



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

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375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

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**Notice of Time Change**

**FINANCE/ADMINISTRATION  
COMMITTEE**

**Tuesday, September 24, 2024**

**9:00 a.m.**

**Boardroom**

**375 11<sup>th</sup> Street**

**Oakland, CA 94607**

Notice is hereby given that the Tuesday, September 24, 2024 Finance/Administration Committee meeting of the Board of Directors has been rescheduled from 10:00 a.m. to 9:00 a.m. The meeting will be held in the Administration Building Boardroom at 375 11<sup>th</sup> Street, Oakland, California.

Dated: September 19, 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 – 11<sup>th</sup> Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA  
Finance/Administration Committee  
Tuesday, September 24, 2024  
9:00 a.m.  
Boardroom  
375 11th Street  
Oakland, CA 94607**

*Committee Members Andy Katz {Chair}, April Chan, and William B. Patterson*

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

**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. Monthly Investment Transactions Report (Skoda)
2. Fiscal Year 2024 Key Performance Indicators Report (Skoda)
3. Revisions to District Policies (Gardin)
4. Draft Board of Directors Governance Policies and Proposed Board Governance Manual (Cole)

**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](http://www.ebmud.com).*

W:\Board of Directors - Meeting Related Docs\Agendas 2024\2024 Finance-Adm Committee\09242024 finance-admin agenda.docx



EBMUD

# APPENDIX

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## Finance/Administration Committee Meeting

*EBMUD Board committee meetings will be conducted in person and accessible via Zoom.  
These meetings are live streamed on the District's website.*

### Online\*

<https://ebmud.zoom.us/j/92433162059?pwd=emM4YjRrQTJtK3M0NnAxTDRoVzh5Zz09>

Webinar ID: 924 3316 2059

Passcode: 282322

### By Phone\*

Telephone: 1 669 900 6833

Webinar ID: 924 3316 2059

Passcode: 282322

International numbers available: <https://ebmud.zoom.us/u/kdjdx0Kd06>

\*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 Board President 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](mailto:SecOffice@ebmud.com)
- Please indicate the meeting date and agenda item number or non-agenda item 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.

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**To view the livestream of Board meetings, please visit:**

<https://www.ebmud.com/about-us/board-directors/board-meetings/>

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## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: September 19, 2024

MEMO TO: Board of Directors

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

FROM: Sophia D. Skoda, Director of Finance *SDS*

SUBJECT: Monthly Investment Transactions Report

### SUMMARY

In accordance with Policy 4.07 – Investments, staff prepares a monthly transactions report for the Finance/Administration Committee to review and for the Board to consider each month. The Committee will review the August 2024 report at the September 24, 2024 Finance/Administration Committee meeting.

### DISCUSSION

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

In August 2024, the portfolio increased from \$601.0 million to \$604.6 million. Net transactions increased the total by \$2.8 million. Interest received added approximately \$818,000 to the portfolio. Deposits into short-term liquidity funds totaled \$17.2 million, and withdrawals totaled \$61.5 million. The District purchased \$47.0 million in securities. No securities were called, matured, or sold. Net transactions at the District's commercial bank resulted in an increase of approximately \$138,000.

### NEXT STEPS

This item will be brought to the Board for consideration at its September 24, 2024 meeting.

CCC:SDS:rlh

Attachment: August 2024 Monthly Investment Transactions Report

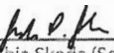
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## Monthly Investment Transactions Report August 2024

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

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

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

  
Sophia Skoda (Sep 11, 2024 08:57 PDT)  
Approved by: Sophia D. Skoda, Finance Director

Sep 11, 2024

Date

SDS:KM:SLS



**EAST BAY MUNICIPAL UTILITY DISTRICT**  
**Monthly Investment Transactions Summary**  
**August 2024**

| Portfolio                       | Beginning Balance* | Monthly Net Transaction Activity | Monthly Interest Activity | Ending Balance     |
|---------------------------------|--------------------|----------------------------------|---------------------------|--------------------|
| 001 - Water System Consolidated | 454,233,339        | 1,000,000                        | 503,256                   | 455,736,595        |
| 007 - Wastewater Consolidated   | 94,817,221         | (1,000,000)                      | 239,650                   | 94,056,871         |
| 049 - Ferc Partnership          | 2,136,883          | -                                | -                         | 2,136,883          |
| 009 - BACWA                     | 2,417,460          | -                                | 6,198                     | 2,423,657          |
| 015 - DERWA                     | 1,068,444          | -                                | 14,934                    | 1,083,378          |
| 002 - FRWA                      | 1,068,444          | -                                | 13,645                    | 1,082,089          |
| 014 - IICP                      | 160,800            | -                                | 6,917                     | 167,718            |
| 010 - UMRWA                     | 68,379             | -                                | 2,824                     | 71,203             |
| 003 - Employees Retirement      | 2,648,380          | 2,680,000                        | 30,161                    | 5,358,541          |
| 099 - Wells Fargo**             | 42,385,173         | 138,207                          | -                         | 42,523,380         |
| <b>Total</b>                    | <b>601,004,523</b> | <b>2,818,207</b>                 | <b>817,586</b>            | <b>604,640,316</b> |

\* Portfolio balance presented at face value.

\*\*Wells Fargo's month-end available balance per bank statement. Gross amount; not allocated by fund and not included in balances above.  
A portion of the balance in Wells Fargo is swept to a money market fund to increase investment earnings.

Sherry Sarcos  
Prepared by: Sherry Sarcos, Accounting Technician  
Kevin Ma  
<K. Ma> (Sep 9, 2024 10:44 PM)  
Reviewed by: Kevin Ma, Accounting Supervisor  
David Glasser  
Approved by: David Glasser, Controller

9/9/2024  
Date  
Sep 9, 2024  
Date  
Sep 9, 2024  
Date





EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

| Portfolio                       | Buys         | Deposits     | Matured | Calls | Sales | Withdrawals  | Non-Investment Transactions* | Net Transaction Activity |
|---------------------------------|--------------|--------------|---------|-------|-------|--------------|------------------------------|--------------------------|
| 001 - Water System Consolidated | 40,500,000   | -            | -       | -     | -     | (39,500,000) | -                            | 1,000,000                |
| 007 - Wastewater Consolidated   | 6,500,000    | -            | -       | -     | -     | (7,500,000)  | -                            | (1,000,000)              |
| 049 - Ferc Partnership          | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 009 - BACWA                     | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 015 - DERWA                     | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 002 - FRWA                      | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 014 - IICP                      | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 010 - UMRWA                     | -            | -            | -       | -     | -     | -            | -                            | -                        |
| 003 - Employees Retirement      | -            | 17,228,000   | -       | -     | -     | (14,548,000) | -                            | 2,680,000                |
| Investment Activity Total       | 47,000,000   | 17,228,000   | -       | -     | -     | (61,548,000) | -                            | 2,680,000                |
| 099 - Wells Fargo               | (47,000,000) | (17,228,000) | -       | -     | -     | 61,548,000   | 2,818,207                    | 138,207                  |
| Total                           | -            | -            | -       | -     | -     | -            | 2,818,207                    | 2,818,207                |

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



Reviewed by: Steven Goodman-Leibof, Principal Mgmt Analyst



Approved by: Robert L. Hannay, Treasury Manager

Sep 10, 2024

Date

Sep 11, 2024

Date



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

| Portfolio Name                  | Asset Class   | Description           | CUSIP/Ticker | Trade Date | Settlement Date | Maturity Date | Face Amount/Shares | Principal  | Interest/Dividends | Total      |
|---------------------------------|---------------|-----------------------|--------------|------------|-----------------|---------------|--------------------|------------|--------------------|------------|
| <b>Buys</b>                     |               |                       |              |            |                 |               |                    |            |                    |            |
| 001 - Water System Consolidated | US Treasuries | T-Note 2.75 5/15/2025 | 91282CEQ0    | 8/9/2024   | 8/12/2024       | 5/15/2025     | 40,500,000         | 39,934,215 | 269,358            | 40,203,573 |
|                                 |               |                       |              |            | Total           |               | 40,500,000         |            |                    |            |
| 007 - Wastewater Consolidated   | US Treasuries | T-Note 2.75 5/15/2025 | 91282CEQ0    | 8/9/2024   | 8/12/2024       | 5/15/2025     | 6,500,000          | 6,409,195  | 43,230             | 6,452,425  |
|                                 |               |                       |              |            | Total           |               | 6,500,000          |            |                    |            |
|                                 |               |                       |              |            |                 |               | 47,000,000         | 46,343,410 | 312,588            | 46,655,998 |



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

| Portfolio Name             | Asset Class | Description      | CUSIP/Ticker | Trade Date | Settlement Date | Maturity Date | Face Amount/Shares | Principal         | Interest/Dividends | Total             |
|----------------------------|-------------|------------------|--------------|------------|-----------------|---------------|--------------------|-------------------|--------------------|-------------------|
| <b>Deposits</b>            |             |                  |              |            |                 |               |                    |                   |                    |                   |
| 003 - Employees Retirement | LAIF        | LAIF LGIP        | LGIP1005     | 8/16/2024  | 8/16/2024       | N/A           | 5,572,000          | 5,572,000         | -                  | 5,572,000         |
| 003 - Employees Retirement | LAIF        | LAIF LGIP        | LGIP1005     | 8/6/2024   | 8/6/2024        | N/A           | 500,000            | 500,000           | -                  | 500,000           |
| 003 - Employees Retirement | LAIF        | LAIF LGIP        | LGIP1005     | 8/2/2024   | 8/2/2024        | N/A           | 5,573,000          | 5,573,000         | -                  | 5,573,000         |
| 003 - Employees Retirement | LAIF        | LAIF LGIP        | LGIP1005     | 8/29/2024  | 8/29/2024       | N/A           | 5,583,000          | 5,583,000         | -                  | 5,583,000         |
| <b>Total</b>               |             |                  |              |            |                 |               | <b>17,228,000</b>  |                   |                    |                   |
| 099 - Wells Fargo          | Cash        | WELLS FARGO Cash | CASH2017     | 8/31/2024  | 8/31/2024       | N/A           | 138,207            | 138,207           | -                  | 138,207           |
| <b>Total</b>               |             |                  |              |            |                 |               | <b>138,207</b>     |                   |                    |                   |
|                            |             |                  |              |            |                 |               | <b>17,366,207</b>  | <b>17,366,207</b> | <b>-</b>           | <b>17,366,207</b> |



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

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

\*No Transactions this Period\*



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

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

\*No Transactions this Period\*

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EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

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

\*No Transactions this Period\*



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Investment Activity  
August 2024

| Portfolio Name                  | Asset Class               | Description       | CUSIP/Ticker | Trade Date | Settlement Date | Maturity Date | Face Amount/Shares | Principal         | Interest/Dividends | Total             |
|---------------------------------|---------------------------|-------------------|--------------|------------|-----------------|---------------|--------------------|-------------------|--------------------|-------------------|
| <b>Withdrawals</b>              |                           |                   |              |            |                 |               |                    |                   |                    |                   |
| 001 - Water System Consolidated | Money Market Mutual Funds | Federated MM      | GOFXX        | 8/12/2024  | 8/12/2024       | N/A           | 7,500,000          | 7,500,000         | -                  | 7,500,000         |
| 001 - Water System Consolidated | LAIF                      | LAIF LGIP         | LGIP1001     | 8/12/2024  | 8/12/2024       | N/A           | 17,000,000         | 17,000,000        | -                  | 17,000,000        |
| 001 - Water System Consolidated | Money Market Mutual Funds | Morgan Stanley MM | MVRXX        | 8/12/2024  | 8/12/2024       | N/A           | 7,500,000          | 7,500,000         | -                  | 7,500,000         |
| 001 - Water System Consolidated | Money Market Mutual Funds | State Street MM   | GVMXX        | 8/12/2024  | 8/12/2024       | N/A           | 7,500,000          | 7,500,000         | -                  | 7,500,000         |
| <b>Total</b>                    |                           |                   |              |            |                 |               | <b>39,500,000</b>  |                   |                    |                   |
| 003 - Employees Retirement      | LAIF                      | LAIF LGIP         | LGIP1005     | 8/29/2024  | 8/29/2024       | N/A           | 14,548,000         | 14,548,000        | -                  | 14,548,000        |
| <b>Total</b>                    |                           |                   |              |            |                 |               | <b>14,548,000</b>  |                   |                    |                   |
| 007 - Wastewater Consolidated   | Money Market Mutual Funds | Federated MM      | GOFXX        | 8/12/2024  | 8/12/2024       | N/A           | 1,500,000          | 1,500,000         | -                  | 1,500,000         |
| 007 - Wastewater Consolidated   | LAIF                      | LAIF LGIP         | LGIP1001     | 8/12/2024  | 8/12/2024       | N/A           | 3,000,000          | 3,000,000         | -                  | 3,000,000         |
| 007 - Wastewater Consolidated   | Money Market Mutual Funds | Morgan Stanley MM | MVRXX        | 8/12/2024  | 8/12/2024       | N/A           | 1,500,000          | 1,500,000         | -                  | 1,500,000         |
| 007 - Wastewater Consolidated   | Money Market Mutual Funds | State Street MM   | GVMXX        | 8/12/2024  | 8/12/2024       | N/A           | 1,500,000          | 1,500,000         | -                  | 1,500,000         |
| <b>Total</b>                    |                           |                   |              |            |                 |               | <b>7,500,000</b>   |                   |                    |                   |
|                                 |                           |                   |              |            |                 |               | <b>61,548,000</b>  | <b>61,548,000</b> | -                  | <b>61,548,000</b> |



**EAST BAY MUNICIPAL UTILITY DISTRICT**  
**Monthly Interest Activity**  
**August 2024**

| Portfolio                       | Total Interest Received | Interest Transferred to Wells Fargo* | Net Interest Activity (Reinvested)** |
|---------------------------------|-------------------------|--------------------------------------|--------------------------------------|
| 001 - Water System Consolidated | 503,256                 | -                                    | 503,256                              |
| 007 - Wastewater Consolidated   | 239,650                 | -                                    | 239,650                              |
| 049 - Ferc Partnership          | -                       | -                                    | -                                    |
| 009 - BACWA                     | 6,198                   | -                                    | 6,198                                |
| 015 - DERWA                     | 14,934                  | -                                    | 14,934                               |
| 002 - FRWA                      | 13,645                  | -                                    | 13,645                               |
| 014 - IICP                      | 6,917                   | -                                    | 6,917                                |
| 010 - UMRWA                     | 2,824                   | -                                    | 2,824                                |
| 003 - Employees Retirement      | 30,161                  | -                                    | 30,161                               |
| Interest Transactions Total     | 817,586                 | -                                    | 817,586                              |
|                                 |                         |                                      |                                      |
| 099 - Wells Fargo               | -                       | -                                    | -                                    |
|                                 |                         |                                      |                                      |
| <b>Total</b>                    | <b>817,586</b>          | <b>-</b>                             | <b>817,586</b>                       |

\*Coupon and other interest received; reinvestment unavailable.

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

Sherry Sarcos  
 Prepared by: Sherry Sarcos, Accounting Technician  
Kevin Ma  
 Reviewed by: Kevin Ma, Accounting Supervisor  
David Glasser  
 Approved by: David Glasser, Controller

9/9/2024  
 Date  
Sep 9, 2024  
 Date  
Sep 9, 2024  
 Date





EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Interest Activity  
August 2024

| Portfolio Name                                 | Asset Class | Description | CUSIP/Ticker | Trade Date | Settlement Date | Maturity Date | Face Amount/Shares | Principal | Interest/Dividends | Total |
|--|-------------|-------------|--------------|------------|-----------------|---------------|--------------------|-----------|--------------------|-------|
| Interest Received (Transferred to Wells Fargo) |             |             |              |            |                 |               |                    |           |                    |       |

\*No Transactions this Period\*



EAST BAY MUNICIPAL UTILITY DISTRICT  
Monthly Interest Activity  
August 2024


| Portfolio Name                        | Asset Class                      | Description             | CUSIP/Ticker | Trade Date | Settlement Date | Maturity Date | Face Amount/Shares | Principal | Interest/Dividends | Total          |
|---------------------------------------|----------------------------------|-------------------------|--------------|------------|-----------------|---------------|--------------------|-----------|--------------------|----------------|
| <b>Interest Received (Reinvested)</b> |                                  |                         |              |            |                 |               |                    |           |                    |                |
| 001 - Water System Consolidated       | Local Government Investment Pool | CAMP LGIP               | CAMP6035     | 8/30/2024  | 8/30/2024       | N/A           | -                  | -         | 145,541            | 145,541        |
| 001 - Water System Consolidated       | Money Market Mutual Funds        | Federated MM            | GOFXX        | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 119,887            | 119,887        |
| 001 - Water System Consolidated       | Money Market Mutual Funds        | Morgan Stanley I MVRXX  |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 113,552            | 113,552        |
| 001 - Water System Consolidated       | Money Market Mutual Funds        | State Street MM GVMXX   |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 120,196            | 120,196        |
| 001 - Water System Consolidated       | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 4,081              | 4,081          |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>503,256</b> |
| 007 - Wastewater Consolidated         | Local Government Investment Pool | CAMP LGIP               | CAMP6035     | 8/30/2024  | 8/30/2024       | N/A           | -                  | -         | 35,195             | 35,195         |
| 007 - Wastewater Consolidated         | Money Market Mutual Funds        | Federated MM            | GOFXX        | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 33,090             | 33,090         |
| 007 - Wastewater Consolidated         | Money Market Mutual Funds        | Morgan Stanley I MVRXX  |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 28,243             | 28,243         |
| 007 - Wastewater Consolidated         | Money Market Mutual Funds        | State Street MM GVMXX   |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 33,371             | 33,371         |
| 007 - Wastewater Consolidated         | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 109,751            | 109,751        |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>239,650</b> |
| 002 - FRWA                            | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 13,645             | 13,645         |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>13,645</b>  |
| 003 - Employees Retirement            | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 30,161             | 30,161         |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>30,161</b>  |
| 009 - BACWA                           | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 6,198              | 6,198          |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>6,198</b>   |
| 010 - UMRWA                           | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 2,824              | 2,824          |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>2,824</b>   |
| 014 - ICP                             | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 6,917              | 6,917          |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>6,917</b>   |
| 015 - DERWA                           | Cash                             | WELLS FARGO C: CASH2017 |              | 8/1/2024   | 8/1/2024        | N/A           | -                  | -         | 14,934             | 14,934         |
| <b>Total</b>                          |                                  |                         |              |            |                 |               |                    |           |                    | <b>14,934</b>  |
|                                       |                                  |                         |              |            |                 |               |                    |           | <b>817,586</b>     | <b>817,586</b> |


## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: September 19, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager 

FROM: Sophia D. Skoda, Director of Finance 

SUBJECT: Fiscal Year 2024 Key Performance Indicators Report

### SUMMARY

Fiscal Year (FY) 2024 Key Performance Indicators (KPIs) and targets were discussed at the May 24, 2022 Long-Term Financial Stability, Key Performance Indicators Update, and Mid-Cycle Budget Workshop and are part of the Board-adopted Strategic Plan to measure progress in meeting the six strategic plan goals. Attached is the FY 2024 KPI performance report, which will be discussed at the September 24, 2024 Finance/Administration Committee meeting.

### DISCUSSION

The District's Strategic Plan outlines goals, strategies, and objectives, and provides the framework for the District to achieve its mission. The Strategic Plan (last updated in July 2020) is updated as necessary to reflect changes in the mission or major goals or strategies. The second component of the plan, the Key Performance Indicators, updated every two years and is the criteria that supports assessment of progress on meeting the Strategic Plan goals. The FY 2023 and FY 2024 KPIs were established in May 2022; the FY 2025 and FY 2026 KPIs were discussed at the May 28, 2024 Mid-Cycle Budget Update Workshop.

For FY 2024, the District met or was on track to meet 91 percent of its measurable targets, compared to 94 percent in FY 2023. A total of seven targets were not met and not on track: biogas recapture for on-site energy production at the Main Wastewater Treatment Plant (MWWTP); number of concrete digesters and concrete aerated grit tanks rehabilitated; MWWTP Administrative Facilities Seismic Retrofits design completion; Wastewater capital expenditures as a percentage of capital budgeted cash flow; percent of customers rating the District's services as "good" or "excellent" in Recreation; Contact Center percent of calls answered within less than or equal to 60 seconds; and Injury and Illness Investigations completed within 10 working days. Details on the KPI results are provided in the attachment.

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Attachment: Key Performance Indicators Report for Fiscal Year 2024

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# Strategic Plan

9th Edition | July 2020



Photo on cover is the Pardee Reservoir.

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*Downtown Oakland*

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## Introduction

Key Performance Indicators (KPIs) measure the progress made in achieving the Strategic Plan goals. An effective KPI serves as an important measure of progress. KPIs can track efficiency, effectiveness, quality, timeliness, compliance, behaviors, economics, project performance, personnel performance, or resource utilization. The KPIs and targets are evaluated and revised as part of the Strategic Plan update process. Performance is reported annually to the Board of Directors. The current set of KPIs is part of the Strategic Plan adopted by the Board of Directors in June 2020.

## Strategic Plan Overview

The purpose of the strategic planning process is to define the actions that need to be taken in the next three to five years to achieve the District's mission now and well into the future. The Strategic Plan incorporates the District's mission and principles and identifies its goals, strategies, objectives, and KPIs. The Plan guides staff in setting priorities and allocating resources.

- The District's **Mission** is to manage the natural resources with which the District is entrusted; to provide reliable, high-quality water and wastewater services at fair and reasonable rates for the people of the East Bay; and to preserve and protect the environment for future generations.
- **Principles** provide the foundation of the Strategic Plan and form the basis of the District's business practices.
- **Goals** define in broad terms the high-level achievements the District will pursue; they explain 'what' not 'how' and tell where the District is going rather than how to get there.
- **Strategies** define the actions that are necessary to achieve each goal and may take several years to implement.
- **Objectives** reflect what is needed to accomplish in the near term.
- **KPIs** measure progress toward achieving the District's goals.



