance and Reimbursement Agreement (Agreement) with UMRWA to provide additional bridge funding. Blue Forest has also approached EBMUD about making a separate contribution to further support UMRWA's work. At the next UMRWA Board meeting in October, the UMRWA Board is expected to consider a new fee for UMRWA members that could significantly increase costs to EBMUD. This item will be presented at the September 10, 2024 Planning Committee meeting.

DISCUSSION

UMRWA was formed in 2000 to potentially purchase PG&E hydropower assets. JPA members include EBMUD, Alpine County, Alpine County Water Agency, Amador County, Amador Water Agency, Calaveras County, Calaveras County Water District, Calaveras Public Utility District, and Jackson Valley Irrigation District. Each member has a seat on the UMRWA Board.

After PG&E decided not to sell its Mokelumne hydropower assets in the early 2000s, UMRWA's activities shifted to regional water management planning. In 2018, UMRWA completed the Mokelumne-Amador-Calaveras (MAC) Plan, a state approved integrated regional water management plan that resulted in more than \$11 million in funding for regional infrastructure projects. Water agency members also collaborated with the Eastern San Joaquin region to develop the Mokelumne Watershed Interregional Sustainability Evaluation (MokeWISE) Program focused on coordinated water resources management.

Forest Health

UMRWA's recent focus has been on completing forest restoration and fuels reduction projects to reduce the risk of a catastrophic wildfire in the upper watershed, via the MAC Forest Health and Resilience Project (formerly known as the Forest Projects Plan). In 2016, UMRWA signed a Master Stewardship Agreement with the U.S. Forest Service for the El Dorado and Stanislaus National Forests that allows UMRWA to act as lead partner for forest project planning, fuel reduction, and restoration projects within those forests.

UMRWA developed a two-phase plan for implementing fuel reduction and restoration work in the watershed. Phase 1, which is already underway, covers approximately 26,000 acres of watershed land, and UMRWA plans to complete the work by 2031. Planning and completion of environmental reviews is underway for Phase 2, which would cover 225,000 acres. Work under Phases 1 and 2 includes hand thinning, mechanical fuels reduction, and prescribed burning to prevent high-intensity, large scale fires and improve forest health in areas that are overly dense. UMRWA is also conducting aspen stand restoration and meadow restoration. UMRWA is funding this work predominately via State and Federal grants; to date UMRWA has secured more than \$16 million in funding from the Sierra Nevada Conservancy and California Department of Forestry and Fire Protection (Cal Fire).

Given that there is a lag between completion of work and receipt of grant reimbursement (with some grant payments taking 90 days or longer), UMRWA has sought bridge funding to make timely payments to contractors. UMRWA secured \$4 million in bridge funding from Blue Forest, a nonprofit conservation finance organization.

EBMUD Blue Forest Discussions

Blue Forest is a nonprofit conservation finance organization founded in 2015 with the goal of supporting forest restoration projects to reduce the risk of catastrophic wildfire. Blue Forest works by bringing together investors, community groups, scientists, and implementation partners to complete restoration projects via its financing tool, the Forest Resilience Bond (FRB). The FRB is a series of agreements where private investors provide funding up front to support forest restoration projects. Beneficiaries then pay back those investors over time.

Blue Forest is developing an FRB to support forest health work in the Upper Mokelumne River Watershed. Blue Forest has approached EBMUD and other agencies with an interest in the watershed regarding potential participation in the FRB. In addition, Blue Forest has partnerships with private investors who are interested in funding forest health and wildfire reduction work; for the Mokelumne watershed, Blue Forest has secured approximately \$500,000 in funding from Pepsi and PG&E to support UMRWA's work. Blue Forest has been in discussions with EBMUD since 2022 regarding the potential for EBMUD to invest in the Upper Mokelumne Watershed FRB.

Blue Forest developed three scenarios for an EBMUD contribution:

- Scenario 1: a pilot scale option of \$400,000/year for five years (\$2 million total)
- Scenario 2: \$1.2 million/year for five years (\$6 million total)
- Scenario 3: \$2 million/year for five years (\$10 million total)

Blue Forest identified potential benefits to EBMUD: a wildfire in the watershed could result in water quality changes that are costly to treat, and reducing vegetation on the landscape could lead to increased runoff that benefits water supply.

Staff evaluated the Blue Forest FRB proposals and do not recommend participation at this time. The FRB represents a complex financial instrument that results in EBMUD paying back private investors, at a low interest rate. While completing forest health projects in the watershed does have benefit, EBMUD is already supporting UMRWA through its annual membership payments and is negotiating the Advance and Reimbursement Agreement. Unlike UMRWA, EBMUD can issue bonds at competitive rates to fund projects.

UMRWA Water Agency Fee Proposal

Outside of grants for specific projects, UMRWA's budget for annual operations is funded by its member agencies. EBMUD currently pays 60 percent of UMRWA's annual budget, receiving a credit for "in-kind" contributions (EBMUD staff serve as the UMRWA Secretary and Treasurer). For Fiscal Year 2024, EBMUD's portion was \$126,556, with an in-kind credit of \$51,986. The remaining annual budget is split between the Amador and Calaveras entities, with each individual agency paying between 1.6 and 9.6 percent of the annual budget.

At its August 16, 2024 meeting, an UMRWA Board member requested that UMRWA consider a new fee, whereby each water agency member would pay 20 cents per month per connection. This amounts to an additional payment by EBMUD to UMRWA of approximately \$1 million per year. The UMRWA Board will consider the water agency fee at its October 4, 2024 meeting. Staff recommends that EBMUD not support the proposed fee. If the UMRWA Board chooses to implement such a fee structure, EBMUD may decide not to pay the additional amount.

EBMUD Advance and Reimbursement Agreement (Agreement)

UMRWA has requested a secondary source of interim funding be provided by EBMUD. Staff are negotiating an Agreement so EBMUD can provide UMRWA interim funding for some of its grant-funded projects. The request is for EBMUD to advance UMRWA up to \$3 million for the timely payment of contractor invoices for grant-funded work. Advances would be provided on an as-needed basis and limited to certain grant awards as specified in the Agreement. EBMUD would charge interest on the advances at the Local Agency Investment Fund (LAIF) rate. UMRWA would reimburse EBMUD the advance and pay interest charges upon receipt of grant fund disbursements. Should grant funds be insufficient, UMRWA would repay EBMUD using funds from member agency assessments or any other available funds. While member agency

assessments provide a backstop for payment, it is important to note that EBMUD provides about 60 percent of those assessments.

NEXT STEPS

Further consideration of the Agreement will be done after decisions on the Blue Forest and UMRWA's water agency fee proposal are completed. Staff will also provide an update on UMRWA's discussion regarding the proposed water agency fee at a future Board meeting.

CCC:MTT:dec