Pardee Reservoir

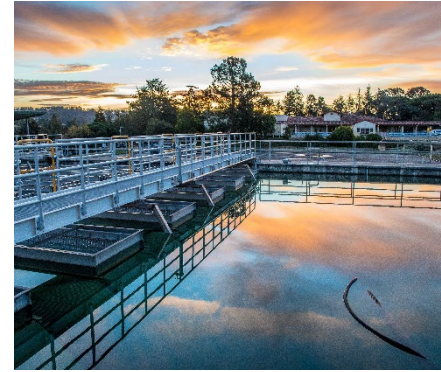


Recycled Water

# KEY PERFORMANCE INDICATOR SUMMARY

The fiscal year (FY) 2024 KPI results are summarized in the table below. The District met or was on target to meet 91 percent of its KPIs where targets were set, and data was available despite impacts from the pandemic.

| Key | FY 2024 Results                 | # KPIs    |
|-----|---------------------------------|-----------|
| ++  | Target met                      | 67        |
| +   | Target not met, but on track    | 7         |
| --  | Target not met                  | 7         |
| ■   | Performance measure only or N/A | 11        |
|     | <b>Total KPIs</b>               | <b>92</b> |



Upper San Leandro Water Treatment Plant

A summary of the performance of each current KPI from FY 2019 through FY 2024, along with its FY 2024 target is shown in the following table.

| KEY PERFORMANCE INDICATOR – SUMMARY  | FY 2024<br>TARGET | FY<br>2019 | FY<br>2020 | FY<br>2021 | FY<br>2022 | FY<br>2023 | FY<br>2024 |
|--|-------------------|------------|------------|------------|------------|------------|------------|
| <b>Long-Term Water Supply</b>  |                   |            |            |            |            |            |            |
| Additional supply by 2040 to provide 85 percent reliability under design drought conditions and diversify through regional partnerships  | Various           | +          | +          | +          | +          | +          | +          |
| 70 million gallons per day (MGD) savings from conservation programs / natural replacement by 2050 (baseline yr. 1995)  | 50.8 MGD          | ++         | ++         | ++         | ++         | ++         | ++         |
| Meet state long-term framework (conservation) target by achieving established residential indoor per capita water use  | Various           | ++         | ++         | ++         | ++         | ++         | ++         |
| 20 MGD of recycled water capability by 2040  | Various           | +          | ++         | +          | --         | +          | +          |
| Update the Climate Change Monitoring and Response Plan. Explore approaches for how to adapt to potential future conditions and identify "no regrets" infrastructure investment decisions | Various           | n/a        | n/a        | ++         | ++         | +          | ++         |
| Continue District leadership in climate change by participating in climate change studies, workshops, or education events  | 3                 | n/a        | n/a        | ++         | ++         | ++         | ++         |
| <b>Water Quality and Environmental Protection</b>  |                   |            |            |            |            |            |            |
| Mokelumne River fall-run Chinook salmon returns (long-term average)  | 4,734             | ++         | ++         | ++         | ++         | ++         | ++         |
| Percent of water quality regulations met   | 100 percent       | ++         | ++         | ++         | ++         | ++         | ++         |

| KEY PERFORMANCE INDICATOR – SUMMARY   | FY 2024 TARGET                         | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|---|--|---------|---------|---------|---------|---------|---------|
| Percent of water quality goals met  | 100 percent                            | +       | +       | +       | +       | +       | +       |
| Number of NPDES and Waste Discharge Permit Notices of violation received  | 0                                      | +       | +       | +       | ++      | +       | ++      |
| Achieve carbon neutrality for indirect and direct greenhouse gas (GHG) emissions by 2030 for the Water and Wastewater systems.  | ≤28,348 MT CO <sub>2</sub>             | ++      | ++      | ++      | ++      | ++      | ++      |
| Capture biogas sufficient to produce on-site energy to meet electric power demands of the Main Wastewater Treatment Plant (MWWTP) and evaluate the best uses of excess biogas | 100 percent of demand                  | --      | +       | ++      | ++      | ++      | --      |
| Pursue large-scale photovoltaic project at the Duffel property located in Orinda  | Begin construction                     | n/a     | n/a     | +       | +       | ++      | ++      |
| Implement Private Sewer Lateral (PSL) Program to reduce wet weather flows and achieve a high compliance rate at point of sales  | 90 percent                             | ++      | ++      | ++      | ++      | ++      | ++      |
| Meet Joint Settlement Agreement (JSA) Mokelumne River minimum flow releases 100 percent of the time   | 100 percent                            | ++      | ++      | ++      | ++      | ++      | +       |
| Review operations with lower Mokelumne stakeholders every two years   | n/a                                    | n/a     | n/a     | ++      | ++      | ++      | n/a     |
| <b>Long-Term Infrastructure Investment</b>  |  |         |         |         |         |         |         |
| Complete the Wastewater Interceptor Master Plan   | Complete inspections and prepare draft | n/a     | n/a     | n/a     | n/a     | ++      | +       |
| Number of water system pipeline breaks per 100 miles of pipe  | ≤ 20                                   | --      | +       | --      | --      | --      | ++      |
| Percent of water system corrective work order hours classified high priority  | ≤ 10 percent                           | ++      | ++      | ++      | --      | ++      | ++      |
| Miles of pipe surveyed for leaks  | ≥ 800                                  | ++      | ++      | ++      | ++      | ++      | ++      |
| Percent of water system valves exercised  | ≥ 10 percent                           | ++      | ++      | ++      | +       | +       | +       |
| Real water losses in gallons per capita per day (gpcd)  | 44.0                                   | n/a     | n/a     | n/a     | n/a     | ++      | ++      |
| Percent of high priority meter repair orders completed in 60 days   | ≥ 90 percent                           | ++      | ++      | ++      | ++      | ++      | ++      |
| Miles of distribution pipe replaced   | ≥ 22.5                                 | ++      | ++      | ++      | ++      | ++      | ++      |
| District directed non-discretionary change orders on construction contracts   | ≤ 4 percent                            | ++      | +       | ++      | ++      | ++      | ++      |
| Number of concrete digesters and concrete aerated grit tanks rehabilitated  | 2                                      | n/a     | n/a     | ++      | --      | --      | --      |
| MWWTP Administrative Facilities Seismic Retrofits   | Complete construction                  | n/a     | n/a     | n/a     | n/a     | --      | --      |
| Implement the Orinda Water Treatment Plant Disinfection Improvements (UV/CCB)   | Continue construction                  | n/a     | n/a     | ++      | ++      | ++      | ++      |

| KEY PERFORMANCE INDICATOR – SUMMARY  | FY 2024<br>TARGET                    | FY<br>2019 | FY<br>2020 | FY<br>2021 | FY<br>2022 | FY<br>2023 | FY<br>2024 |
|--|--------------------------------------|------------|------------|------------|------------|------------|------------|
| Cumulative annual average number of steel water tanks rehabilitated                          | 2                                    | ++         | ++         | ++         | ++         | ++         | ++         |
| Cumulative annual average number of pumping plants rehabilitated                             | 2                                    | ++         | --         | ++         | ++         | ++         | ++         |
| <b>Long-Term Financial Stability</b>   |                                      |            |            |            |            |            |            |
| Percent of capital program funded from debt over five-year period                            | ≤ 65 percent                         |            |            |            |            |            |            |
| Water  |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Wastewater   |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Debt service coverage  | ≥ 1.6 times                          |            |            |            |            |            |            |
| Water  |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Wastewater   |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Actual reserves as percent of target   | ≥ 100 percent                        |            |            |            |            |            |            |
| Water  |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Wastewater   |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Water rates as compared to other Bay Area agencies   | ≤ median                             | ++         | ++         | +          | +          | ++         | ++         |
| Wastewater treatment charge as a share of the total bill compared to other Bay Area agencies | ≤ median                             | --         | --         | ++         | ++         | ++         | ++         |
| Percent of planned audits completed  | 100 percent                          | +          | +          | +          | +          | +          | +          |
| Percent of audit findings resolved within 90 days  | 100 percent                          | ++         | ++         | ++         | ++         | ++         | ++         |
| Operating expenditures as a percentage of operating budget                                   | ≤ 100 percent                        |            |            |            |            |            |            |
| Water  |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Wastewater   |                                      | ++         | ++         | ++         | ++         | ++         | ++         |
| Capital expenditures as a percentage of capital budgeted cash flow                           | 90-110 percent of a two-year average |            |            |            |            |            |            |
| Water  |                                      | ++         | +          | +          | ++         | ++         | ++         |
| Wastewater   |                                      | --         | +          | +          | ++         | ++         | --         |
| Cyber Security Operational Readiness   |                                      |            |            |            |            |            |            |
| • Planned patch cycles met   | > 90 percent                         | ++         | ++         | ++         | ++         | ++         | ++         |
| • Business recovery exercises  | 2 per year                           | ++         | ++         | ++         | ++         | ++         | ++         |
| • Security awareness events  | 4 per year                           | ++         | ++         | ++         | ++         | ++         | ++         |
| • Biennial IT security controls assessment   | Complete                             | ++         | ++         | ++         | ++         | ++         | ++         |
| <b>Customer and Community Services</b>   |                                      |            |            |            |            |            |            |
| Consolidate District education resources   | Review                               | n/a        | n/a        | +          | +          | +          | ++         |
| Conduct media/advertising campaigns  | 3                                    | n/a        | n/a        | ++         | ++         | ++         | ++         |
| Publish external digital/print publications  | 8                                    | n/a        | n/a        | ++         | ++         | ++         | ++         |
| Participate in community engagement events   | 100                                  | n/a        | n/a        | ++         | ++         | ++         | ++         |

| KEY PERFORMANCE INDICATOR – SUMMARY   | FY 2024 TARGET  | FY 2019              | FY 2020              | FY 2021               | FY 2022              | FY 2023              | FY 2024              |
|---|---|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| Percent of customers rating the District's services as "Good" or "Excellent":<br><ul style="list-style-type: none"> <li>Field Services</li> <li>New Business</li> <li>Water Quality</li> <li>Recreation</li> </ul>  | ≥ 90 percent  | ++<br>++<br>++<br>+  | ++<br>++<br>++<br>++ | ++<br>++<br>++<br>n/a | ++<br>+<br>++<br>n/a | ++<br>+<br>++<br>--  | ++<br>++<br>++<br>-- |
| Percent of customers rating "Overall Job" as "Good" or "Excellent" from the customer opinion survey   | n/a   | --                   | n/a                  | n/a                   | n/a                  | ++                   | n/a                  |
| Contact Center service level<br><ul style="list-style-type: none"> <li>Average speed of answer to calls coming into the Contact Center</li> <li>Percent of calls answered within the target of ≤ 60 seconds</li> <li>Percent of customers rating as "Good" or "Excellent" based on first call resolution, staff knowledge, promptness, courtesy, and overall quality</li> <li>Abandonment rate</li> </ul> | ≤ 60 seconds<br>≥ 80 percent<br>≥ 80 percent<br>≤ 3 percent | ++<br>++<br>--<br>++ | ++<br>++<br>--<br>++ | ++<br>++<br>++<br>++  | ++<br>++<br>++<br>++ | ++<br>++<br>++<br>++ | ++<br>--<br>++<br>++ |
| Timely billing of customer statements as scheduled  | ≥ 99 percent  | ++                   | ++                   | ++                    | ++                   | ++                   | ++                   |
| Percent of time customer dependent systems are available  | ≥ 99.9 percent  | ++                   | ++                   | ++                    | ++                   | ++                   | ++                   |
| Unplanned water service interruptions per 1,000 active accounts:<br><ul style="list-style-type: none"> <li>&lt;4 hours</li> <li>4-12 hours</li> <li>&gt;12 hours</li> </ul>   | ≤ 10<br>≤ 5<br>≤ 2  | ++<br>++<br>++       | ++<br>++<br>++       | ++<br>++<br>++        | ++<br>++<br>++       | ++<br>++<br>++       | ++<br>++<br>++       |
| Odor complaints near the MWWTP  | ≤ 30 complaints   | ++                   | ++                   | ++                    | ++                   | ++                   | ++                   |
| Notify customers in advance of shut-off for non-payment and provide information on options to avoid service interruption for non-payment of bills per District Regulations – Section 15 and 15A   | 100 percent   | ++                   | ++                   | n/a                   | n/a                  | ++                   | ++                   |
| Proactively review and update alternative to shut-off program and Customer Assistance Program (CAP)   | Review and adjustments                                      | ++                   | ++                   | ++                    | ++                   | +                    | ++                   |
| Increase CAP enrollments  | Performance Measure Only                                    | ■                    | ■                    | ■                     | ■                    | ■                    | ■                    |
| Reduce service interruptions for CAP participants   | Performance Measure Only                                    | ■                    | ■                    | ■                     | ■                    | ■                    | ■                    |
| Participate in targeted outreach events in disadvantaged communities to increase CAP enrollment   | 3   | n/a                  | n/a                  | ++                    | ++                   | ++                   | ++                   |
| Update the District's Emergency Operation Plan every five years   | n/a   | ++                   | ++                   | ++                    | ++                   | ++                   | n/a                  |
| Conduct the District's Emergency Operations Team (EOT) exercise annually  | Complete  | ++                   | ++                   | ++                    | ++                   | ++                   | ++                   |
| Update all Business Continuity plans every two years  | n/a   | ++                   | n/a                  | ++                    | ++                   | ++                   | n/a                  |
| Conduct Business Continuity exercises annually  | 100 percent   | ++                   | +                    | ++                    | ++                   | ++                   | ++                   |

| KEY PERFORMANCE INDICATOR – SUMMARY  | FY 2024<br>TARGET            | FY<br>2019 | FY<br>2020 | FY<br>2021 | FY<br>2022 | FY<br>2023 | FY<br>2024 |
|--|------------------------------|------------|------------|------------|------------|------------|------------|
| Update the District's Risk and Resilience assessment every five years  | n/a                          | n/a        | n/a        | ++         | ++         | ++         | n/a        |
| Conduct annual exercises or meetings with mutual assistance partners and stakeholders  | 3                            | n/a        | n/a        | ++         | ++         | ++         | ++         |
| <b>Workforce Planning and Development</b>  |                              |            |            |            |            |            |            |
| Number of injury & illness incidents resulting in time away from work per 100 employees  | ≤ 3.0                        | ++         | ++         | ++         | ++         | ++         | ++         |
| Injury and Illness Investigations (PE-020 forms) completed within 10 working days  | > 99 percent                 | n/a        | n/a        | --         | +          | --         | --         |
| Complete departmental workforce plans  | Review                       | n/a        | n/a        | n/a        | n/a        | ++         | ++         |
| Diversity, Equity & Inclusion Strategic Plan   | Complete second-year actions | n/a        | n/a        | +          | ++         | ++         | ++         |
| Annually implement outreach campaigns on wellness themes   | 4                            | ++         | ++         | ++         | ++         | +          | ++         |
| Annual average training hours per employee   | 30                           | ++         | ++         | --         | ++         | ++         | ++         |
| Ensure employees complete all required training  | Begin pilot                  | n/a        | n/a        | n/a        | n/a        | ++         | ++         |
| Number of employees in development programs (academies, rotations, internships, mentorships)   | Performance Measure Only     | ■          | ■          | ■          | ■          | ■          | ■          |
| Percent of performance plans completed on time   | > 99 percent                 | ++         | +          | ++         | +          | ++         | ++         |
| Percent of performance appraisals completed on time  | > 99 percent                 | ++         | ++         | ++         | +          | ++         | ++         |
| Percent of exams resulting in hiring lists within 60 days or less  | 80 percent                   | ++         | ++         | ++         | ++         | ++         | ++         |
| Percent of candidates on hiring eligibility lists (including employees and external applicants) who identify as minority and/or female | Performance Measure Only     | ■          | ■          | ■          | ■          | ■          | ■          |
| Number of interns  | Performance Measure Only     | ■          | ■          | ■          | ■          | ■          | ■          |
| Percent of interns who identify as minority and/or female  | Performance Measure Only     | n/a        | n/a        | ■          | ■          | ■          | ■          |



## Long-Term Water Supply

**Goal:** We ensure a reliable high quality water supply for the future.

- Strategy 1:** Preserve current water rights and entitlements and augment the District's successful water supply projects by obtaining supplemental supplies to meet customer demands.
- Strategy 2:** Reduce potable water demand through water efficiency and conservation and build on past water savings success to help ensure a reliable water supply.
- Strategy 3:** Reduce potable water demand through water recycling and build on past success to achieve a diversified and reliable water supply.
- Strategy 4:** Consider the impacts of climate change and take appropriate action to understand and balance mitigation and adaptation responses to those impacts through sustainable activities.



*The Freeport Regional Water Project is a supplemental water supply source during dry years.*

## Long-Term Water Supply

| Key Performance Indicator   | FY 2024 Target  | FY 2024 Performance   | Target Met? |
|---|---|---|-------------|
| <b>Strategy 1: Supplemental Supply</b>  |   |   |             |
| Additional supply by 2040 to provide 85 percent reliability under design drought conditions and diversify through regional partnerships | Work with Placer County Water Agency to complete environmental document for a long-term water transfer  | <p>The Basis-of-Negotiations (BON) with the United States Bureau of Reclamation (USBR) was approved by the Washington D.C. Commissioner's office. Formal negotiations began in October 2023 and are in progress.</p> <p>The Environmental Assessment with Placer County Water Agency was published and approved by USBR in November 2022 and republished and approved in November 2023.</p> | +           |
|   | If needed, complete short-term water transfers to supplement water supplies   | Not needed.   | ++          |
|   | Operate the Demonstration Recharge Extraction and Aquifer Management (DREAM) Pilot Project in San Joaquin County and compile lessons learned                                      | DREAM pilot project operation was completed, including extraction of banked groundwater that was delivered into EBMUD's aqueduct. Compilation of lessons learned is in progress.  | +           |
|   | Complete the Bay Area Regional Reliability (BARR) Shared Water Access Program (SWAP) study and pilot test   | Completed and submitted the SWAP Report to USBR.  | ++          |
|   | Determine level of participation in Los Vaqueros (LV), assist JPA with securing grant funding, initiate water rights permits, and complete negotiation of all required agreements | The LV key agreements development schedule was extended and an updated participation level was approved in early FY 2025.   | +           |
|   | Continue implementation of the Groundwater Sustainability Plan (GSP) for East Bay Plain   | Continued implementation of the GSP including monitoring groundwater levels and water quality, and submitted the Annual Report to Department of Water Resources.  | ++          |



| Key Performance Indicator   | FY 2024 Target  | FY 2024 Performance  | Target Met? |
|---|---|--|-------------|
| <b>Strategy 2: Water Conservation</b>   |   |  |             |
| 70 MGD savings from conservation programs / natural replacement by 2050 (baseline yr. 1995)                           | Implement Water Conservation Strategic Plan measures that are expected to result in 50.8 MGD of savings | Continued progress towards the 2050 goal; current estimated savings to be approximately 52 MGD. Next progress status will be determined during the Demand Study econometric model update in 2028.  | ++          |
| Meet state long-term framework (conservation) target by achieving established residential indoor per capita water use | 55 gpcd   | Current residential indoor water use is less than 49 gpcd.   | ++          |
|   | Implement Water Conservation Strategic Plan   | Continued implementing Water Conservation Strategic Plan elements such as Landscape Design Assistance Program (LDAP), self-help videos, and virtual office hours to support customers in reducing indoor and outdoor water use and maintain good conservation habits post drought. | ++          |
| <b>Strategy 3: Water Recycling</b>  |   |  |             |
| 20 MGD of recycled water capability by 2040   | Continue to implement strategies in the DERWA Side Agreement  | Flowmeters at 14 customer sites were used to monitor hourly customer recycled water use to support demand management. Provided assistance to support completion of the DERWA Supply and Operations Plan Update.  | ++          |
|   | Complete environmental documentation of the future Emeryville to Albany pipeline and begin final design | Completed hydraulic analysis of the Emeryville to Albany pipeline and analysis of additional alternatives identified. Defer environmental documentation to after completion of the Recycled Water Strategic Plan Update in FY 2025.  | +           |

| Key Performance Indicator  | FY 2024 Target   | FY 2024 Performance   | Target Met? |
|--|--|---|-------------|
|  | Begin implementing recommendations from the East Bayshore water quality improvement pilot project          | Completed water quality improvement pilot and conducting additional studies identified including pipeline corrosion mitigation and chlorine contact tracer study required by the state. Recommendations will be confirmed and implemented after additional studies are completed. | +           |
| <b>Strategy 4: Climate Change</b>  |  |   |             |
| Update the Climate Change Monitoring and Response Plan. Explore approaches for how to adapt to potential future conditions and identify "no regrets" infrastructure investment decisions | Develop planning and design standards that incorporate climate change adaptation and mitigation principles | The Climate Action Plan was updated in 2024 and is posted on EBMUD.com.   | ++          |
|  | Complete annual GHG emission inventory   | Completed   | ++          |
| Continue District leadership in climate change by participating in climate change studies, workshops, or education events  | 3  | 6   | ++          |

**Strategy 1: Supplemental Supply:** The Water Supply Management Program (WSMP) identified a portfolio of supplemental supplies, and the Urban Water Management Plan reflects the updates. In FY 2024, progress continued on obtaining approvals to implement a long-term water transfer arrangement with the Placer County Water Agency (PCWA). The Basis of Negotiations was approved by the U.S. Bureau of Reclamation in FY 2024. Negotiations for the long-term Warren Act Contract began in October 2023 and are continuing. In November 2023, the USBR republished and approved the Environmental Assessment supporting the Long-Term Warren Act Contract.

EBMUD, North San Joaquin Water Conservation District (NSJWCD), and San Joaquin County completed in-lieu recharge and groundwater extraction in FY 2024 for the Demonstration Recharge, Extraction and Aquifer Management (DREAM) Project. EBMUD released 658 acre feet (AF) of Mokelumne River from Camanche Reservoir in 2023 and NSJWCD diverted 592 AF, effectively banking 296 AF (or 50 percent of 592 AF) for EBMUD future extraction. In early 2024, 223 AF of groundwater was delivered into EBMUD Mokelumne Aqueduct No. 1 and No. 2 as a part of the demonstration project. The water EBMUD released to NSJWCD in 2023 was made available under the third change petition approved in FY 2024 by the State Water Resources Control Board. The change petition extended the time period from July 31, 2023 through October 31, 2023 for EBMUD to transfer up to 658 AF of surplus water from using recycled water in EBMUD's service areas instead of water from Pardee Reservoir. Work preparing the draft DREAM lessons learned report began in FY 2024 and will be completed in early FY 2025.

In August 2024, the Board approved staff's recommendation to remain in the LV JPA with a reduced District storage allocation from 30 total acre feet (TAF) to 0 TAF. The District continues to be supportive of this regional project and would still be able to wheel for partners and provide backup conveyance under certain conditions with full reimbursement, and staff will continue negotiations to support approved participation levels with reasonable terms and appropriate administrative costs.

In July 2023, the Department of Water Resources (DWR) approved the East Bay Plain Subbasin Groundwater Sustainability Plan (GSP) that was developed by EBMUD and the City of Hayward and submitted to DWR in January 2022. DWR had nine recommended corrective actions on the GSP related to revising to the sustainable management criteria for land subsidence, seawater intrusion, and interconnected surface water, and revising the definition of undesirable results for degraded groundwater quality. In February 2024, EBMUD and Hayward met with DWR to discuss the corrective actions. EBMUD and Hayward also completed and submitted the Water Year 2023 Annual Report for the East Bay Plain Subbasin to the Department of Water Resources in March 2024, and DWR determined in May 2024 that no further information or action was required on the Annual Report. Additionally, EBMUD and Hayward conducted biannual groundwater-level and water-quality monitoring of the required monitoring wells.

**Strategy 2: Water Conservation:** In FY 2024, the Water Conservation Program continued progress in meeting the District's long-term conservation goals of 70 MGD of savings by the year 2050. To build on the water savings achieved during the most recent drought, staff began implementing new initiatives as outlined in the Water Conservation Strategic Plan that focused on informational services to assist customers to make informed decisions about their water use. Following the drought, the District adjusted its messaging from mandatory water savings to focusing on services to help customers continue their efficient use of water.

During FY 2024, Water Conservation began work on a new campaign that will focus on cultivating a water conservation culture throughout the District's service area. Conservation culture is about developing positive attitudes, beliefs, norms, and behaviors with a focus on everyday actions that result in long-term water conservation as opposed to short-term drought response. The campaign will emphasize social, economic, and environmental resiliency by recognizing the multiple benefits of water conservation and invites customers to participate in creating and sharing a culture together.

Water Conservation created a robust "Fix a Leak Week" campaign, which included the District's first ever viral Instagram Reel, which had more than 340,000 views and led to nearly a 200 percent increase in followers to the District's Instagram account, 14 new videos on the District's YouTube channel and improved organization of the channel for easier navigation. New videos included: how to conduct a Home Survey Kit audit, updated landscape rebate app tutorial, laundry-to-landscape overview, how to create an ebud.com account, Commercial Industrial Institutional toilet diaphragm replacement, Landscape Advisory Committee meeting on Decorative Lawn Watering Ban, webinar on turning yards into biodiversity hotspots, English, Spanish and Chinese versions of multifamily audit how-to videos, how to upgrade sprinkler nozzles, and YouTube shorts of reading meter and irrigation leaks. The District's most popular YouTube video, showing how to find toilet leaks in Spanish, now has more 144,000 views.

Progress towards achieving the water conservation savings target is on course. Based on the demand study, the District reached 46 MGD of savings through 2018 and is averaging more than 0.8 MGD of annual increased savings. Given this, staff estimates that more than 52 MGD of savings have been achieved by FY 2024. The District recognizes the recent drought and the ongoing pandemic could have altered customers' water usage during this reporting period, and these accomplishments will be assessed in the next full run of the demand study model in 2028.

**Strategy 3: Water Recycling:** The target for water recycling is to reduce potable water demand by 20 MGD by the year 2040. Recycled water capability of more than 9 MGD has been achieved through a combination of irrigation and industrial reuse projects which include refinery processes, irrigation, and commercial applications in Richmond, Oakland, Emeryville, and San Ramon.

The District completed a feasibility study of recycled water partnership opportunities using Central San's available wastewater effluent. Results of this study are being used to inform recommendations in the Recycled Water Strategic Plan Update 2024.

The District continued work on the Recycled Water Strategic Plan Update 2024, which will be completed in FY 2025. A Board workshop was held in March 2024. The District's 2019 Recycled Water Master Plan Update depended entirely on non-potable reuse to attain the District's current recycled water goal and evaluated potential potable reuse projects that could be considered in the future. The Recycled Water Strategic Plan 2024 would develop a comprehensive update to the District's 2019 plan. The 2024 update would evaluate the District's current recycled water projects and develop a revised recycled water priority list based on revised recommended reuse goals. The update would assess potable reuse and whether to potentially recommend updated recycling goals to include potable reuse.

Staff completed the water quality improvements pilot study for the East Bayshore project to support expanded recycled water use. Additional studies were identified that need to be completed including an assessment of pipeline corrosion and mitigation and a chlorine contact tracer study required by the state. Once the additional studies are completed, the recommended improvements will be confirmed. Staff updated the East Bayshore Recycled Water Project hydraulic model and assessment alternative alignments, which are being considered in the Recycled Water Strategic Plan Update.

EBMUD continued to monitor the development of a potential future satellite recycled water project at Diablo Country Club in Diablo. Additionally, discussions continue with Blackhawk Country Club to evaluate the feasibility of supplying the golf course with recycled water during non-peak irrigation months. The North Richmond Water Recycling Plant and Richmond Advanced Recycled Expansion facilities continued to operate in FY 2024 to maximize use of recycled water at the Chevron refinery.

In March 2024, Congress passed the FY 2024 Energy and Water Development spending bill which included \$2.525 million for the East Bayshore Oakland-Alameda Estuary Crossing project. The funding is part of the Water Resources Development Act (WRDA). EBMUD submitted a project fact sheet for the East Bayshore Oakland-Alameda Estuary Crossing project to members of the District's federal delegation to request the funding and to increase the overall authorization, and \$2.5 million was earmarked in the FY 2024 Energy & Water Development Bill. This work is expected to be completed by the United States Army Corps of Engineers (USACE) and is not a grant to the District but will reduce the District's share of the total project cost. Staff continues to work with USACE to develop the project agreement. In June 2024, United States Representative John Garamendi requested an additional \$20 million for the WRDA Authorization, which would increase the total available funding from the current \$25 million to \$45 million under the District's Integrated Recycled Water Program.

**Strategy 4: Climate Change:** A 2024 Climate Action Plan was completed that combined the 2014 Climate Change Monitoring and Response Plan and the 2021 Climate Action Plan. The new Plan was presented to the Board in January 2024. The District continued to support The Climate Registry's Water Energy Nexus Protocol and remains an active participant with this effort to capture GHG emissions accurately and consistently in the water industry.

Staff participated in various climate change studies, workshops, and education events.

- January 23-24, 2024 – United States Department of Energy Industrial Efficiency and Decarbonization Workshop for Water Resource Recovery Facilities GHG Emissions Workshop (participant), Washington, DC
- February 9, 2024 – Water Research Foundation Research Planning Virtual Summit for “Climate Change Mitigation: Addressing GHGs” – Session #1
- February 28, 2024 – Water Research Foundation Research Planning Virtual Summit for “Climate Change Mitigation: Addressing GHGs” – Session #2
- March 7, 2024 – Water Research Foundation Research Planning Virtual Summit for “Climate Change Mitigation: Addressing GHGs” – Session #3

- June 12, 2024 – Presenter at Data for Lunch on GHG Reporting for California Water Data Consortium and The Climate Registry
- January – June 2024 – United States Environmental Protection Agency (EPA) Climate Risk and Resilience Workgroup
- Staff participation in quarterly Bay Area Climate Adaptation Network meetings throughout the year

Several District personnel participated in teaching Civil Engineering 112, “Water Systems of the Future,” at University of California at Berkeley, which included a lecture and class projects on the topic of climate change.

The District kicked off a study which evaluates how the District can respond and adapt to water quality issues caused by climate change at both Briones and Pardee Reservoirs. Briones reservoir has seen increasing levels of algal blooms, which can result in difficulty in treating this water as well as formation of odorous and potentially toxic compounds. Pardee Reservoir’s watershed is under increasing threat from wildfire, which could result in changes in water quality that impact production at the water treatment plants. This study will evaluate mitigation measures to reduce algal blooms in Briones Reservoir, and wildfire management and post wildfire mitigations measures which could reduce post wildfire impacts.

The District completed a Hypolimnetic Oxygenation System at San Pablo Reservoir to help control harmful algal blooms in the reservoir that have been exacerbated by climate change. This system was brought online in July 2024 and highlighted in the Climate Action Plan. This facility will improve water quality that is sent to Sobrante and San Pablo Water Treatment Plants (WTP) and reduce aesthetic issues caused by these algal blooms.

The District also completed an Environmental Impact Analysis and kicked off a preliminary design study for the Walnut Creek Water Treatment Plant Pretreatment Project which would equip the WTP with process improvements needed to be resilient against expected water quality challenges from climate change.

The District continues to calculate GHG emissions for direct and indirect emissions for both water and wastewater operations following the protocols developed by The Climate Registry. The District has developed a Green Fleet Master Plan with the intention of adding more electric and hybrid vehicles to the fleet. A companion study to the Green Fleet Master Plan is underway to evaluate the conversion to Zero Emission Vehicles (ZEVs) and the necessary electrical and/or other energy upgrades required to operate a fleet of ZEVs as the requirements of the Advanced Clean Fleet rule are being addressed.



## Water Quality and Environmental Protection

**Goal:** We meet or surpass environmental and public health standards and protect public trust values.

- Strategy 1:** Manage the Mokelumne and East Bay watersheds to ensure a high-quality water supply and protect natural resources while providing appropriate public access.
- Strategy 2:** Operate and maintain District facilities to surpass federal and state drinking water regulations.
- Strategy 3:** Operate and maintain District facilities to anticipate and meet all water discharge, air emission, and land disposal requirements to protect and enhance the environment.
- Strategy 4:** Minimize impacts to the environment by reducing, recycling, reusing and reclaiming waste, and by conserving natural resources.
- Strategy 5:** Ensure protection and stewardship of San Francisco Bay.
- Strategy 6:** Operate Pardee and Camanche Reservoirs and facilities as an integrated system to achieve multiple objectives including municipal water supply, stream flow regulation, environmental protection, flood control, hydropower, and releases for downstream requirements.



*Water travels from the Mokelumne River Watershed into Pardee Reservoir.*

# Water Quality and Environmental Protection

| Key Performance Indicator   | FY 2024 Target   | FY 2024 Performance  | Target Met? |
|---|--|--|-------------|
| <b>Strategy 1: Watershed Protection and Management</b>  |  |  |             |
| Mokelumne River fall-run Chinook salmon returns (long-term average)   | 5,743  | 12,511   | ++          |
| <b>Strategy 2: Drinking Water Regulations Compliance</b>  |  |  |             |
| Percent of water quality regulations met  | 100 percent  | 100 percent  | ++          |
| Percent of water quality goals met  | 100 percent  | 95 percent   | +           |
| <b>Strategy 3: Environmental Regulations Compliance</b>   |  |  |             |
| Number of NPDES and Waste Discharge Permit Notices of violation received  | 0  | 0  | ++          |
| <b>Strategy 4: Reduce, Recycle, Reuse, Reclaim</b>  |  |  |             |
| Achieve carbon neutrality for indirect and direct GHG emissions by 2030 for the Water and Wastewater systems.                               | ≤ 28,348 MT CO <sub>2</sub> e  | 23,968 MT CO <sub>2</sub> e  | ++          |
| Capture biogas sufficient to produce on-site energy to meet electric power demands of the MWWTP and evaluate the best uses of excess biogas | 100 percent of plant power demand  | 91 percent of plant power demand   | --          |
| Pursue large-scale photovoltaic project at the Duffel property located in Orinda  | Begin construction   | Construction completed; awaiting utility to connect project for full operation | ++          |
| <b>Strategy 5: San Francisco Bay Protection</b>   |  |  |             |
| Implement PSL Program to reduce wet weather flows and achieve a high compliance rate at point of sales                                      | 90 percent compliance with program requirements following a title transfer | 97 percent   | ++          |
| <b>Strategy 6: Operate Pardee and Camanche Reservoirs and Facilities</b>  |  |  |             |
| Meet JSA Mokelumne River minimum flow releases 100 percent of the time  | 100 percent  | 99.7 percent   | +           |
| Review operations with lower Mokelumne stakeholders every two years   | N/A  | Review conducted biennially  | N/A         |

\* This was adopted in Energy Policy 7.07 replacing the KPI in the Strategic Plan.



**Strategy 1: Watershed Protection and Management:** The salmon escapement target is the average number of fish returning since 1940 (5,743 for 1940-2023), while performance is the average escapement over the past six years (two cohorts or life cycles). The FY 2024 escapement of 28,698 was the highest salmon count on the Mokelumne River ever recorded. The six-year average, representing two full Chinook salmon life cycles (2018-2023), remains high at 12,511 fish. Most of the escapement on the Mokelumne is comprised of hatchery-origin fish. The Mokelumne River Fish Hatchery produced 9 million juvenile Chinook salmon; 3.8 million of those were to meet District's mitigation goals, 3.1 million were designated for enhancement of the ocean harvest, and 2.1 million were produced as drought enhancement fish to continue species recovery after multiple years of drought. All production goals in the hatchery were met with Mokelumne-origin broodstock.

**Strategy 2: Drinking Water Regulations Compliance:** The District met 100 percent of state and federal drinking water regulations and 95 percent of its voluntary water quality goals, similar to previous years. The District's water quality goals are more stringent than government regulations to ensure the highest quality drinking water. Levels of three disinfection byproducts: trihalomethanes, (THMs) haloacetic acids (HAAs) and n-nitrosodimethylamine (NDMA) exceeded District goals but remained below regulatory levels. The goal to maintain high disinfectant residuals throughout the entire distribution system was not met during three months of the FY. Balancing the competing objectives of disinfecting water while minimizing disinfection byproducts continues to be a challenge. Upcoming capital improvements to the water treatment plants and distribution facilities will provide more tools to meet the water quality goals.

Efforts also continued to minimize potential exposure to lead in water. The customer lead sampling voucher program is operating successfully, with thousands of customers participating. Water Quality staff continued to participate in several industry workgroups providing regulatory agencies input in the development of new regulations. A significant overhaul of the regulations covering lead in drinking water is expected to be finalized in the fall of 2024. The District has instituted several changes to its record keeping, maintenance, and sampling practices in preparation for these new regulations.

These issues are detailed in the March 2024 Water Quality Program Annual Update presented to the Planning Committee.

**Strategy 3: Environmental Regulations Compliance:** There were no permit violations at the MWWTP, demonstrating 298 consecutive months of continued compliance with effluent limits through the end of FY 2024. No permit violations occurred in FY 2024 at the District's Wastewater facilities.

**Strategy 4: Reduce, Recycle, Reuse, Reclaim:** The District directly produces renewable energy through hydropower, biogas, and solar. KPIs under this strategy reflect overall greenhouse gas emissions, energy sufficiency at the MWWTP, and progress on solar photovoltaic (PV) projects. The District's Energy Policy 7.07, updated in September 2023, established District-wide goal to achieve carbon neutrality by 2030. The District also established annual District-wide GHG emission goals. Calendar Year (CY) 2022 GHG emissions were below the District goal, thereby meeting the target.

Producing renewable energy onsite at the MWWTP reduces costs, increases revenues, and minimizes GHG emissions. During FY 2024, onsite renewable energy production was reduced due to planned and

unplanned repairs of the biogas conditioning system, engines, and turbine. Additionally, MWWTP energy demands have increased during dry weather months to enhance nitrogen removal in the secondary process. The combination of the reduced production and increased demand resulted in the MWWTP producing 91 percent of total plant demand, and not meeting the KPI target of 100 percent.

Work continued on the large-scale photovoltaic project at the Duffel property located in Orinda, which will provide renewable electricity to serve various District facilities. The vendor completed construction and project was admitted into Pacific Gas and Electric Company (PG&E)'s special government tariff (RES-BCT). Project operation is pending PG&E's completion of project's connection to the electric grid. The District acquired three of the four required regulatory permits. The vendor and the District are currently negotiating revised contract terms.

**Strategy 5: San Francisco Bay Protection:** In FY 2024, the PSL Program achieved a 97 percent compliance rate, exceeding the KPI target of 90 percent. Cracks in PSLs lead to infiltration of stormwater during wet weather, which can overwhelm the wastewater treatment facilities and result in discharge of partially treated wastewater into the San Francisco Bay through the Wet Weather Facilities. The PSL Ordinance helps to reduce infiltration into the wastewater system by requiring PSLs to be certified as "leak free" at the time of sale. The District's continued implementation and enforcement of the PSL Ordinance is required to meet the long-term goals of the Wet Weather Consent Decree.

**Strategy 6: Operate Pardee and Camanche Reservoirs and Facilities:** The District met all JSA minimum flow releases from Camanche Dam in the Lower Mokelumne River, with the exception of one-half day period of 15-minute "excursions," or deviations below the flow schedule specified in the JSA in recorded 15-minute stream flow data. These excursions occurred on March 31, 2024, during the transition from March to April Flows (from a Normal and Above water year type to a Below Normal water year type). Preliminary data for Camanche shows an average daily release of 314 cubic feet per second (CFS), while the minimum JSA requirement was 325 CFS for March under a Normal and Above JSA water year type. The decrease resulted in 15-minute excursions for the remainder of the day.

The October 2023 to March 2024 water year type was classified JSA Normal and Above Year, and the April through September was a Below Normal JSA year type. No adaptive management request was made to the State Water Resources Control Board due to an extremely wet preceding water year, and ample snow pack this water year. Transitioning from drought conditions to normal, above normal, and below normal water year types was the focus of information provided to Mokelumne River stakeholders of current conditions within the basin. District staff presented at several local forums and regional agency public meetings. Presentations focused primarily on Mokelumne River fishery updates. Biannual Mokelumne River Technical Advisory Committee and Partnership Coordinating Committee meetings were held to coordinate operations. The Partnership Steering Committee last met in December 2023.

## Long-Term Infrastructure Investment

**Goal:** We maintain and improve the District's infrastructure in a cost-effective manner to ensure sustainable delivery of reliable, high-quality service now and in the future, addressing economic, environmental, and social concerns.

**Strategy 1:** Maintain coordinated master plans for all facilities and assets.

**Strategy 2:** Meet operational needs and reliability goals by effectively maintaining the infrastructure.

**Strategy 3:** Implement the master plans and set priorities in the operating and capital budget process to reflect the needs identified in those plans.



*Work crew installing pipeline in the community.*

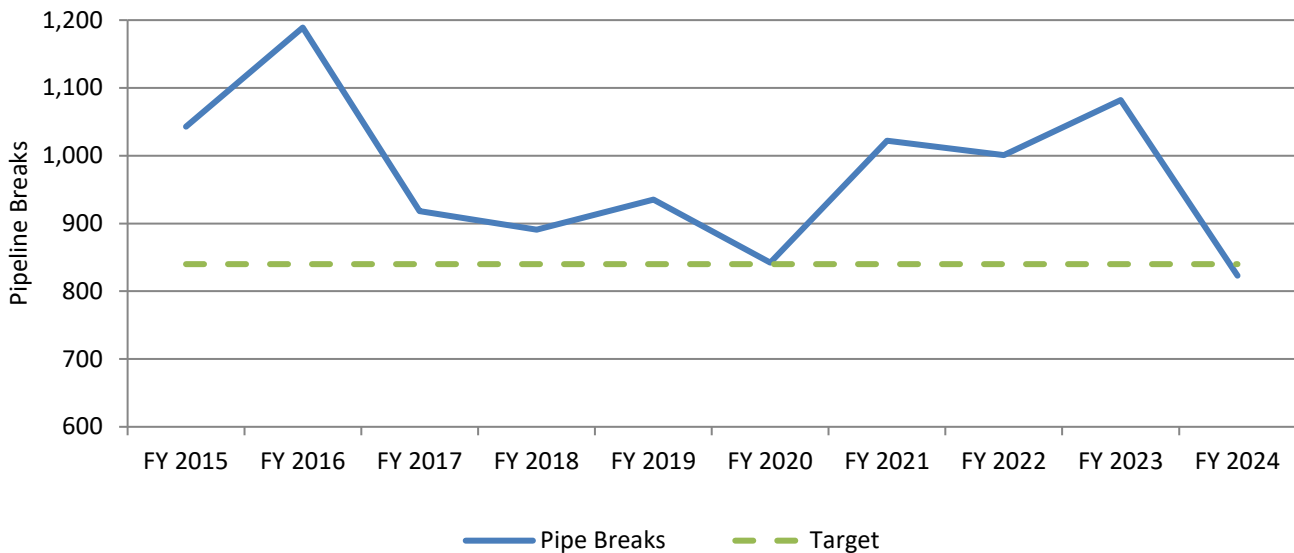
## Long-Term Infrastructure Investment

| Key Performance Indicator   | FY 2024 Target  | FY 2024 Performance  | Target Met? |
|---|---|--|-------------|
| <b>Strategy 1: Master Plans</b>   |   |  |             |
| Complete the Wastewater Interceptor Master Plan                               | Complete inspections and prepare Draft Wastewater Interceptor Master Plan | The interceptor inspections and Draft Wastewater Interceptor Master Plan will be completed in Fall 2024.       | +           |
| <b>Strategy 2: Effective Infrastructure Maintenance</b>                       |   |  |             |
| Number of water system pipeline breaks per 100 miles of pipe                  | ≤ 20  | 19   | ++          |
| Percent of water system corrective work order hours classified high priority  | ≤ 10 percent  | 6.6 percent  | ++          |
| Miles of pipe surveyed for leaks  | ≥ 800   | 1,597.4 miles  | ++          |
| Percent of water system valves exercised                                      | ≥ 10 percent  | 8.6  | +           |
| Real water losses in gpcd   | 44.0 gpcd   | The District performs water audits on a CY basis. The District's real water losses for CY 2022 were 28.6 gpcd. | ++          |
| Percent of high priority meter repair orders completed in 60 days             | ≥ 90 percent  | 92 percent   | ++          |
| <b>Strategy 3: Capital Budget Priorities</b>                                  |   |  |             |
| Miles of distribution pipe replaced   | ≥ 22.5  | 25.3   | ++          |
| District directed non-discretionary change orders on construction contracts   | ≤ 4 percent   | 1.7 percent  | ++          |
| Number of concrete digesters and concrete aerated grit tanks rehabilitated    | 2   | 1  | --          |
| MWWTP Administrative Facilities Seismic Retrofits                             | Complete construction   | Design deferred  |             |
| Implement the Orinda Water Treatment Plant Disinfection Improvements (UV/CCB) | Continue construction and report annually in fall                         | Triannual Board Information Memos completed  | ++          |
| Cumulative annual average number of steel water tanks rehabilitated           | 2   | FY 2024 = 2<br>FY 2011 – FY 2024 = 3.2 (average)   | ++          |
| Cumulative annual average number of pumping plants rehabilitated              | 2   | FY 2024 = 4<br>FY 2015 – FY 2024 = 2.9 (average)   | ++          |

**Strategy 1: Master Plans:** The Wastewater Interceptor Master Plan is in progress. A consultant was hired in FY 2024 for the interceptor inspections, and 2,000 linear feet of Interceptor System was inspected as of the end of FY 2024. The inspections will be completed, and a draft Wastewater Interceptor Master Plan will be completed by fall 2024 and finalized in early 2025. Wastewater staff will continue to identify highest risk pipeline segments needing regular inspections in future years to track condition and inspect on an as-needed basis.

**Strategy 2: Effective Infrastructure Maintenance:** For the nearly 4,200 miles of distribution pipeline there were 823 breaks in FY 2024, less than the 1,082 breaks in FY 2023, 1,001 breaks in FY 2022, 1,022 breaks in FY 2021, and the lowest amount since FY 2013. The end of the drought likely contributed to fewer pipeline breaks as dry soil conditions typically lead to more breaks. Additionally, ongoing pipeline replacement is reducing the average age of pipes and improving the overall average of pipe conditions.

### Pipeline Breaks



Of the corrective work orders completed, 6.6 percent were high priority. This is 34 percent below the KPI target and represents a decrease from FY 2023.

More than 1,500 miles of pipe were surveyed, again exceeding the target as the District continues to explore satellite leak detection, and approximately 2,000 leak detection loggers have been installed on hydrants to monitor high-consequence-of-failure water distribution pipes. Other loggers throughout the distribution system monitor leaks before they surface in high-risk areas, such as pipes in slide areas or near fault lines.

In FY 2024, 8.6 percent of system valves were exercised, below the 10 percent target, but more than the 7.4 percent exercised in FY 2023. This KPI includes the valves used to isolate leaks and other maintenance activities. The increase is the result of fewer water main breaks and the FY 2023 shortage



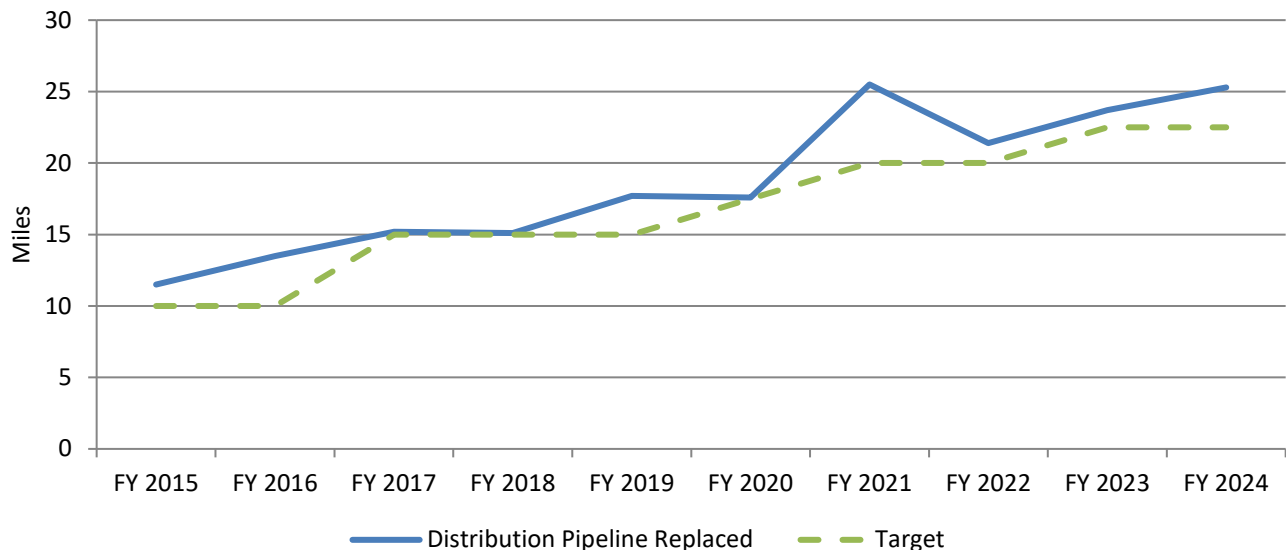
of the Plumber III classification to perform the tasks due to recent promotions and retirements being slightly alleviated.

On October 19, 2022, the State Water Resources Control Board adopted water loss performance standards for each urban retail water supplier in California under Senate Bill 555 (SB 555). The District's performance standard is 44 gpcd. Although compliance with SB 555's performance standards is not required until January 1, 2028, the District is on track to meet the performance standards based on its CY 2022 water audit results of 28.6 gpcd, which is far below the 44 gpcd limit. The data from the District's CY 2023 water audit will be available December 2024.

In FY 2024, the target for meter repair orders completed within 60 days was met at 92 percent.

**Strategy 3: Capital Budget Priorities:** Pipeline replacements again exceeded the target, totaling 25.3 miles in FY 2024, greater than the 22.5-mile target. District staff continued to prioritize replacement projects using a data-driven approach and risk-based calculations incorporating pipe leak information, pipe age, and material type. The District continues to improve pipeline business practices, including focusing on construction efficiencies and enhancing research and innovation efforts through the Center for Smart Infrastructure at the University of California at Berkeley.

### Distribution Pipeline Replaced



Design errors and omissions and value-added change orders on combined Water and Wastewater Systems contracts were 1.7 percent, a decrease from 2.7 percent in FY 2023 and 2.0 percent in FY 2022. The Water System achieved 1.63 percent on contracts worth \$729 million; and Wastewater's rate was 4.54 percent on contracts worth \$9 million.

One digester was rehabilitated in FY 2024. Rehabilitation of the remaining digesters was deferred due to ongoing negotiations and resolution for a construction claim.

On September 30, 2021, the District executed an agreement for design services for the MWWTP Administrative Facilities Seismic Retrofits project. The consultant's work was unsatisfactory, and the agreement was terminated on November 17, 2022. Another consultant was selected, and a new agreement was awarded for design work in FY 2024. The design work has restarted, and construction is now expected to start in FY 2026.

Progress reports on the Orinda Water Treatment Plant Disinfection Improvements Project were provided to the Board on August 3, 2023, December 17, 2023, and April 4, 2024. Recent construction progress includes completion of mass excavation and bridge over the excavation, completion of two large water tunnels, installation of a 210-foot tower crane, installation of tie-down anchors for the Chlorine Contact Basin, and installation of temporary systems to facilitate chemical safety and reliability improvements.

In FY 2024, the District awarded the Grizzly No.1 & No.2, Castle Hill, Wiedeman No.1, and Knife No.1 Reservoirs Demolition and Improvement Project. Grizzly Reservoir is being demolished and Grizzly No.1 & No.2 reservoirs are being constructed. Castle Hill Reservoir is being demolished and Castle Hill Regulator is being constructed. Wiedeman No.1 and Knife No.1 Reservoirs are being improved. Since the KPI was established in FY 2011, the District has awarded contracts to replace, rehabilitate or demolish 45 steel distribution reservoirs, corresponding to a cumulative annual average of approximately 3.2 reservoirs.

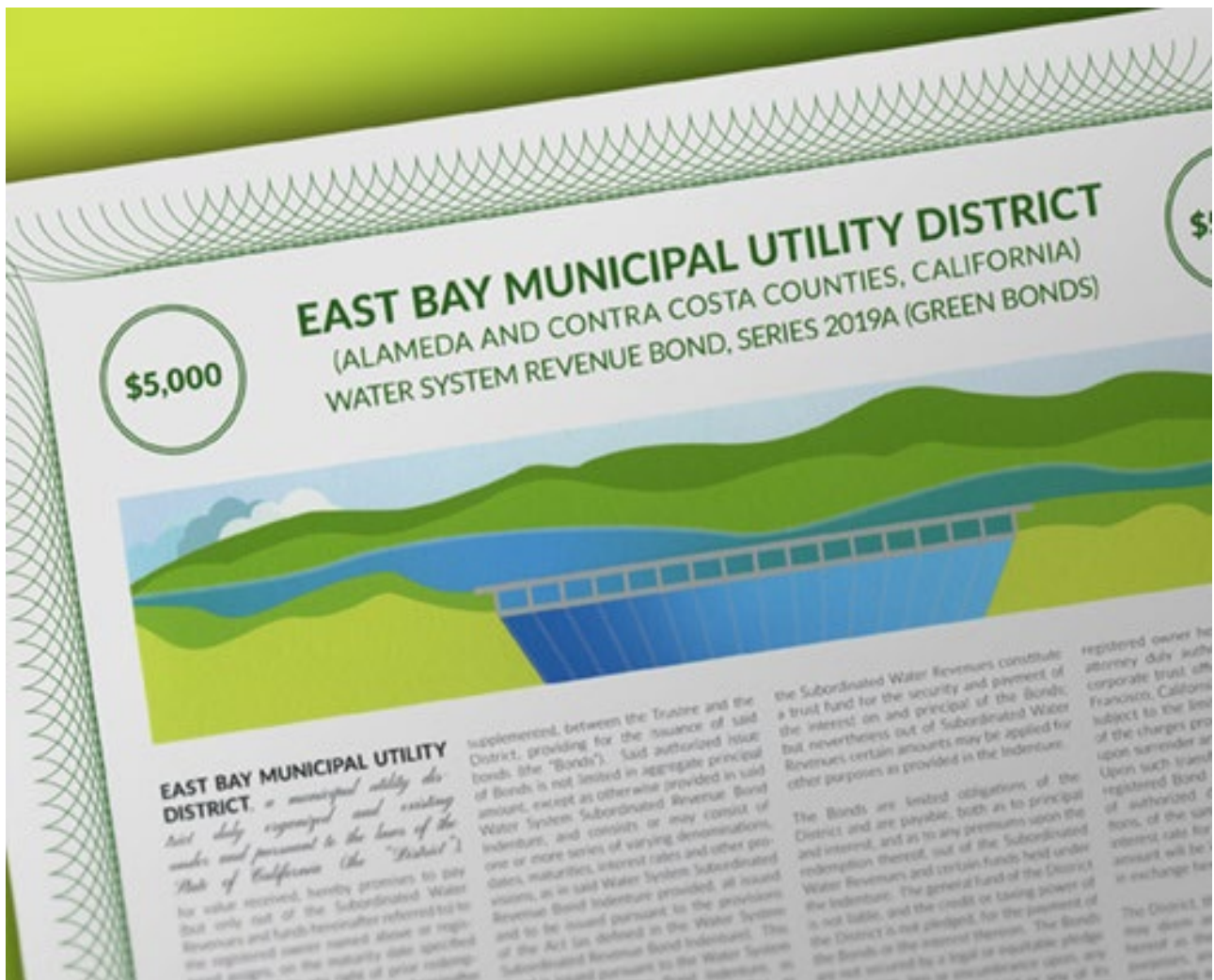
In FY 2024, the District awarded the Westside Pumping Plant Relocation and Encinal Pumping Plant Demolition Project, and the Crest and Hill Pumping Plants Demolition Project. The Westside Pumping Plant is being replaced and relocated. The Encinal Pumping Plant is being demolished and replaced with a regulator. Crest and Hill Mutual Pumping Plants are being demolished as services have been reconnected to a different pressure zone and the pumping plants are no longer needed. Since the KPI was established in FY 2015, the District has awarded contracts to replace, rehabilitate, or demolish 29 pumping plant facilities, corresponding to an annual average of 2.9 since the inception of the program.



## Long-Term Financial Stability

**Goal:** We manage the District's finances to meet funding needs and maintain fair and reasonable water and wastewater rates.

- Strategy 1:** Maintain a long-range financing plan that sets forth the long-term funding needs of the District.
- Strategy 2:** Implement water and wastewater rates and charges that are legal, fair, reasonable, and equitable.
- Strategy 3:** Ensure integrity, accountability, and transparency in financial management.
- Strategy 4:** Implement technologies that improve the efficiency and effectiveness of business processes.



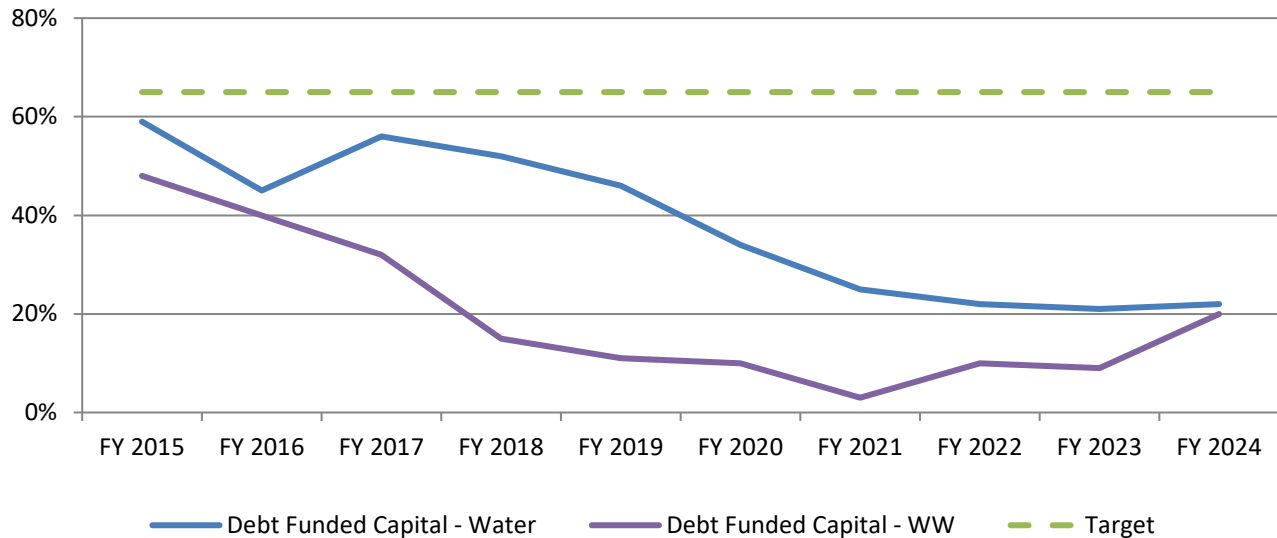
Green bonds finance infrastructure projects that promote environmental sustainability.

## Long-Term Financial Stability

| Key Performance Indicator  | FY 2024 Target  | FY 2024 Performance                                 | Target Met? |
|--|---|---|-------------|
| <b>Strategy 1: Long-Range Financing Plan</b>   |   |   |             |
| Percent of capital program funded from debt over five-year period                            | ≤ 65 percent  | Water – 22 percent<br>Wastewater – 20 percent       | ++<br>++    |
| Debt service coverage  | ≥ 1.6 times coverage  | Water – 2.35<br>Wastewater – 2.50                   | ++<br>++    |
| Actual reserves as percent of target   | ≥ 100 percent   | Water – 211 percent<br>Wastewater – 341 percent     | ++<br>++    |
| <b>Strategy 2: Rates and Charges</b>   |   |   |             |
| Water rates compared to other Bay Area Agencies  | ≤ median  | Below median<br>(6 <sup>th</sup> lowest of 13)      | ++          |
| Wastewater treatment charge as a share of the total bill compared to other Bay Area agencies | ≤ median percent  | Below median<br>(2 <sup>nd</sup> lowest of 16)      | ++          |
| <b>Strategy 3: Integrity, Accountability and Transparency</b>                                |   |   |             |
| Percent of planned audits completed  | 100 percent   | 86 percent  | +           |
| Percent of audit findings resolved within 90 days  | 100 percent   | 100 percent   | ++          |
| Operating expenditures as a percentage of operating budget                                   | ≤ 100 percent   | Water – 92 percent<br>Wastewater – 96 percent       | ++<br>++    |
| Capital expenditures as a percentage of capital budgeted cash flow                           | 90-110 percent of a two-year rolling average                | Water – 109.8 percent<br>Wastewater – 119.8 percent | ++<br>--    |
| <b>Strategy 4: Technology</b>  |   |   |             |
| Planned patch cycles met   | > 90 percent  | 94 percent  | ++          |
| Business recovery exercises  | 2 per year  | 2 exercises   | ++          |
| Cyber security awareness events  | 4 per year  | 6 awareness events                                  | ++          |
| Biennial IT security controls assessment   | Complete Critical Security Controls 20 IG3 Improvement Plan | Complete  | ++          |

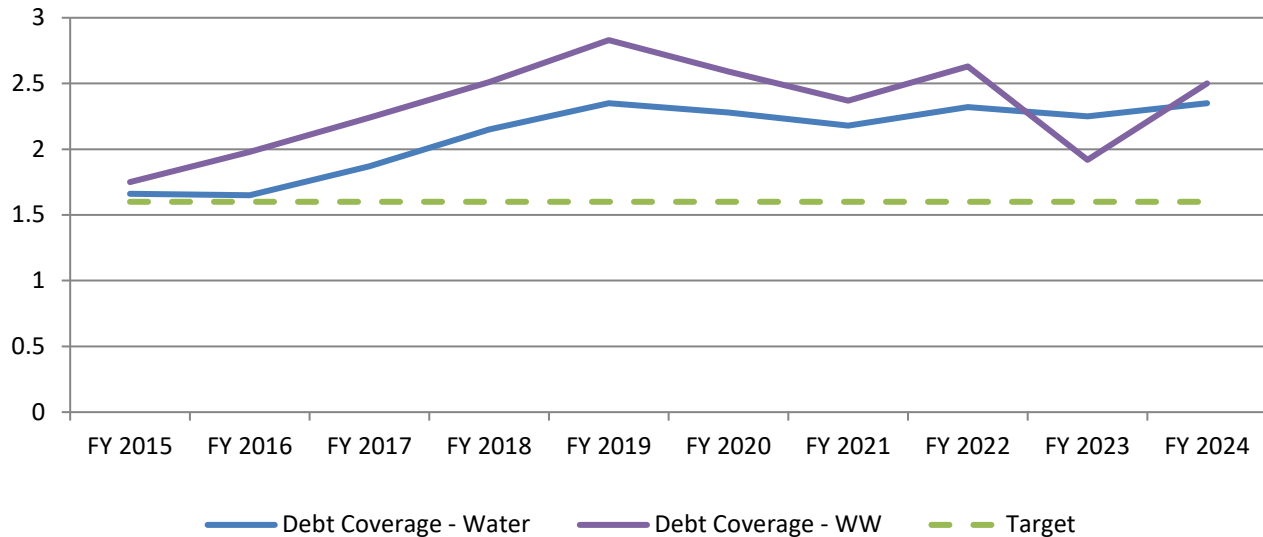
**Strategy 1: Long-Range Financing Plan:** District policy is to limit debt-funded capital to no greater than 65 percent of the total capital program over each five-year planning period. While the five-year average debt-funded capital has been well below the 65 percent maximum, in the most recent year (FY 2024), debt issues represented 53% and 46% of the annual capital spending for the Water and Wastewater Systems, respectively. The five-year averages for both systems are expected to increase over the next few years as the capital program expands and the need for debt issuance increases.

### Percent of Capital Program Funded by Debt



District policy is to maintain an annual revenue bond debt service coverage ratio of at least 1.6 times. The Water System debt coverage ratio was 2.35 in FY 2024, which was similar to the 2.25, 2.32, and 2.18 coverage ratios in FY 2023, FY 2022, and FY 2021 respectively. The Wastewater System debt coverage ratio was 2.50 in FY 2024, which is an increase from the 1.92 coverage in FY 2023 and similar to the 2.63 and 2.37 coverage in FY 2022 and FY 2021 respectively. Coverage was lower in FY 2023 primarily due to the one-time expense of a legal settlement.

## Debt Coverage



The District's goal is to meet or exceed the target for operating reserves. The target reserve levels of \$202.6 million for the Water System and \$33.4 million for the Wastewater System were exceeded which allows the balance more than the target to be used to fund capital projects, pay down debt, and make additional deposits to the Rate Stabilization Funds when appropriate.

**Strategy 2: Rates and Charges:** The District compares its rates and charges with other Bay Area agencies to determine whether they are fair and reasonable. EBMUD's water bill for an average single family using 8 CCF per month was below the median of surveyed agencies as 7 of the 13 agencies surveyed had higher bills. The Wastewater treatment charge as a share of the total bill for an average single-family discharging 6 CCF per month was second lowest of the 16 Bay Area agencies surveyed.

**Strategy 3: Integrity, Accountability, and Transparency:** The Internal Audit (IA) section conducts reviews of: operating activities to determine and assess compliance with District policies and procedures; adherence with applicable laws and regulations; and, adequacy of controls over District assets and resources. IA also conducts investigations to determine the validity and impact of allegations of impropriety or malfeasance.

Six of the seven audits have been initiated and/or completed during the period. Additionally, several unplanned efforts, including an investigation relating to District overpayments, and follow-up allegations related to employee conduct raised by a vendor, were completed. Additionally, IA continued to assist the Information Systems Department in developing a plan to implement IT Safeguards prescribed by the Center for Internet Security, which address security risks outlined in the IT Vulnerability Assessment.

When internal audits identify weaknesses or deficiencies, implementation of changes are expected within 90 days. In FY 2024 sufficient efforts have been made to address 100 percent of internal audit findings.

With respect to budget performance, FY 2024 operating expenses were 92 and 96 percent of the Water and Wastewater System operating budgets, respectively, which meets the KPI by being lower than the goal of 100 percent.

Capital spending over the FY 2023 and FY 2024 two-year rolling average was 109.8 percent of budget for the Water System, which falls within the KPI of being between 90 percent and 110 percent. The greatest sources of overspending were in Water Treatment and Distribution Pipelines, and this was nearly offset by significant underspending in other Awards. Capital spending over the FY 2023 and FY 2024 two-year rolling average was 119.8 percent of budget for the Wastewater System. There were significant variances in cash flow projections compared to actuals, with the largest variances in Power Generation and Biogas and Interceptors and Pump Stations, with the latter due in part to emergency work across FY 2023 and FY 2024 for major interceptor breaks.

**Strategy 4: Technology:** All FY 2024 Cyber Security Operational Readiness KPIs were met. Patching systems addresses vulnerabilities and minimizes the risk of systems being compromised. All 19 planned patch cycles (100 percent) were met in FY 2024. Security awareness reminds employees to remain vigilant while using District systems and there were six cybersecurity awareness events in FY 2024 including email phishing exercises and presentations. Business recovery exercises consist of testing recovery of key systems and conducting tabletop exercises to test the ability to respond to a cyber incident and two exercises were conducted in FY 2024. Efforts to assess and implement controls is ongoing, with an important milestone reached in FY 2024 with the support of the General Manager and Senior Management Team to incorporate business process requirements into controls.



## Customer and Community Services

**Goal:** We build stakeholder trust and long-term relationships through service excellence, proactive communication, and education.

- Strategy 1:** Build public awareness of the District's priorities, initiatives, systems, and services.
- Strategy 2:** Continue to build trust by providing quality service, timely information, and resolution of customer and community inquiries.
- Strategy 3:** Build long-term partnerships in the community, regionally and nationally, in areas of shared interest and in support of the District's mission.
- Strategy 4:** Maintain active Emergency Preparedness and business continuity Programs to plan for, minimize interruptions, and manage the District's essential functions during an emergency and allow for an efficient and effective recovery.



*A Field Services Representative performing an inspection of a water meter with a customer.*

## Customer and Community Services

| Key Performance Indicator   | FY 2024 Target  | FY 2024 Performance  | Target Met? |
|---|-----------------|--|-------------|
| <b>Strategy 1: Communications</b>   |                 |  |             |
| Consolidate District education resources  | Review          | PAO's Education Program developed and District education strategy under final review | ++          |
| Conduct media/advertising campaigns   | 3               | 5  | ++          |
| Publish external digital/print publications   | 8               | 11   | ++          |
| Participate in community engagement events  | 100             | 294  | ++          |
| <b>Strategy 2: Customer Satisfaction</b>  |                 |  |             |
| Percent of customers rating the District's services as "Good" or "Excellent":   |                 |  |             |
| Field Services  | ≥ 90 percent    | 99 percent   | ++          |
| New Business  |                 | 91 percent   | ++          |
| Water Quality   |                 | 100 percent  | ++          |
| Recreation  |                 | 83 percent   | --          |
| Percent of customers rating "Overall Job" as "Good" or "Excellent" from the customer opinion survey   | N/A             | Survey conducted biennially  | N/A         |
| Contact Center service level:   |                 |  |             |
| Average speed of answer to calls coming into the Contact Center   | ≤ 60 seconds    | 57 seconds   | ++          |
| Percent of calls answered within the target of ≤60 seconds  | ≥ 80 percent    | 74 percent   | --          |
| Percent of customers rating Call Center as "Good" or "Excellent" based on first call resolution, staff knowledge, promptness, courtesy, and overall quality | ≥ 80 percent    | 92 percent   | ++          |
| Abandonment rate  | ≤ 3 percent     | 2.53 percent   | ++          |
| Timely billing of customer statements as scheduled  | ≥ 99 percent    | 99.2 percent   | ++          |
| Percent of time customer dependent systems are available  | ≥ 99.9 percent  | 99.9 percent   | ++          |
| Unplanned water service interruptions per 1,000 active accounts   |                 |  |             |
| < 4 hrs.  | ≤ 10            | 1.80   | ++          |
| 4-12 hrs.   | ≤ 5             | 1.97   | ++          |
| > 12 hrs.   | ≤ 2             | 0.41   | ++          |
| Odor complaints near the MWWTP  | ≤ 30 complaints | 9  | ++          |



| Key Performance Indicator  | FY 2024 Target                                    | FY 2024 Performance   | Target Met? |
|--|---|---|-------------|
| Notify customers in advance of service interruption for non-payment and provide information on options to avoid service interruption for non-payment of bills per District Regulations – Sections 15 and 15A | 100 percent                                       | 100 percent   | ++          |
| <b>Strategy 3: Partnerships and Programs</b>   |   |   |             |
| Proactively review and update alternative to shut-off program and CAP  | Annual review and adjustments based on experience | Initiated plans to conduct a Customer Engagement Study to test different styles of communication to customers who are delinquent. The results will help identify the most effective engagement methods. | ++          |
| Increase CAP enrollments   | Performance Measure Only                          | The Customer Support Program Office, formed in FY 2024, engaged in more than 20 community outreach activities to help increase CAP enrollment.  | ■           |
| Reduce service interruptions for CAP participants  | Performance Measure Only                          | Zero service interruption completed for CAP participated in FY 2024.  | ■           |
| Participate in targeted outreach events in disadvantaged communities to increase CAP enrollment  | 3   | 20  | ++          |
| <b>Strategy 4: Emergency Preparedness</b>  |   |   |             |
| Update the District's Emergency Operation Plan every five years  | N/A   | Complete; the next update is scheduled for 2025.  | N/A         |
| Conduct the District's EOT exercise annually   | Complete annual exercise                          | EOT exercise conducted May 16, 2024   | ++          |
| Update all Business Continuity plans every two years   | N/A   | FY 2024 updates complete  | N/A         |
| Conduct Business Continuity exercises annually   | 100 percent                                       | 100 percent   | ++          |
| Update the District's Risk and Resilience assessment every five years  | N/A   | The next update is scheduled for 2025.  | N/A         |
| Conduct annual exercises or meetings with mutual assistance partners and stakeholders  | 3   | 16  | ++          |

**Strategy 1: Communications:** The District increased its proactive outreach, community and local government engagement, educational offerings, and media and social media campaigns, helping to raise awareness of EBMUD's role in the community, expand the reach of its communications offerings, and improve the delivery of key messages. These efforts delivered on goals contained in the District's Strategic Communications Plan with focused messaging in three key areas: sustainability, environment, and innovation.

### *Media/Advertising Campaigns and Social Media*

Five large-scale media and public outreach campaigns were completed in FY 2024.

1. Orinda photovoltaic solar energy project: Media event with elected officials and project partners resulted in coverage by all local television, radio, and print reporters and solar/energy journals nationwide.
2. Recycled water infrastructure investments in partnership with the United States Army Corps of Engineers (USACE): Highlighted innovative infrastructure, sustainability efforts, and federal investments and partnerships through this project.
3. In-conduit microturbine energy generation: Highlighted EBMUD's collaboration with InPipe Energy on an in-conduit microturbine system that generates clean, renewable energy from the pressure of water moving through EBMUD's distribution pipelines. Media coverage had a reach of 8.1 million people and more than 146 million unique views.
4. Illegal dumping: Media invited to witness crews removing large trash from the watershed; press release informed the public about the problem and seek behavior change.
5. Healthy habitats leading to record Chinook salmon returns on the Mokelumne River: Informed the public about record fish returns and highlighted successful partnerships and EBMUD strategies to protect and enhance habitats.

In FY 2024, EBMUD provided more than 130 interviews, issued 14 press releases and advisories, and informed the public through media advisories of webinars and water walks on subjects including main breaks, EBMUD history, and water recycling. Media coverage resulted in more than 2,000 mentions, a reach of 74.4 million, and coverage in local, regional, and national news with a publicity value of more than \$1.3 million.

In FY 2024, EBMUD saw a total increase in followers of 4,444 across four social media channels (X/Twitter, Facebook, Instagram, Nextdoor, and LinkedIn) from 13,946 to 18,390 total followers. Staff used those follower-based channels to disseminate project updates, share presentations, communicate through crises, call customers to action, build community, and support District recruitments, capital projects, budget and rates, and environmental stewardship.

EBMUD hit two major social media milestones in FY 2024: (1) EBMUD's first viral Instagram reel featuring a how-to for checking water meters for leaks had more than 400,000 organic views; and (2) EBMUD reached more than 10,000 followers on LinkedIn.

### *External Digital and Print Publications*

The District published 11 print/digital communications to engage external customers:

1. Six issues of Customer Pipeline were produced, focusing on the following subject areas: water conservation, healthy watersheds, EBMUD's diverse workforce, infrastructure innovation, youth education, residential water use, record salmon returns, San Francisco Bay protection and nutrient reductions in wastewater, sustainability, water supply forecasts, and proactive protections for bald eagles and other watershed wildlife.
2. One set of six new interpretive signs for Lafayette Reservoir were installed in July 2023 to educate visitors about EBMUD's water system and infrastructure, recreational opportunities across watershed lands, Lafayette Reservoir's history, and the birds and fish that live there.
3. The Annual Water Quality was produced on schedule and distributed to all customers and the public within the service area.
4. The District's first StoryMap biennial report leveraged interactive media to highlight accomplishments from the previous two years, including the EBMUD Centennial celebration, major capital projects, unique construction repairs and innovations, progress on environmental stewardship, and new goals for sustainability. The StoryMap format enabled readers to actively engage with photos, graphics, and videos to experience the full breadth of work completed. The report was distributed to all customers via CRM, publicized on all EBMUD social media channels, posted to ebmud.com, and emailed to all elected officials within the EBMUD service area and upcountry.
5. A 6-minute capital project outreach video was professionally produced to explain the District's infrastructure investments, capital projects process, and construction impacts to neighborhoods and reiterate commitment to providing timely project updates throughout the process.
6. The 2023 Annual Water Quality Report was produced, and postcards mailed to all water users in the service area and subsequently translated into Chinese and Spanish.

### *Community Outreach*

To engage with the public and raise awareness of the District's priorities, policies, and actions are reflected in the community outreach KPI. The District participated in more than 200 community engagement events in FY 2024, including public meetings, community events with booths, virtual and in-person tours, sponsored events, water conservation webinars and presentations, Water Wednesday webinars, career fairs, ward events, and community walks.

### *Education Program*

An educational audit was completed, and educator focus groups were conducted to better understand the gaps in current educational offerings. In coordination with an inter-departmental Education

Committee, a draft strategy document was developed which includes increasing K-12 educational programming and resources, increasing opportunities for underserved communities and removing barriers including providing bus transportation to field trips, expanding facility tours to customers, and improving digital and asynchronous offerings.

A revamped K-12 water education program was developed and will include field trips with experiential lessons and curriculum that meet Next Generation Science Standards and explore the role that EBMUD plays in promoting stewardship and protecting public health in the community. The program will include field trips of the watershed with hands-on science activities, water quality testing, and science journaling, and a tour of one of the District's water treatment plants.

**Strategy 2: Customer Satisfaction:** In FY 2024, the District received 97 Field Services Customer Satisfaction survey responses from customers who requested in-person inspection service orders. Approximately 99 percent of respondents rated the service as "Good or Excellent," one percent higher than the 98 percent rating achieved in FY 2023, and consistent with the 99 percent rating achieved in FY 2021 and FY 2022. In FY 2024, Field Services continued to focus on revenue recovery from non-residential accounts. During this period, Field Services completed more than 3,000 field service orders, which included issuing Collection Notices at the premises of these non-residential accounts. These notices informed non-residential customers of potential water service termination within 48 hours due to non-payment. As a result, nearly 2,000 of these delinquent accounts responded by making payment and other arrangements. The remaining non-residential customers did not respond to the notifications and their water service was disconnected. After these non-residential accounts were disconnected, 627 of these accounts were restored after customers made payments or financial arrangements with the District.

In FY 2024, the New Business Office (NBO) demonstrated significant improvements in customer satisfaction and service efficiency. The NBO sent over 390 customer satisfaction surveys to applicants who completed new water service applications. Based on 17 respondents, the NBO achieved a 91 percent "good or excellent" rating, up from 89 percent in FY 2023. This slight increase in customer satisfaction could be a result of the following process improvements implemented during FY 2024 to decreased overall processing time:

- Eliminated hydraulic modeling for private fire services related to private hydrant applications.
- Removed Water Conservation review of standard water-using fixtures.
- Revised multiple sections of the District's Regulations Governing Water Service to allow for more conditional services and clarify master metering requirements.
- Enhanced online resources by updating its webpages, including the addition of an Accessory Dwelling Unit decision tree, and improving the online water service application interface to reduce application completion time.

Only one survey was returned related to System Water Quality, though that respondent provided a 100 percent customer rating. Staff are exploring alternative methods of receiving survey responses,

including an online survey accessible through a QR code. Currently, water system inspectors distribute survey postcards to customers when they complete field visits, although many customers are contacted via telephone and do not receive a survey. In the past, survey postcards were mailed to all customers contacted each month and slightly more responses were received.

In January 2023 a new online recreation user survey went live that allows recreation users to access the survey from mobile devices via a QR code posted at trailhead and recreation area information boards. In FY 2024 there were 88 respondents with 83 percent rating their experience as “good” or “excellent.” Managing expectations of recreational trail users in the East Bay continues to be challenging. Staff are developing strategies to increase the number of responses.

In FY 2024, the Contact Center achieved a customer satisfaction rating of 92 percent, similar to 91 percent in FY 2023 and 88 percent in FY 2022, but higher than 85 percent in FY 2021. This rating is based on feedback collected from all callers through a Customer Satisfaction Survey following each call. The Customer Satisfaction Survey allows District customers to provide feedback on the promptness, agent knowledge, agent courtesy, issue resolved, and the overall service quality. The District received 4,232 survey responses in FY 2024.

The Contact Center handled a total of 179,403 calls and 21,462 emails in FY 2024, while maintaining a 74 percent service level of answering calls within 60 seconds. This is a decline from previous years (84 percent in FY 2023, 83 percent in FY 2022, and 84 percent in FY 2021). The decline is attributed to staffing shortages and unplanned system outages during the last six months of the fiscal year. Consequently, the average call wait time increased by 19 seconds to 57 seconds, compared to 38 seconds in FY 2023 and 43 seconds in FY 2022. The call abandonment rate also rose to 2.53 percent in FY 2024, up from 1.6 percent in FY 2023 and 2.06 percent in FY 2022. To improve the service level, the Contact Center has taken actions to streamline training for new employees in preparation for live calls.

The timely billing of 99.2 percent of customer statements met the target as well. In FY 2024, the average weekly number of delayed bills was 369, well below the target of 800 delayed bills, though slightly up from 364 in FY 2023.

The KPI that customer dependent systems—including Internet, Call Center and Dispatch Center telephones, Customer Information System, and Integrated Voice Response self-service applications—are available greater than or equal to 99.9 percent of the time was met at 99.95 percent, a decrease of 0.01 percent compared to FY 2023.

Minimizing the impacts to customers from unplanned water service interruptions is vital. The District met its KPI for interruptions in all categories by limiting interruptions to at least 60 percent lower than the targets.

A measure of customer satisfaction is to have less than 30 odor complaints attributable to the Wastewater Treatment Plant. In FY 2024 the target was met with nine odor complaints received, more than the two complaints in FY 2023, but still well under the KPI objective. The relatively low number of odor complaints in recent years is driven by staff planning work to minimize the potential for

generating odors, significant spending on chemicals that reduce odors, and optimizing operational and maintenance practices, and increased efforts to investigate and verify complaints received.

**Strategy 3: Partnerships and Programs:** As of April 2024, the responsibilities of the CAP, including outreach and application processing was transitioned from the Contact Center to the new Customer Support Programs (CSP) Team. The new CSP division is fully staffed to administer programs to assist customers experiencing hardship with their water bills. Through the new division, the District strengthened partnerships in the community to take a more comprehensive approach to address customers' affordability and accessibility to water. Below is a list of efforts and initiative taken towards affordability:

- Launched the pilot home repair and replacement program for CAP customers to replace inefficient fixtures to reduce their water usage, and subsequently reduce their overall water bill.
- Developed a Memorandum of Understanding with Lao Family Community Development (LFCD) to establish an ongoing partnership for cross-service referrals and collaboration on joint outreach events, including on-site CAP enrollment opportunities.
- Developed a partnership with Good Hope Resource Center to engage with customers experiencing financial hardships to promote the District's customer support programs.
- Initiated a revamp of the CSP webpage on ebmud.com to streamline all the affordability efforts and ensure ease of access for all customers, specifically non-native English speakers/readers.
- Met with several non-profit housing development organizations to discuss the viability to create a CAP renter's program to reach non-billed customers residing in multi-unit complexes with a master meter. These discussions are ongoing.
- Collaborated with the Unity Council to host an on-site CAP enrollment event at their facility to assist their direct housing clients to enroll in CAP.

The District continued to engage in outreach efforts to promote CAP and increase enrollment. In FY 2024, the District engaged in more than 20 community outreach activities to directly promote CAP, including the following:

- Asian Health Services Food Distribution Pantry
- Berkeley Juneteenth Festival
- Black Joy Parade
- East Oakland Senior Center Resource Fair
- Eunice Law Community Event
- Good Hope Resource Center Bill Assistance Day

- Lao Family Community Development Food Distribution Pantry
- Lao Family Community Development Free Tax Prep Services
- Lincoln Square Park Summer Nights
- Native American Health Center Indigenous Red Market
- Oakland Drinks Water
- Oaktoberfest in the Dimond
- Unity Council On-site Enrollment Day

Prior to the transition of the CAP program to the CSP in April 2024, outreach efforts to promote the CAP resulted in 5,436 applications received and processed by Contact Center staff, including renewals and new applicants. In total, the District received and processed 8,421 applications (new and renewals) in FY 2024. This year, enrollment in CAP increased by 10 percent, with 9,674 active participants in June 2024, compared to 8,794 in June 2023. Overall, in FY 2024, 11,572 households received CAP benefits, which is an increase of 6 percent from FY 2023. In May 2024, staff began tracking the number of business days to turn around CAP application, from receipt to processing. For the months of May and June, staff turned around CAP applications within two business days.

In FY 2024, the Water Lifeline Program received more than \$25,000 in donations to assist CAP customers facing immediate financial difficulties. To provide more streamlined administration to better serve customers, the District shifted to partnering with only one organization to administer the program. In FY 2024, the District entered into a new partnership with Richmond Community Foundation (RCF Connects) to administer the Water Lifeline Program to assist all CAP customers across Alameda and Contra Costa Counties. The District will also leverage RCF Connects philanthropic networks to grow funding for the program through private and corporate donations.

At the end of March 2024, the federal government concluded the Low-Income Household Water Assistance Program (LIHWAP) that assisted customers to pay their water and wastewater bills. In total, 2,261 EBMUD customers received LIHWAP assistance for a total of \$3.3 million. In May, a one-time supplemental benefit was issued to all LIHWAP participants. The District applied \$391,356 in supplemental benefits for EBMUD LIHWAP participants. There are 804 EBMUD customers that received LIHWAP assistance but are not currently enrolled in CAP. Staff will conduct direct outreach to these customers to encourage them to enroll into CAP to receive ongoing benefits.

In April 2024, the District received a second round of funding for the California Extended Water and Wastewater Arrearage Payment Program (CWWAPP) in the amount of \$11.3 million in arrearage credits to assist customers who experienced arrears during the COVID-19 pandemic through December 31, 2022. Credits were applied to 7,145 residential accounts, \$100,000 in arrearage credits were issued to 40 commercial accounts, and \$5.7 million was reimbursed to the District for its Customer Assistance Program for 11,319 accounts at the end of May. After applying the CWWAPP 2.0 relief funds, the



District's 90-day water system arrearage total is \$20.5 million, down from May 30, 2024's \$29.1 million total.

With the conclusion of LIHWAP and CWWAPP, staff has prepared to launch the Alternative to Shutoff policy that the Board approved on December 8, 2020, which was delayed allowing for the state and federal assistance programs to be applied to customers account. In preparation for the roll out of the policy, staff has prepared several communications to inform customers of the potential impact to their water service, this includes postcards, modified notices, a webpage with FAQs, and coordinated outreach efforts with Public and Community Affairs.

In parallel to launching the Alternative to Shutoff policy, staff developed a Customer Engagement Study aimed to identify the most effective ways to communicate to customers who are in arrears. The study will look at different methods and styles of communication with customers. One method of communication will include partnering with a local community-based organization to provide customers with additional resources and support. Staff will test these different methods and styles of communication to identify the most effective ways to engage with customers, in hopes of addressing customer arrears before impacting water services.

**Strategy 4: Emergency Preparedness:** These KPIs measure the District's ability to maintain an active emergency preparedness program and test emergency response and business continuity plans. In FY 2024, progress continued towards mitigating risk, preparing for disasters, and improving readiness.

For compliance with the America's Water Infrastructure Act (AWIA), which requires water agencies to complete a risk and resiliency assessment and update the Emergency Operations Plan (EOP) every five years, a Risk and Resilience Assessment Team was created and is in the process of conducting an assessment of District infrastructure. The next AWIA certification for both the Risk and Resilience Assessment and updated Emergency Operation Plan is due in 2025.

On May 16, 2024, the District Emergency Operations Team held its annual exercise. This year's exercise was a workshop to prepare for the upcoming update to the EOP. Subject matter experts and stakeholders from across the District held breakout sessions focusing on specific sections of the current EOP, in order to provide valuable input on needed updates.

During FY 2024, 13 Business Continuity Plans were updated, and 22 Business Continuity Plans were exercised. Throughout FY 2024, the Mutual Assistance Unit Leaders continued monthly meetings with the District's mutual aid partners which include Los Angeles Department of Water and Power and the Las Vegas Valley Water District. A District representative also participated in the California Water/Wastewater Resource Network Board meetings.

# Workforce Planning and Development

**Goal:** We create an environment that attracts, retains, and engages a high performing diverse and inclusive workforce in support of the District's mission and core values.

- Strategy 1:** Coordinate workforce planning activities to determine future needs, identify gaps and implement actions to close the gaps.
- Strategy 2:** Continue to develop employees to meet evolving workforce demands and implement actions to close gaps.
- Strategy 3:** Support District values, recognize employee contributions, and establish clear performance measures to achieve a high-performance culture.
- Strategy 4:** Enhance the District's ability to recruit a highly qualified, diverse staff that exhibits the District's values.



*Employees receive hands-on training in treatment plant operations.*

# Workforce Planning and Development

| Key Performance Indicator  | FY 2024 Target   | FY 2024 Performance                          | Target Met? |
|--|--|--|-------------|
| <b>Strategy 1: Workforce Plans</b>   |  |  |             |
| Number of injury & illness incidents resulting in time away from work per 100 employees  | ≤ 3.0  | 2.07   | ++          |
| Injury and Illness Investigations (PE-020 forms) completed within 10 working days  | > 99 percent   | 77 percent                                   | --          |
| Complete departmental workforce plans  | Review   | Complete                                     | ++          |
| Diversity, Equity, and Inclusion Strategic Plan  | Complete and report on all second-year actions in the Two-Year Action Plan | Complete                                     | ++          |
| Annually implement outreach campaigns on wellbeing themes  | 4  | 5  | ++          |
| <b>Strategy 2: Employee Development</b>  |  |  |             |
| Annual average training per employee   | 30 hours   | 50 hours                                     | ++          |
| Ensure employees complete all required training  | Implement tracking system and begin pilot                                  | 100 percent                                  | ++          |
| Number of employees in development programs (academies, rotations, internships, mentorships)   | Performance Measure Only   | 295  | ■           |
| <b>Strategy 3: District Values</b>   |  |  |             |
| Percent of performance plans completed on time   | > 99 percent   | 99.4 percent                                 | ++          |
| Percent of performance appraisals completed on time  | > 99 percent   | 99.2 percent                                 | ++          |
| <b>Strategy 4: Recruitment</b>   |  |  |             |
| Percent of exams resulting in hiring lists within 60 days or less  | 80 percent   | 88 percent                                   | ++          |
| Percent of candidates on hiring eligibility lists (including employees and external applicants) who identify as minority and/or female | Performance Measure Only   | 63.8 percent minority<br>35.1 percent female | ■           |
| Number of interns  | Performance Measure Only   | 71 interns                                   | ■           |
| Percent of interns who identify as minority and/or female  | Performance Measure Only   | 81.7 percent minority<br>33.8 percent female | ■           |

**Strategy 1: Workforce Plans:** The Lost Time Incidence Rate is used by OSHA and the Bureau of Labor Statistics to show the number of job-related injuries and illnesses that result in one or more lost workdays by employees. The ratio shows the number of lost time injuries or illnesses per 100 employees. For FY 2024, the Lost Time Incidence Rate was 2.07 and there were 36 lost-time injuries, excluding COVID-19 cases.

A PE-020, *Supervisor's Investigation of Employee Occupational Injury or Illness*, is required for every workplace injury or illness. In FY 2024, 116 of 151, or 77 percent, were completed in 10 working days. Supervisors throughout the District are responsible for investigating and submitting PE-20s. The KPI for this metric was updated starting in FY 2025 to capture percent completion (and no longer include a 10-working day requirement) to ensure supervisors have adequate time to complete quality investigations and determine corrective actions with the assistance of Workplace Health & Safety. The sense of urgency will not be reduced, however, as resolving investigations in a timeline manner remains important.

The District conducts an annual workforce analysis to review organizational demographics, employee turnover, hiring statistics, and internal employee mobility. In addition, staff provide retirement projections to the Senior Management Team for ongoing development of pools of employees for potential succession planning. For FY 2024, all departmental workforce plans were completed and reviewed to identify workforce trends and guide retention and recruitment outreach activities.

During FY 2022, the District adopted a five-year Diversity, Equity, and Inclusion Strategic Plan (DEISP). The DEISP contains five pillars with eleven corresponding goals to guide the District's DEI work. At the close of FY 2024, staff completed all first- and second-year activities and prioritized action items for year three implementation. Staff also provided regular progress reports to the Board of Directors.

In FY 2024, the following employee wellbeing activities were held:

- Fall 2023 – On-site Flu Shots – Various Locations
- February 15, 2024 – Cultivating an Inclusive Leader Identity
- May 23, 2024 – Psychological Safety Panel Discussion
- June 2024 – Financial Wellbeing via Fidelity Honoring Pride Month
- June 2024 – Financial Wellbeing via Fidelity Honoring Juneteenth

Looking forward, Workplace Health and Safety will offer on-site flu shots again in fall 2024, an Inclusive Leadership Forum on Wellbeing is planned, and Human Resources is planning the first in-person Health Fair as part of 2025 Open Enrollment.

**Strategy 2: Employee Development:** The annual average number of training hours per employee is a best practice benchmark by employers. During FY 2024, the District exceeded the goal of 30 hours of training per employee with employees completing 50 hours of training. In FY 2023, the District also

exceeded the goal by providing 44 hours of training per employee. The EBMUD Learn software monitors workplace training and ensures all employees complete required training.

The number of employees in development programs measures the engagement and the development of employees. In FY 2024, 295 employees participated in such programs including engineering rotations, values and organizational improvement teams, values advocates, Diversity Committee, Equity Core Team, internships, and mentoring. The Peralta Cohort Program #3 included 17 participants. Results for this FY were improved over FY 2023, when 255 employees participated in such programs.

**Strategy 3: District Values:** These KPIs measure the percent of employees with performance plans and appraisals completed within the past 13 months. In FY 2024, 99.4 percent of performance plans and 99.2 percent of performance appraisals were completed on time. The results were 99.3 and 99.8 percent, respectively, in FY 2023, and 98 and 98.6 percent, respectively, in FY 2022.

**Strategy 4: Recruitment:** The percent of exams resulting in hiring lists within 60 days is a measure of the hiring process and is based on the time from the close of application filings to the establishment of eligible lists. In FY 2024, 121 exams were completed and 106 resulted in hiring lists within 60 days (88 percent). In FY 2023, 140 exams were completed and 117 resulted in hiring lists within 60 days (84 percent).

The District tracks the diversity of candidates considered for employment to determine if recruitment efforts are attracting sufficiently diverse, qualified applicants. In FY 2024, the percentage of minorities on District eligibility lists was 63.8 percent with 7.2 percent declining to state their race/ethnicity, compared to 63.1 percent and 8.0 percent, respectively, in FY 2023. The percentage of women on District eligibility lists was 35.1 percent, compared to 34.6 percent in FY 2023.

In FY 2024, the District facilitated internships for high school and post-secondary participants. The annual East Bay High School Summer Internship (HSSI) Program hosted diverse, qualified high school interns from across the Bay Area, including students and recent graduates from Alameda and Contra Costa counties and each ward of the District's service area. Based on self-identification information, the East Bay HSSI Program cohort was 88.5 percent ethnic minorities and 30.8 percent female.

East Bay HSSI interns had the opportunity to obtain hands-on experience in a variety of fields, including administration, communications, engineering, and various trades. Interns participated in weekly in-house enrichment workshops, informational interviews with District staff, and in-person facility tours to expand their skills, knowledge, and understanding of EBMUD and careers in the water and wastewater industry. The 2024 East Bay HSSI interns participated in an inaugural field trip to upcountry District facilities where they learned about fisheries and wildlife, range, and the District's hydroelectric power plant. The field trip also provided East Bay HSSI interns with exposure to District career pathways and real-life examples of how the District operationalizes its values of Stewardship, Integrity, Respect, and Teamwork.

In the final week, interns presented their final projects to a live audience of mentors, peers, and program managers. Each intern also wrote a formal letter to be delivered to their respective EBMUD Board Director.

The District also implemented a pilot, week-long HSSI Program in the Mokelumne Watershed for three students that represented Amador, Bret Harte Union, and Calaveras high schools. Mokelumne Watershed HSSI Interns had the opportunity to shadow and learn from staff in a variety of classifications, such as Ranger/Naturalist, Wildlife/Fisheries Biologist, Administrative Clerk, Water System Inspector, and Hydrographer. District staff provided an orientation session on the first day of the internship and an enrichment session later in the week.

Additionally, 42 post-secondary interns gained hands-on experience with Machining, Electrical, Engineering, IT Service Desk, Grounds Maintenance, Human Resources, and Ranger/Naturalists. Combined, the 71 high school and post-secondary interns were 81.7 percent minorities and 33.8 percent female.

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## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: September 19, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager 

FROM: Barry N. Gardin, Internal Auditor Supervisor 

SUBJECT: Revisions to District Policies

### SUMMARY

To ensure District operations and business practices remain consistent with Board objectives and priorities, the District reviews policies every two years to determine whether organizational, regulatory, or other changes have occurred which necessitate their modification. If policy modifications are warranted, they are forwarded to the Board for consideration and approval. Prior to being forwarded to the Board all proposed policy modifications are reviewed for input from the Senior Management Team, the District's represented groups, and the General Counsel's Office.

This memo summarizes modifications to four policies being submitted to the Board for consideration and approval. These policies will be presented at the September 24, 2024 Finance/Administration Committee meeting.

### DISCUSSION

The proposed changes include incorporating requirements to establish spending controls; condense the policy statement of the Contract Equity program; incorporate subcontractors and reproductive health considerations for equal opportunity; and clarify residency requirements for Board standby officers.

#### 1. Policy 4.04 – Financial Planning and Budgetary Control

This policy was modified to include a requirement to establish controls on spending and clarify that reports on expenditures includes operating, capital, and debt expenses.

#### 2. Policy 6.08 – Contract Equity Program

This policy was modified to change the policy statement to more broad language on objectives and move previous policy statement language to the Contract Equity Program description.

### **3. Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity**

This policy was modified to incorporate subcontractors in the policy statement and incorporate reproductive health as a consideration.

### **4. Policy 7.03 – Emergency Preparedness/Business Continuity**

This policy was modified to establish residency requirements for Board Standby Officers based on Board feedback.

## **UNION NOTIFICATION**

Employee Relations reviewed all the policy changes to determine the necessity for union review and, as deemed necessary, reviewed the changes that affect wages, hours, and working conditions with the represented groups.

## **FISCAL IMPACT**

These policy changes have no identified fiscal impact.

## **NEXT STEPS**

These policies will be brought to the Board for consideration at its September 24, 2024 meeting.

CCC:BNG

Attachments: Policies 4.04, 6.08, 6.09, and 7.03



# Policy 4.04R

EFFECTIVE [24 SEP 24](#)  
[27 SEP 22](#)

SUPERSEDES [27 SEP 22](#)  
[22 SEP 20](#)

## FINANCIAL PLANNING AND BUDGETARY CONTROL

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

Establish a financial plan and biennial budget for the Water System and ~~the Wastewater System, to include:~~

### Financial Planning

- Prepare financial forecasts for a minimum of five years using reasonable assumptions and historical data to anticipate changes in revenues and expenses to plan for long-term financial stability.
- Develop operating, capital, and debt service expenditure budgets including staffing, to meet the spending requirement during the biennial budget period.
- Establish a budget which is based on fair and reasonable water and wastewater rates that promotes long-term financial stability.

### Financial Monitoring

- Monitor the budget [and establish controls on spending](#) to ensure ~~that~~ the total amount expended and committed does not exceed the total ~~approved~~ budget [authorized for available during](#) the fiscal year. ~~Take corrective action before budget overages occur.~~
- Provide periodic status reports on ~~expenditures,~~ revenues, [and on operating, capital, and debt expenses and investments.](#)

### Transfers

The General Manager is authorized to transfer funds between the Capital Budget and Operating Budget within each of the Water and Wastewater systems' budgets as required, but not to exceed a variance of five percent from the originally budgeted sum, and provided that the total budget for each of the two systems remains unchanged. Budget transfers between the Water and Wastewater systems are prohibited.

### Authority

Resolution No. 27058, August 27, 1974  
As amended by Resolution No. 32874-94, August 9, 1994  
As amended by Resolution No. 33177-99, November 23, 1999  
As amended by Resolution No. 33577-07, January 9, 2007  
As amended by Resolution No. 33710-09, April 28, 2009  
As amended by Resolution No. 35099-18, June 26, 2018  
As amended by Resolution No. 35203-20, September 22, 2020  
As amended by Resolution No. 35315-22, September 27, 2022  
[As amended by Resolution No. XXXXX-24, September 24, 2024](#)

**References**

Public Utilities Code, section 11891.5 [budgeting legal authority]  
Annual Budget Resolution  
Policy 4.02 Cash Reserves  
Policy 4.13 Establishing Water and Wastewater Rates  
Policy 4.27 Debt Management  
Policy 7.03 Emergency Preparedness/Business Continuity  
Procedure 417 Financial Planning and Budgetary Control



# Policy 4.04

EFFECTIVE 24 SEP 24

SUPERSEDES 27 SEP 22

## FINANCIAL PLANNING AND BUDGETARY CONTROL

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

Establish a financial plan and biennial budget for the Water System and Wastewater System.

|                             |  |
|-----------------------------|--|
| <b>Financial Planning</b>   | <ul style="list-style-type: none"><li>• Prepare financial forecasts for a minimum of five years using reasonable assumptions and historical data to anticipate changes in revenues and expenses to plan for long-term financial stability.</li><li>• Develop operating, capital, and debt service expenditure budgets including staffing, to meet the spending requirement during the biennial budget period.</li><li>• Establish a budget which is based on fair and reasonable water and wastewater rates that promotes long-term financial stability.</li></ul> |
| <b>Financial Monitoring</b> | <ul style="list-style-type: none"><li>• Monitor the budget and establish controls on spending to ensure the total amount expended and committed does not exceed the total budget authorized for the fiscal year.</li><li>• Provide periodic status reports on revenues and on operating, capital, and debt expenses.</li></ul>   |
| <b>Transfers</b>            | <p>The General Manager is authorized to transfer funds between the Capital Budget and Operating Budget within each of the Water and Wastewater systems' budgets as required, but not to exceed a variance of five percent from the originally budgeted sum, and provided that the total budget for each of the two systems remains unchanged. Budget transfers between the Water and Wastewater systems are prohibited.</p>  |
| <b>Authority</b>            | <p>Resolution No. 27058, August 27, 1974<br/>As amended by Resolution No. 32874-94, August 9, 1994<br/>As amended by Resolution No. 33177-99, November 23, 1999<br/>As amended by Resolution No. 33577-07, January 9, 2007<br/>As amended by Resolution No. 33710-09, April 28, 2009<br/>As amended by Resolution No. 35099-18, June 26, 2018<br/>As amended by Resolution No. 35203-20, September 22, 2020<br/>As amended by Resolution No. 35315-22, September 27, 2022<br/>As amended by Resolution No. XXXXX-24, September 24, 2024</p>                        |
| <b>References</b>           | <p>Public Utilities Code, section 11891.5 [budgeting legal authority]<br/>Annual Budget Resolution<br/>Policy 4.02 Cash Reserves<br/>Policy 4.13 Establishing Water and Wastewater Rates<br/>Policy 4.27 Debt Management<br/>Policy 7.03 Emergency Preparedness/Business Continuity<br/>Procedure 417 Financial Planning and Budgetary Control</p>   |



# Policy 6.08R

EFFECTIVE [24 SEP 24](#)  
[24 JAN 23](#)  
SUPERSEDES [24 JAN 23](#)  
[27 APR 21](#)

## CONTRACT EQUITY PROGRAM

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

Create and maintain mutually beneficial business relationships with diverse, small, and/or local business enterprises for the District's contracting and procurement opportunities.

~~Prevent, discourage, and reduce discrimination in the marketplace or grant preferences based on race, sex, ethnicity and/or other protected categories as prohibited by Article 1, Section 31, of the California Constitution. Additionally, the District will encourage fairness and equity of equal opportunities among individuals and groups of all sexes, and raciales, and ethnicity groupsprotected categoriesethnicitiesyetethnicity groups by establishing contract participation objectives based on the availability, in its geographic market areas, of businesses by race, sex, and ethnicity and/or other protected categories that are willing and able to do business with the District. The contracting objectives will be reviewed regularly and the progress towards the toward achievement of the objectives will be reported to the Board of Directors in order toto monitor achievement of equitable equity parity in contract participation.~~

### Contract Equity Program

The primary goal of the Contact Equity Program is to provide equal opportunities to qualified diverse contractors, vendors, and suppliers that satisfy the District's contracting and procurement needs and standards. For businesses within the District's geographic market area that are willing and able to do business with the District, the program establishes contract participation objectives, categorized by business ownership, as available. The contracting objectives will be reviewed regularly and the progress towards the objectives will be reported to the Board of Directors to monitor achievement of equity in contract participation. The program also seeks to support the development of emerging businesses from historically disadvantaged communities to effectively participate in the District's contracting and supplier opportunities.

The District does not discriminate against, or grant preferential treatment to any individual or group on the basis of race, sex, ethnicity, or national origin in the implementation of the Contract Equity Program as prohibited by Article 1, Section 31, of the California Constitution.

~~The program also seeks to support the development of emerging businesses from historically disadvantaged communities to effectively participate in the District's contracting and supplier opportunities. The Contract Equity Program has been established to implement these objectives and includes activities designed to promotespromote and facilitatefacilitatesofacilitate equal opportunities for small, local, minority, LGBTQIA+, disabled veteran, and women-owned business enterprises whoenterprises who want to do business with the District. The Contract Equity Program also promotes equal opportunities for small businesses including disabled veteran businesses and local businesses.~~

### Departmental Monitoring System

The Contract Equity Program administers a~~A~~ departmental monitoring system of District contracts and expenditures to encourage balanced contract awards among all availability groups represented in the District's geographic market area ~~has been established.~~

**Authority**

Resolution No. 31008, August 28, 1984  
As amended by Motion 88-144, November 22, 1988  
As amended by Resolution No. 33104-98, June 9, 1998  
Reaffirmed: Motion No. 176-06, October 10, 2006  
As amended by Resolution No. 34029-15, April 28, 2015  
As amended by Resolution No. 35099-18, June 26, 2018  
As amended by Resolution No. 35221-21, April 27, 2021  
As amended by Resolution No. 35335-23, January 24, 2023  
[As amended by Resolution No. XXXXX-24, September 24, 2024](#)

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**References**

[Policy 4.12 – Purchasing and Material Management](#)  
Policy 6.04 – Ethics of the EBMUD Board of Directors  
Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity  
[Procedure 447 – Vendor Interactions and Procurement Integrity](#)  
Procedure 615 – Contract Equity, Small Business Bid Discount, and Contractors'  
Compliance with Equal Employment Opportunity





# Policy 6.08

EFFECTIVE 24 SEP 24

SUPERSEDES 24 JAN 23

## CONTRACT EQUITY PROGRAM

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

Create and maintain mutually beneficial business relationships with diverse, small, and/or local business enterprises for the District's contracting and procurement opportunities.

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#### **Contract Equity Program**

The primary goal of the Contract Equity Program is to provide equal opportunities to qualified diverse contractors, vendors, and suppliers that satisfy the District's contracting and procurement needs and standards. For businesses within the District's geographic market area that are willing and able to do business with the District, the program establishes contract participation objectives, categorized by business ownership, as available. The contracting objectives will be reviewed regularly and the progress towards the objectives will be reported to the Board of Directors to monitor achievement of equity in contract participation. The program also seeks to support the development of emerging businesses from historically disadvantaged communities to effectively participate in the District's contracting and supplier opportunities.

The District does not discriminate against, or grant preferential treatment to any individual or group on the basis of race, sex, ethnicity, or national origin in the implementation of the Contract Equity Program as prohibited by Article 1, Section 31, of the California Constitution.

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#### **Departmental Monitoring System**

The Contract Equity Program administers a departmental monitoring system of District contracts and expenditures to encourage balanced contract awards among all availability groups represented in the District's geographic market area.

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#### **Authority**

Resolution No. 31008, August 28, 1984  
As amended by Motion 88-144, November 22, 1988  
As amended by Resolution No. 33104-98, June 9, 1998  
Reaffirmed: Motion No. 176-06, October 10, 2006  
As amended by Resolution No. 34029-15, April 28, 2015  
As amended by Resolution No. 35099-18, June 26, 2018  
As amended by Resolution No. 35221-21, April 27, 2021  
As amended by Resolution No. 35335-23, January 24, 2023  
As amended by Resolution No. XXXXX-24, September 24, 2024

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#### **References**

Policy 4.12 – Purchasing and Material Management  
Policy 6.04 – Ethics of the EBMUD Board of Directors  
Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity  
Procedure 447 – Vendor Interactions and Procurement Integrity  
Procedure 615 – Contract Equity, Small Business Bid Discount, and Contractors' Compliance with Equal Employment Opportunity



# Policy 6.09R

EFFECTIVE [24 SEP 24](#)  
~~24 JAN 23~~

SUPERSEDES [24 JAN 23](#)  
~~26 JUN 18~~

## CONTRACTORS' COMPLIANCE WITH EQUAL EMPLOYMENT OPPORTUNITY

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

Ensure that all contractors [and subcontractors](#) that do business with the District take lawful and adequate steps to ~~assure~~ [ensure](#) that employment practices comply with Equal Employment Opportunity (EEO) laws.

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#### Definition

A contractor is defined as any individual, partnership, joint venture, corporation, not-for-profit agency, or government entity with which the District enters into a contractual agreement. ~~A~~ [For example, a](#) contractor may be a construction contractor, a consultant, a supplier, a trucker, a service provider, or similar entity.

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#### Equal Employment Opportunity

All contractors [and subcontractors](#) doing business with the District ~~shall~~ agree not to discriminate against any employee, ~~or~~ applicant, [or subcontractor](#) for employment ~~because on the basis~~ of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition (including cancer), genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, [reproductive health decision making](#), or military and veteran status, [which includes a perception that the person has any of those characteristics or that the person is associated with a person who has, or is perceived to have, any of those characteristics](#) as these are defined in Government Code Section 12926; or because of any other status protected by federal, state and/or local laws, including, but not limited to family, medical, or pregnancy disability leave status. Contractors shall not establish or permit any such practice(s) of discrimination with reference to the contract.

There shall be no discrimination against any person, or groups of persons, per Government Code Section 12940, California Labor Code Section 1735, or any other applicable law or regulation in the performance of the contract.

Contractors shall include the nondiscrimination and compliance provisions of this clause in all subcontracts.

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#### Monitoring Contractor Compliance

Contractors shall furnish all information and reports required by the District to ensure their compliance with this policy. Notification of this policy will be included in Contract Specifications, Request for Statement of Qualifications, Request for Quotation, and Request for Proposal; and will serve as official notice in determining responsiveness and compliance. Contractors who fail to comply with this policy may be denied contracts with the District or have their contracts terminated.

# Contractors' Compliance with Equal Employment Opportunity

NUMBER 6.09

PAGE NO.: 2

EFFECTIVE DATE: [24 SEP 24](#)  
~~[24 JAN 23](#)~~

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## Authority

Motion No. 88-024, March 8, 1988  
Amended by Motion No. 92-058, April 28, 1992  
Amended by Resolution No. 33259-01, July 24, 2001  
Amended by Resolution No. 33497-05, October 11, 2005  
Reaffirmed by Resolution Motion No. 176-06, October 10, 2006  
Amended by Resolution No. 34029-15, April 28, 2015  
Amended by Resolution No. 34094-16, July 26, 2016  
Amended by Resolution No. 35099-18, June 26, 2018  
Amended by Resolution No. 35335-23, January 24, 2023  
[Amended by Resolution No. XXXXX-24, September 24, 2024](#)

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## References

Policy 6.08 – Contract Equity Program  
Procedure 615 – Contract Equity, Small Business Bid Discount, and Contractors' Compliance with Equal Employment Opportunity



# Policy 6.09

EFFECTIVE 24 SEP 24

SUPERSEDES 24 JAN 23

## CONTRACTORS' COMPLIANCE WITH EQUAL EMPLOYMENT OPPORTUNITY

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

Ensure that all contractors and subcontractors that do business with the District take lawful and adequate steps to ensure that employment practices comply with Equal Employment Opportunity (EEO) laws.

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|   |  |
|---|--|
| <b>Definition</b>                       | A contractor is defined as any individual, partnership, joint venture, corporation, not-for-profit agency, or government entity with which the District enters into a contractual agreement. For example, a contractor may be a construction contractor, a consultant, a supplier, a trucker, a service provider, or similar entity.   |
| <b>Equal Employment Opportunity</b>     | <p>All contractors and subcontractors doing business with the District agree not to discriminate against any employee, applicant, or subcontractor for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition (including cancer), genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, reproductive health decision making, or military and veteran status, which includes a perception that the person has any of those characteristics or that the person is associated with a person who has, or is perceived to have, any of those characteristics as these are defined in Government Code Section 12926; or because of any other status protected by federal, state and/or local laws, including, but not limited to family, medical, or pregnancy disability leave status. Contractors shall not establish or permit any such practice(s) of discrimination with reference to the contract.</p> <p>There shall be no discrimination against any person, or groups of persons, per Government Code Section 12940, California Labor Code Section 1735, or any other applicable law or regulation in the performance of the contract.</p> <p>Contractors shall include the nondiscrimination and compliance provisions of this clause in all subcontracts.</p> |
| <b>Monitoring Contractor Compliance</b> | Contractors shall furnish all information and reports required by the District to ensure their compliance with this policy. Notification of this policy will be included in Contract Specifications, Request for Statement of Qualifications, Request for Quotation, and Request for Proposal; and will serve as official notice in determining responsiveness and compliance. Contractors who fail to comply with this policy may be denied contracts with the District or have their contracts terminated.   |

# Contractors' Compliance with Equal Employment Opportunity

NUMBER 6.09

PAGE NO.: 2

EFFECTIVE DATE: 24 SEP 24

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## Authority

Motion No. 88-024, March 8, 1988  
Amended by Motion No. 92-058, April 28, 1992  
Amended by Resolution No. 33259-01, July 24, 2001  
Amended by Resolution No. 33497-05, October 11, 2005  
Reaffirmed by Resolution Motion No. 176-06, October 10, 2006  
Amended by Resolution No. 34029-15, April 28, 2015  
Amended by Resolution No. 34094-16, July 26, 2016  
Amended by Resolution No. 35099-18, June 26, 2018  
Amended by Resolution No. 35335-23, January 24, 2023  
Amended by Resolution No. XXXXX-24, September 24, 2024

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## References

Policy 6.08 – Contract Equity Program  
Procedure 615 – Contract Equity, Small Business Bid Discount, and Contractors' Compliance with Equal Employment Opportunity



## EMERGENCY PREPAREDNESS/BUSINESS CONTINUITY

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

Ensure the District can respond to and recover from emergencies. The District will create and maintain an active Emergency Preparedness Program that includes an Emergency Operations Plan (EOP) written and administered to help manage the District's critical operations during any emergency and protect people, property, and the environment. The District will coordinate the emergency planning and response with federal, state, and local agencies and private entities charged with emergency duties. The District will also create and maintain a Business Continuity Program Plan (BCPP) to minimize impacts to critical business functions and enhance its capability to recover operations expediently and successfully following an emergency.

The EOP and BCPP shall include provisions to:

- Make employee and community life safety the highest priority.
- Anticipate, prevent, protect against, and mitigate the greatest risks to the extent practicable.
- Periodically review the plans and incorporate lessons learned from exercises, incidents, and industry.
- Comply with all applicable legal requirements and be consistent with state and federal guidance.

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#### Emergency

An emergency includes actual or threatened existence of conditions of disaster or extreme peril to critical District operations, its infrastructure, and/or the health and safety of staff and/or the public. An emergency may be caused by an earthquake, power outage, cyber security breach, pandemic, dam failure, freeze, water supply contamination, national security incident, storm event, and other conditions that may be beyond the capability of District forces and may require support from other government agencies, non-profit organizations, or the private sector.

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#### Emergency Preparedness Program

The District's Emergency Preparedness Program will include an EOP written and administered in accordance with the guidelines of the National Response Framework (NRF), the National Incident Management System (NIMS), and the California Standardized Emergency Management System (SEMS). In accordance with NIMS and SEMS, the Emergency Preparedness Program will consist of five areas of readiness: prevention, protection, mitigation, response, and recovery. The EOP will describe the District's emergency response organization based on NIMS; include guidelines for identifying and training District staff in NIMS; designate District staff to critical positions identified in the EOP, and designate staff to represent the District in negotiations or consultations with public and private agencies on matters pertaining to response to the emergency and recovery of damaged systems and financial costs. The Regulatory Compliance Office will facilitate progress on the Emergency Preparedness Program.

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#### Authorization of Contracts During District Emergency Response and Reporting of Emergency Contracts

When an emergency condition arises that necessitates immediate action to minimize damage and inconvenience resulting from such condition, the General Manager or his or her designee, in consultation with the President of the Board of Directors (Board) or their designee, may declare a District emergency. The Board may also declare a District emergency under the Municipal Utility District Act (Public Utilities Code) Section 12753. The General Manager or his or her designee is authorized, after a District-declared emergency, to enter into emergency contracts not to exceed \$500,000, per contract, without bids or notice during the emergency response period. For emergency contracts higher than \$500,000, Board approval is required. The Board shall meet to ratify the declaration of emergency by the General Manager as

soon as possible after the declaration, but no later than the next regularly scheduled Board meeting.

At the next regular or special meeting of the Board of Directors following such emergency, a report shall be made to the Board of Directors summarizing contracts executed in response to said emergency. Periodic reports on the status of response and additional contracts shall be provided to the Board of Directors until the emergency is concluded. The emergency declaration will remain in effect until formal Board action is taken to conclude the emergency.

Note that under federal law (2 CFR § 200.320(c)), for procurements using federal funding or that may be reimbursed by the federal government, a noncompetitive procurement process may be used only when the public emergency will not permit a delay resulting from publicizing a competitive solicitation.

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**Emergency  
Operations  
Director**

The District's EOP will identify a District Director or member of the Senior Management Team (SMT) to serve as the Emergency Operations Director (EOD) who will have the authority for developing plans, training staff and managing the District's response to an emergency through the Emergency Operations Team (EOT). The EOT will be structured consistent with the NIMS in sections managed by Section Chiefs. In consultation with the General Manager, the EOD will identify staff to fulfill the planning, response, and recovery duties listed in the EOP. As the need arises, the EOD may direct all staff or material resources of the District to combat the effects of a threatened, declared or actual emergency. In an emergency, the EOD may delegate approval authority to the EOT Section Chiefs up to \$80,000 per purchase for material purchases and up to \$30,000 for services. These expenses would be included as part of the \$500,000 authorization above for the General Manager.

The General Manager or his or her designee may engage EBMUD retirees to provide staffing support for operations and activities deemed critical, necessary, or essential during a District declared emergency, provided such engagement is consistent with the California Public Employees' Pension Reform Act (PEPRA) or any executive order issued by the Governor of the State of California to suspend the requirements of PEPRA.

The EOD or his or her designee is authorized to take all necessary action to apply for incoming state or federal resources and to represent the District in requesting and/or negotiating for needed resources.

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**Mutual Aid/  
Assistance**

The General Manager, EOD, and their designees, in accordance with the EOP, may either request mutual aid/assistance from other local government agencies, including public and private water and wastewater utilities, or commit District resources to other agencies requesting aid.

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**Business  
Continuity  
Program  
Plan**

The District provides products and services that support the economic, human, and environmental health of the East Bay. Therefore, the District must have a program that facilitates the performance of essential functions during an emergency situation that disrupts normal operations and/or the timely resumption of normal operations once the emergency has ended. The District will maintain a BCPP consistent with federal, state, and industry guidance that provides the overall framework for the program and outlines the basic priorities for recovery of business functions in



individual Work Group Business Continuity Plans (BCPs). The Regulatory Compliance Office will manage and maintain the BCPP. Individual Work Group BCPs outline the critical functions that must be performed before, during, and after an event; identify the personnel responsible for completing the necessary actions; and list the vital records, equipment, supplies, tools and systems required to accomplish the identified tasks. The Work Groups are responsible for ensuring that their BCPs are maintained, employees trained, plans tested, and their vital records necessary to maintain operations are available. Vital records include all information and records that if lost, would place significant financial, operational, or legal restrictions on the continuation of District services.

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**Continuity of  
Management**

All of the District's BCPs, including that of the Office of the General Manager, will designate up to three successors to serve as the primary critical staff person in the event there is an activation of the EOT so day-to-day operations may continue. In the event the primary critical staff person is unable to respond to an emergency, the designee, in the order listed, may assume all the duties and powers of the primary critical staff person.

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**Status Reports**

The General Manager will provide periodic Emergency Preparedness Program and Business Continuity Program progress reports to the Board of Directors, as necessary, and the District's response to a declared District emergency, when applicable.

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**Board of Directors  
Succession Plan**

Each Board Member shall designate a minimum of two and no more than three Standby Officers to serve in their place in the event of the Board Member's unavailability in an emergency, as defined by the California Emergency Services Act (CESA). [Standby Officer No. 1 must reside within each respective Board member's ward. Standby Officer No. 2 must reside outside of the member's ward and may reside outside the District's service area. A Board member may choose, and the Board has the option to appoint, a third Standby Officer \(Standby Officer No. 3\). That Standby Officer could reside inside or outside the same ward as the Board member, or outside the District's service area.](#)

The list of Standby Officers shall be approved by Board Resolution and reviewed on an annual basis. The General Manager will determine the availability of the Board Members in an emergency. The Board will [endeavor to](#) fill vacancies in accordance with the Municipal Utility District Act and CESA within 60 days of the effective date of the vacancy. Upon appointment by the Board through a Board Resolution, the Standby Officer shall take the oath of office, remain informed of the duties, District business, and be prepared to immediately report for duty during an emergency. Details of this process will be documented in the General Manager's BCP.

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**Authority**

Resolution No. 33014-96, November 12, 1996  
As amended by Resolution No. 33027-02, September 24, 2002  
As amended by Resolution No. 33460-05, February 8, 2005  
As amended by Resolution No. 33564-06, November 14, 2006  
As amended by Resolution No. 33703-09, February 24, 2009  
As amended by Resolution No. 33793-10, November 23, 2010  
As amended by Resolution No. 33904-12, November 27, 2012  
As amended by Resolution No. 33941-13, September 24, 2013  
As amended by Resolution No. 34052-15, September 22, 2015  
As amended by Resolution No. 34094-16, July 26, 2016  
As amended by Resolution No. 35037-17, May 23, 2017  
As amended by Resolution No. 35098-18, June 26, 2018  
As amended by Resolution No. 35156-19, September 24, 2019  
As amended by Resolution No. 35168-20, March 24, 2020  
As amended by Resolution No. 35355-23, June 27, 2023  
As amended by Resolution No. 35409-24, June 25, 2024  
[As amended by Resolution No. XXXXX-24, September 24, 2024](#)

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**References**

Business Continuity Program Plan  
California Emergency Services Act (CESA), Government Code 8635 *et seq.*  
District Emergency Operations Plan  
FEMA Procurement Disaster Assistance Team (PDAT) Field Manual  
Municipal Utility District Act – Public Utility Code Section 12753  
National Incident Management System (NIMS)  
National Preparedness Goal  
National Response Framework (NRF)  
Policy 7.13 – Security  
Procedure 415 – Emergency Purchases  
Standardized Emergency Management System (SEMS)

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# Policy 7.03

EFFECTIVE

24 SEP 24

SUPERSEDES

25 JUN 24

## EMERGENCY PREPAREDNESS/BUSINESS CONTINUITY

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

Ensure the District can respond to and recover from emergencies. The District will create and maintain an active Emergency Preparedness Program that includes an Emergency Operations Plan (EOP) written and administered to help manage the District's critical operations during any emergency and protect people, property, and the environment. The District will coordinate the emergency planning and response with federal, state, and local agencies and private entities charged with emergency duties. The District will also create and maintain a Business Continuity Program Plan (BCPP) to minimize impacts to critical business functions and enhance its capability to recover operations expediently and successfully following an emergency.

The EOP and BCPP shall include provisions to:

- Make employee and community life safety the highest priority.
  - Anticipate, prevent, protect against, and mitigate the greatest risks to the extent practicable.
  - Periodically review the plans and incorporate lessons learned from exercises, incidents, and industry.
  - Comply with all applicable legal requirements and be consistent with state and federal guidance.
- 

#### Emergency

An emergency includes actual or threatened existence of conditions of disaster or extreme peril to critical District operations, its infrastructure, and/or the health and safety of staff and/or the public. An emergency may be caused by an earthquake, power outage, cyber security breach, pandemic, dam failure, freeze, water supply contamination, national security incident, storm event, and other conditions that may be beyond the capability of District forces and may require support from other government agencies, non-profit organizations, or the private sector.

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#### Emergency Preparedness Program

The District's Emergency Preparedness Program will include an EOP written and administered in accordance with the guidelines of the National Response Framework (NRF), the National Incident Management System (NIMS), and the California Standardized Emergency Management System (SEMS). In accordance with NIMS and SEMS, the Emergency Preparedness Program will consist of five areas of readiness: prevention, protection, mitigation, response, and recovery. The EOP will describe the District's emergency response organization based on NIMS; include guidelines for identifying and training District staff in NIMS; designate District staff to critical positions identified in the EOP, and designate staff to represent the District in negotiations or consultations with public and private agencies on matters pertaining to response to the emergency and recovery of damaged systems and financial costs. The Regulatory Compliance Office will facilitate progress on the Emergency Preparedness Program.

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#### Authorization of Contracts During District Emergency Response and Reporting of Emergency Contracts

When an emergency condition arises that necessitates immediate action to minimize damage and inconvenience resulting from such condition, the General Manager or his or her designee, in consultation with the President of the Board of Directors (Board) or their designee, may declare a District emergency. The Board may also declare a District emergency under the Municipal Utility District Act (Public Utilities Code) Section 12753. The General Manager or his or her designee is authorized, after a District-declared emergency, to enter into emergency contracts not to exceed \$500,000, per contract, without bids or notice during the emergency response period. For emergency contracts higher than \$500,000, Board approval is required. The Board shall meet to ratify the declaration of emergency by the General Manager as

soon as possible after the declaration, but no later than the next regularly scheduled Board meeting.

At the next regular or special meeting of the Board of Directors following such emergency, a report shall be made to the Board of Directors summarizing contracts executed in response to said emergency. Periodic reports on the status of response and additional contracts shall be provided to the Board of Directors until the emergency is concluded. The emergency declaration will remain in effect until formal Board action is taken to conclude the emergency.

Note that under federal law (2 CFR § 200.320(c)), for procurements using federal funding or that may be reimbursed by the federal government, a noncompetitive procurement process may be used only when the public emergency will not permit a delay resulting from publicizing a competitive solicitation.

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**Emergency  
Operations  
Director**

The District's EOP will identify a District Director or member of the Senior Management Team (SMT) to serve as the Emergency Operations Director (EOD) who will have the authority for developing plans, training staff and managing the District's response to an emergency through the Emergency Operations Team (EOT). The EOT will be structured consistent with the NIMS in sections managed by Section Chiefs. In consultation with the General Manager, the EOD will identify staff to fulfill the planning, response, and recovery duties listed in the EOP. As the need arises, the EOD may direct all staff or material resources of the District to combat the effects of a threatened, declared or actual emergency. In an emergency, the EOD may delegate approval authority to the EOT Section Chiefs up to \$80,000 per purchase for material purchases and up to \$30,000 for services. These expenses would be included as part of the \$500,000 authorization above for the General Manager.

The General Manager or his or her designee may engage EBMUD retirees to provide staffing support for operations and activities deemed critical, necessary, or essential during a District declared emergency, provided such engagement is consistent with the California Public Employees' Pension Reform Act (PEPRA) or any executive order issued by the Governor of the State of California to suspend the requirements of PEPRA.

The EOD or his or her designee is authorized to take all necessary action to apply for incoming state or federal resources and to represent the District in requesting and/or negotiating for needed resources.

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**Mutual Aid/  
Assistance**

The General Manager, EOD, and their designees, in accordance with the EOP, may either request mutual aid/assistance from other local government agencies, including public and private water and wastewater utilities, or commit District resources to other agencies requesting aid.

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**Business  
Continuity  
Program  
Plan**

The District provides products and services that support the economic, human, and environmental health of the East Bay. Therefore, the District must have a program that facilitates the performance of essential functions during an emergency situation that disrupts normal operations and/or the timely resumption of normal operations once the emergency has ended. The District will maintain a BCPP consistent with federal, state, and industry guidance that provides the overall framework for the program and outlines the basic priorities for recovery of business functions in

individual Work Group Business Continuity Plans (BCPs). The Regulatory Compliance Office will manage and maintain the BCPP. Individual Work Group BCPs outline the critical functions that must be performed before, during, and after an event; identify the personnel responsible for completing the necessary actions; and list the vital records, equipment, supplies, tools and systems required to accomplish the identified tasks. The Work Groups are responsible for ensuring that their BCPs are maintained, employees trained, plans tested, and their vital records necessary to maintain operations are available. Vital records include all information and records that if lost, would place significant financial, operational, or legal restrictions on the continuation of District services.

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**Continuity of  
Management**

All of the District's BCPs, including that of the Office of the General Manager, will designate up to three successors to serve as the primary critical staff person in the event there is an activation of the EOT so day-to-day operations may continue. In the event the primary critical staff person is unable to respond to an emergency, the designee, in the order listed, may assume all the duties and powers of the primary critical staff person.

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**Status Reports**

The General Manager will provide periodic Emergency Preparedness Program and Business Continuity Program progress reports to the Board of Directors, as necessary, and the District's response to a declared District emergency, when applicable.

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**Board of Directors  
Succession Plan**

Each Board Member shall designate a minimum of two and no more than three Standby Officers to serve in their place in the event of the Board Member's unavailability in an emergency, as defined by the California Emergency Services Act (CESA). Standby Officer No. 1 must reside within each respective Board member's ward. Standby Officer No. 2 must reside outside of the member's ward and may reside outside the District's service area. A Board member may choose, and the Board has the option to appoint, a third Standby Officer (Standby Officer No. 3). That Standby Officer could reside inside or outside the same ward as the Board member, or outside the District's service area.

The list of Standby Officers shall be approved by Board Resolution and reviewed on an annual basis. The General Manager will determine the availability of the Board Members in an emergency. The Board will endeavor to fill vacancies in accordance with the Municipal Utility District Act and CESA within 60 days of the effective date of the vacancy. Upon appointment by the Board through a Board Resolution, the Standby Officer shall take the oath of office, remain informed of the duties, District business, and be prepared to immediately report for duty during an emergency. Details of this process will be documented in the General Manager's BCP.

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**Authority**

Resolution No. 33014-96, November 12, 1996  
As amended by Resolution No. 33027-02, September 24, 2002  
As amended by Resolution No. 33460-05, February 8, 2005  
As amended by Resolution No. 33564-06, November 14, 2006  
As amended by Resolution No. 33703-09, February 24, 2009  
As amended by Resolution No. 33793-10, November 23, 2010  
As amended by Resolution No. 33904-12, November 27, 2012  
As amended by Resolution No. 33941-13, September 24, 2013  
As amended by Resolution No. 34052-15, September 22, 2015  
As amended by Resolution No. 34094-16, July 26, 2016  
As amended by Resolution No. 35037-17, May 23, 2017  
As amended by Resolution No. 35098-18, June 26, 2018

As amended by Resolution No. 35156-19, September 24, 2019  
As amended by Resolution No. 35168-20, March 24, 2020  
As amended by Resolution No. 35355-23, June 27, 2023  
As amended by Resolution No. 35409-24, June 25, 2024  
As amended by Resolution No. XXXXX-24, September 24, 2024

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**References**

Business Continuity Program Plan  
California Emergency Services Act (CESA), Government Code 8635 *et seq.*  
District Emergency Operations Plan  
FEMA Procurement Disaster Assistance Team (PDAT) Field Manual  
Municipal Utility District Act – Public Utility Code Section 12753  
National Incident Management System (NIMS)  
National Preparedness Goal  
National Response Framework (NRF)  
Policy 7.13 – Security  
Procedure 415 – Emergency Purchases  
Standardized Emergency Management System (SEMS)

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## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: September 19, 2024

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager CCC

FROM: Rischa S. Cole, Secretary of the District RC

SUBJECT: Draft Board of Directors Governance Policies and Proposed Board Governance Manual

### SUMMARY

At the August 27, 2024 Finance/Administration Committee meeting, staff presented an update on proposed governance documents, including a draft outline for a Board Governance Manual and three District policies (two existing and one new), which were developed based on feedback from the Finance/Administration Committee and Board members. At the August 27 meeting, the Committee provided additional feedback, which staff has incorporated into the draft documents. Staff will discuss next steps and a proposed timeline for Board members to review and approve the Board Governance Manual and three District policies at the September 24, 2024 Finance/Administration Committee meeting.

### DISCUSSION

At its November 3, 2023 Retreat, the Board asked staff to draft governance policies for the Board. Staff initially drafted eight new governance policies for Board review and consideration (including a new policy on the Protection of Whistleblowers). Staff also revised Policy 6.04 - Ethics of the EBMUD Board of Directors and Policy 4.14 - Reimbursement of Director Expenses. Based on Committee and Board members' feedback, staff drafted a Board Governance Manual for Board consideration and approval in place of seven of the proposed governance policies. A copy of the draft manual and copies of Policy 6.04, Policy 4.14, and the new policy on the Protection of Whistleblowers are attached.

### NEXT STEPS

At the September 24 Finance/Administration Committee meeting, staff will discuss the proposed timeline to finalize the manual and policies. In order to complete and have the Board adopt these documents before the end of the calendar year, the Board will need to submit feedback to the Secretary by October 8.

CCC:RSC

Attachments 1. EBMUD Draft Board Member Governance Manual  
2. Board Governance Policies - Policy 6.04; Policy 4.14; and Protection of Whistleblowers policy (new)



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**(Title Page)**

**East Bay Municipal Utility District Draft Board Member Governance Handbook**

Thank you for your commitment to the East Bay Municipal Utility District (EBMUD). Your role as an EBMUD Board member is critical in supporting the vibrant East Bay community and protecting the environment we all cherish.

You are not alone in this incredible endeavor. Your fellow Board members and skilled and dedicated staff are here to assist you. The General Manager, General Counsel, and Secretary of the District will be your primary points of contact during your tenure on the EBMUD Board.

This handbook contains information to help you understand your role as an EBMUD Board member. All documents referenced in this handbook are available electronically; the Secretary of the District will assist you in accessing these files.

We trust you will find your time on the EBMUD Board rewarding and an opportunity to make a significant impact on the communities we serve.

With sincere appreciation.

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Lesa R. McIntosh,  
2024 President

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William B. Patterson  
2024 Vice President

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April B. Chan

---

Luz M. Gómez

---

Andy Katz

---

Doug A. Linney

---

Marguerite Young

---

Rischa S. Cole  
Secretary of the District

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Clifford C. Chan  
General Manager

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Derek T. McDonald  
General Counsel

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## Section 1. Introduction

This handbook provides guidance on the practices the Board employs in exercising its authority, complying with various legal requirements, working with the public and EBMUD staff, and otherwise conducting EBMUD business.

Throughout this manual, the terms “EBMUD” and the “District” will be used interchangeably. References throughout are provided in The Dashboard on OneDrive.

### 1.01 What is a Special District?

State law defines a special district as “any agency of the state for the local performance of governmental or proprietary functions within limited boundaries.” In plain language, a special district is a separate local government that delivers specific public services to a geographically limited area, such as water and wastewater service. Special districts have four distinguishing characteristics – they are a form of government; have governing boards; provide services and facilities; and have defined boundaries.<sup>1</sup>

### 1.02 EBMUD Mission Statement

EBMUD’s mission is “to manage the natural resources with which the District is entrusted; to provide reliable, high-quality water and wastewater services at fair and reasonable rates for the people of the East Bay; and to preserve and protect the environment for future generations.”

### 1.03 Principles of Governance

The principles used in accomplishing EBMUD’s mission are:

- Exercise responsible financial management
- Ensure fair and reasonable rates and charges
- Provide responsive quality customer service
- Promote ethical behavior in the conduct of EBMUD business
- Ensure fair and open processes involving the public
- Provide a healthy work environment
- Promote diversity and equality in personnel matters and contracting
- Promote environmental, economic, and social sustainability

### 1.04 EBMUD Values

EBMUD has adopted the following values in support of our Board members and employees as they work to achieve the District’s mission:

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<sup>1</sup> **Reference:** *Institute for Local Governments What’s So Special About Special Districts?*  
<https://www.ca-ilg.org/post/about-special-districts>



- Stewardship: I am a steward of our resources and committed to public service
- Integrity: I act with integrity
- Respect: I treat others with respect
- Teamwork: We are EBMUD and we are one team<sup>2</sup>

## **Section 2. Municipal Utility District Act**

The Municipal Utility District (MUD) Act of California, enacted in 1921, provides the legal framework for the formation and operation of municipal utility districts within the state. These districts are public agencies that provide essential services such as water, wastewater, electricity, and waste collection to their communities. The MUD Act enables districts to levy taxes, issue bonds, and acquire, construct, or operate infrastructure necessary to delivery these services with the goal of ensuring reliable and cost-effective public utilities while maintaining local control over resource management.

## **Section 3. Role of the Board of Directors**

The Board of Directors is the legislative body of EBMUD. The Board sets policy for EBMUD and operates in accordance with the MUD Act and all other applicable laws.

### **3.01 Purpose of the Board**

The Purpose of the Board is to:

- Develop policies that implement the mission and values of EBMUD.
- Determine the results that reflect the policies set by the Board.
- Provide oversight of EBMUD's performance as established by the Board.
- Make decisions necessary to carry out the mission of EBMUD.

### **3.02 Authority of the Board**

The Board of Directors is the unit of authority for EBMUD. Individual Board members may not commit EBMUD to any policy, act, or expenditure unless authorized by a quorum of the Board.

Individual Board members should respect the decisions made by the Board, regardless of their personal position. Individual Board members may voice their individual opinion about the decisions of the Board, but in doing so, should make it clear that it is their own opinion and not the opinion of the Board or other Board members. Individual Board members are encouraged to notify the General Manager in advance when they plan to speak publicly in opposition to EBMUD's decisions, policies or actions.

### **3.03 Board Duties**

The key duties of Board members are to:

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<sup>2</sup> **Resource:** EBMUD Values Splashpad Page, <https://splashpad.ebmud.com/district/values>

- Adopt and regularly update a Strategic Plan for EBMUD that reflects its mission, values and vision.
- Adopt written policies that further the Strategic Plan and mission of EBMUD, while ensuring a high-quality of governance and clear roles in decision-making between the Board and EBMUD staff.
- Adopt rates, rules and regulations for the services provided by EBMUD.
- Approve budgets, rates and long-range capital plans to ensure the long-term ability of EBMUD to fulfill its mission.
- Hire, regularly evaluate and, when necessary, discharge the General Manager and General Counsel.
- Identify and track the performance metrics that reflect the policies set by the Board.
- Provide oversight and track compliance with all relevant laws, regulations, permits and the performance of EBMUD.
- Ensure the organization operates effectively and efficiently to fulfil its mission.
- Communicate with EBMUD customers and community stakeholders to understand their concerns, values and viewpoints.
- Serve as ambassadors for EBMUD and build relationships throughout EBMUD's service area and in those areas of the state impacted by EBMUD's policies and activities.
- Maintain open lines of communication with employee unions, approve collective bargaining agreements and seek alignment with EBMUD's vision and goals.
- Strive to equitably address the needs of impacted communities served by EBMUD.
- Set Ward boundaries following each decennial census and in accordance with the Fair Maps Act so that each ward accurately reflects population changes and racial diversity.
- Take such actions as are required by law.

### **3.04 Role of Board Officers**

The Board Officers are the President and Vice President. While not considered Board officers, this section also describes the role of the President Pro Tem, the chairs of standing committees, and the representatives on the governing bodies of Joint Powers Authorities to which EBMUD is a party.

#### **(a) Role of the Board President**

The role of the President is to:

- Serve as presiding officer at all Board meetings.
- Develop and approve the regular Board meeting agenda in consultation with the General Manager.
- Administer regular Board meetings under appropriate parliamentary procedure and in accordance with this manual, by:

- Managing the meeting time;
- Ensuring appropriate opportunities for public participation;
- Keeping the Board focused on the discussion at hand; and
- Avoiding diversions from the agenda or disruptions in the conduct of EBMUD business.
- Sign resolutions, ordinances, and other Board-approved documents on behalf of the Board.
- Make appointments to Standing Board Committees, Ad Hoc Committees, Joint Powers Authorities (JPAs), and as representatives to outside agencies.
- Act as an official representative of EBMUD for ceremonial purposes.

#### (b) Role of the Board Vice President

The Role of the Vice President is to perform the duties of the President in the President's absence or due to any conflict of interest the President may have under the law or EBMUD policies and procedures.

#### (c) Role of the President Pro Tem

If both the President and Vice President are absent, the Board member with seniority among the Board members present will serve as president pro tem until such time as the President or Vice President is present.

#### (d) Role of Committee Chairs

The role of a Committee Chair is to:

- Serve as the presiding officer at committee meetings.
- Develop and approve the committee meeting agenda in consultation with the General Manager.
- Administer committee meetings under appropriate parliamentary procedure and in accordance with this manual.
  - Managing the meeting time;
  - Ensuring appropriate opportunities for public participation;
  - Keeping the committee focused on the discussion at hand; and
  - Avoiding diversions from the agenda or disruptions in the conduct of EBMUD business.
- Report to the Board at the next regular Board meeting following a committee meeting any discussions held at the committee meeting and any recommendations by the committee on actions to be taken by the Board.

### 3.05 Appointees of the Board of Directors

The Board directly appoints the General Manager, the General Counsel, and the Secretary of the District.<sup>3</sup>

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<sup>3</sup> **Reference:** Public Utilities Code §§ 11926 & 11931.

#### (a) Role of the General Manager

The General Manager serves at the pleasure of the Board pursuant to the terms and conditions set forth in an employment agreement with EBMUD. The General Manager is responsible for the management of EBMUD and its employees in accordance with the policies approved by the Board.

The General Manager is responsible for:

- Administering the business affairs of EBMUD.
- Enforcing all EBMUD ordinances, rules and regulations.
- Executing Board directives and reporting back to the Board on progress.
- Administering the EBMUD civil service system.
- Hiring, managing and removing EBMUD employees necessary for the administration of the affairs of EBMUD, in accordance with the provisions of the civil service system.
- Managing communications and requests between the Board and staff.
- Attending all regular, special and committee meetings of the Board unless excused.
- Bringing to the attention of the Board matters requiring or deserving its consideration.
- Preparing an annual budget for approval by the Board reflecting the Board's policy and strategic directives.
- Preparing general and specific reports updating the Board on the affairs of EBMUD, including keeping the Board informed on the progress of programs and specific matters.
- Preparing draft agendas and all documents necessary for the Board's governance of EBMUD at regular Board meetings and committee meetings.
- Ensuring that EBMUD effectively interacts with the public it serves and other governmental agencies to inform them of matters of concern and to promote EBMUD policies and programs.
- The full charge and control of the construction of the works of EBMUD and of their maintenance and operations.
- Performing additional duties as the Board may require.

The General Manager performs these duties either directly or through EBMUD staff or contractors, as necessary and appropriate, in accordance with Board policies, EBMUD procedures, and the EBMUD civil service system.

#### (b) Role of the General Counsel

The General Counsel is an attorney licensed to practice law in the State of California and serves at the pleasure of the Board pursuant to the terms and conditions set forth in an employment agreement with EBMUD. The General Counsel is the chief legal officer of EBMUD.

The General Counsel is responsible for:

- Overseeing and directing EBMUD's strategy in all lawsuits and other legal proceedings in which EBMUD is a party or in which it is legally interested.
- Advising the Board on compliance with the Brown Act, conflict of interest laws, and other laws related to the Board's governance of EBMUD.
- Providing legal advice to the General Manager and members of the Senior Management Team.
- Providing legal advice in support of the work of EBMUD staff or whenever required by the Board.
- Reporting to the Board situations that present a legal risk to EBMUD that come to the General Counsel's attention.
- Approving as to form all EBMUD ordinances, resolutions, contracts, bonds, and other legal documents connected with the business of EBMUD.
- Attending all regular, special and committee meetings of the Board unless excused.
- Performing additional duties as the Board may require.

The General Counsel performs these duties either directly or through the attorneys and staff of the Office of General Counsel or in conjunction with special counsel retained by the Office of General Counsel, as necessary and appropriate, in accordance with Board policies and EBMUD procedures.

#### (c) Role of the Secretary of the District

The Secretary of the District acts for the Board members in a variety of executive, administrative, legal and record-keeping functions, and is part of the EBMUD Senior Management Team. These functions include preparation and distribution of Board and Committee agendas, notices, meeting materials, and minutes; compliance with applicable regulations, including the MUD Act, Public Health and Safety Code, Brown Act, Political Reform Act, and Public Records Act; records management; administration of elections; adherence to Fair Political Practices Commission requirements; compliance with ethics laws; maintenance of Board policies and related administrative procedures; and special projects.

The Secretary of the District:

- Makes independent decisions as necessary to implement Board requests, decisions and official actions.
- Provides administrative support to Board members
- Performs all duties in compliance with applicable regulations.
- Serves as custodian of the EBMUD seal and the official records of EBMUD.
- Attends all regular, special and committee meetings of the Board unless excused.
- Produces, as appropriate, the minutes and official records of Board and Committee actions.
- Serves as the Filing Official under EBMUD's Conflict of Interest Code and serves as EBMUD's Election Officer to oversee EBMUD election procedures with the Counties of Alameda and Contra Costa.

- May perform any other duties as from time to time may be prescribed by the Board of Directors.

## **Section 4. Principles of Conduct**

The Board is committed to acting in the best interests of its ratepayers and the public, providing excellence in leadership and prioritizing EBMUD's mission over personal or other interests. This section presents general principles of Board member conduct.

### **4.01 General Principles of Conduct**

The following are the general principles of conduct to be observed by the Board.

- Board members must always demonstrate loyalty to EBMUD by acting in the best interest of EBMUD, its ratepayers and the public, not allowing their actions to be dictated by personal, financial or political interests.
- Board members should make decisions that prioritize the long-term sustainability, financial health, and operational efficiency of EBMUD, while ensuring reliable service to the public.
- Board members should be prepared for Board meeting deliberations in which they are required to or wish to take part.
- Board members should demonstrate EBMUD's values of Stewardship, Integrity, Respect, and Teamwork.
- Board members should endeavor to conduct themselves with civility, respect, and professionalism with each other, EBMUD staff, and the public.
- Each Board member should respect the decision-making authority of the Board and abide by Board-adopted policies and EBMUD-adopted procedures.
- Board members should familiarize themselves with and comply with all applicable laws, regulations and Board-adopted policies regarding governance of EBMUD, about which Board members may seek advice from the General Manager or Secretary of the District, or legal advice from the General Counsel, when necessary.

Board members are encouraged to:

- Stay informed about the issues facing the water and wastewater industry.
- Ask the General Manager questions about Board meeting agenda items ahead of Board and committee meetings to allow time for staff to prepare helpful responses to support the Board's discussion and decision-making.
- Manage conflict carefully and with civility Be respectful of their fellow Board members, staff, guests, and the public.
- Board members Be timely in their attendance of all Board and committee meetings.

## **4.02 Conduct Between Board Members**

The following principles apply to all conduct between Board members when interacting with each other.

- Each Board member should respect the dignity, values and opinions of other Board members, focusing on policy issues and not personalities.
- The Board is encouraged to work as a team, striving to reach consensus on policy decisions to the extent possible, recognizing that each Board member may have a unique perspective on a policy issue.
- No Board member should put the personal interests of any other Board member above the interests of EBMUD.
- Board members shall not communicate with each other outside of publicly noticed meetings in a manner that violates the Brown Act.

## **4.03 Conduct When Representing EBMUD in Public**

The following principles apply to the conduct by Board members when interacting with constituents or representing EBMUD in public settings.

- When responding to constituent requests and concerns, Board members are encouraged to be courteous and respond to individuals promptly and in a positive manner. The General Manager and the Community Affairs Representative for the Board member's ward are available to provide information or assistance to a Board member in responding to members of the public.
- In communicating with the governing bodies of other agencies, the press, or other members of the public:
  - Board members may speak on behalf of EBMUD or the Board when discussing adopted EBMUD policies or stated Board decisions.
  - In all other circumstances, Board members should make it clear that their opinions and representations are their own and do not reflect the opinions or policies of EBMUD or the Board as a whole.
  - Board members are encouraged to notify the General Manager in advance if they plan to speak publicly in opposition to an EBMUD decision or policy.
- Board members should endeavor to express their individual opinions in a responsible manner that is not detrimental to EBMUD or other Board members and staff.

## **4.04 Working with Staff**

The MUD Act charges the General Manager with the day-to-day management of EBMUD staff.<sup>4</sup> This section describes how the Board works with those EBMUD officers appointed by the Board, as well as with EBMUD staff.

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<sup>4</sup> **Reference:** See Public Utilities Code §§ 11926 & 11937.



#### (a) Working with the General Manager

The Board provides policy direction and instructions to the General Manager on matters within the authority of the Board. The General Manager is responsible for execution of the Board's policy direction and instructions. Members of the Board should deal with matters within the authority of the General Manager through the General Manager.

#### (b) Working with the General Counsel

The General Counsel provides the legal support for the policies adopted by the Board and the procedures approved by the General Manager to implement those policies.

- Board members should consult directly with the General Counsel on any questions regarding compliance with the Brown Act, ethics laws or other laws related to Board governance.
- The General Counsel provides advice to Board members in their official capacity and cannot advise Board members in their individual capacity.
- The General Counsel cannot advise Board members in their capacities as campaign candidates except insofar as their positions as Board members may impose certain legal obligations on them under campaign finance laws.

#### (c) Working with the Secretary of the District

The Secretary of the District and staff provides administrative support to the Board and performs additional duties as the Board may require. Board members should consult with the Secretary of the District on questions regarding but not limited to EBMUD-related travel, attending conferences, expenses and reimbursement, training requirements, schedule coordination, Board meeting material distribution, Board meeting attendance, general information (outside of information requested from General Manager), and other regulatory requirements that may govern their role.

#### (d) Working with EBMUD Staff

When working with or interacting with EBMUD staff, each Board member should:

- Consult directly with the General Manager for information or clarification regarding EBMUD policies, procedures or operations, especially those involving personnel decisions, operations and finances.
- Not exercise individual authority over staff and direct the actions of any EBMUD staff member to the General Manager.
- Respect the role and authority of the General Manager and EBMUD's Senior Management Team and employees in the day-to-day management and operations of EBMUD.
- Share concerns about or criticism of the actions of EBMUD staff with the General Manager, in order to respect the privacy or due process rights afforded to all staff.
- Be mindful of requests (e.g., preparing emos, reports, or plans) and the impact on the use of staff time and resources.

- Board members may work directly with the Community Affairs Representative for their ward in responding to constituent concerns, preparing for meetings with constituents, or on such other matters in which a Board member may interact with a constituent.
- Board members are encouraged to keep the General Manager and Secretary of the District apprised of any need to work with a Community Affairs Representative.
- Other than as set forth above, Board members should direct all individual requests for information, memoranda, plans, documents or other materials to the General Manager or the Secretary of the District.
- Board members should recognize that they are the highest authority at EBMUD and, in order to avoid disruption to the work of EBMUD employees and allow for the free exchange of information, should avoid attending staff meetings or staff events or enter into staff offices or cubicles unless their presence is requested.

#### **4.05 Relationship with Union Representatives**

Board members are encouraged to maintain open lines of communication with union leaders to understand concerns associated with pending Board matters, contracts, and employee relations concerns, but should not disclose confidential information to union representatives. Board members should inform the General Manager of discussions with union representatives, as appropriate.

## **Section 5. Ethics of the Board of Directors**

### **5.01 Principles of Ethics**

Board members should avoid impropriety or the appearance of impropriety in their activities. Board members will uphold the highest standards of integrity, honesty, and ethical behavior in all EBMUD-related activities and in accordance with Policy 6.04, Ethics of the EBMUD Board of Directors. Board members are encouraged to review Policy 6.04 and to direct any questions regarding the Policy to the General Counsel.

### **5.02 Failure to Abide by Principles of Ethics and Conduct**

The Board President is responsible for ensuring Board members abide by the Ethics Policy and principles of conduct stated in this manual. Violations of Policy 6.04 – Ethics of the Board of Directors, will be addressed in accordance with the procedures set forth in the Policy. Should any Board member have a concern about a violation of the principles of conduct, the Board member is encouraged to raise the concern in private with the Board member in question, or with the Board President, prior to raising the concern in public. However, in the event that misconduct continues, any Board member may call for censure or other actions to be taken against the Board member who has violated the principles of conduct.

## **Section 6. Protection of Whistleblowers**

The Board promotes and oversees EBMUD's efforts to maintain a healthy and transparent work environment, free from discrimination, harassment or retaliation based on the reporting of improper activities in the workplace. The Board's role in the protection of whistleblowers at EBMUD is described in Policy 6.XX.

## **Section 7. Election of Board Officers**

### **7.01 Process for Election**

#### **(a) Time of Election**

Board Officers shall be elected as the first order of business during the first regular Board meeting of the calendar year.

#### **(b) Nomination of Officers**

- Each Board member has the right to nominate a Board member, including themselves, for the role of President or Vice President.
- Each nomination must be seconded by a Board member.
- If more than one Board member is nominated to an Officer position, each nominee must be put to vote in the order the nomination was made.

#### **(c) Vote for Board Officers**

The positions of President and Vice President shall be elected by a majority vote of the Board (four of seven Board members).

### **7.02 Qualifications of Board Officers**

It is important that any Board member being considered for election to an Officer position have the qualifications and experience necessary for effective governance. This includes the following:

- Service on the Board for at least one year prior to the date of the Officer election
- Completion of all required Orientation and Training described in this manual

Traditionally, a Board member shall have served as Vice President prior to serving as President.

In circumstances where none of the Board members meet the qualifications stated above, the Board may vote to elect any Board member to serve as President or Vice President.

### **7.03 Term of Board Officers**

The term of each Board Officer shall begin immediately following the vote by the Board and shall continue until a new Board Officer is elected.

A Board member may not serve more than two consecutive one-year terms in each Board Officer position, unless a situation arises in which the majority of the Board votes to allow an Officer to hold three or more consecutive terms.

### **7.04 Removal of Board Officers**

A vote to remove a Board Officer may be initiated following a motion by any Board member and seconded by another Board member. A Board Officer may be removed by a majority vote of the Board (four of seven Board members).

## **Section 8. Filling Director Vacancies**

When a vacancy occurs in a ward before the next general election that is scheduled 90 or more days after the effective date of the vacancy, the Board may vote to either hold a special election in that ward or to appoint a person to fill the vacancy until the next general election.<sup>5</sup>

If the Board chooses to appoint a person to fill the vacancy, the following process may be used.

- At a regularly scheduled or special Board meeting, the Board will appoint an ad hoc committee to facilitate the appointment process.
- A Notice of Vacancy in the ward will be posted in three conspicuous places (EBMUD's Administration Building in Oakland and two places in the ward); on EBMUD's website and social media platforms; published in newspapers; and distributed for posting with cities, towns, chambers of commerce, regional agencies, and elected officials in the ward.
- All interested candidates will receive an information packet that will include a description of the application process and a link to a page on EBMUD's website with information about EBMUD.
- Candidates will be required to mail, email, or hand deliver the following application materials by close of business on a date to be determined by EBMUD:
  - A letter expressing their interest and qualifications (no more than 2 pages);
  - A resume; and
  - A minimum of three (3) letters of reference. Additional letters of reference will not be accepted after the submission deadline.
- The Office of the Secretary will conduct the initial screening of all application materials for completeness and confirm with the county that the applicant is a resident of and registered voter in the ward.

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<sup>5</sup> **Reference:** See Public Utilities Code § 11865.

- The ad hoc committee will screen applications to develop a shortlist of candidates, if necessary, for final interviews with the full Board.
- Candidate interviews will be conducted as follows:
  - The Board will conduct interviews with each candidate recommended by the ad hoc committee at its next regularly scheduled meeting or at a special meeting, in EBMUD's Administration Building Boardroom or at the Board's discretion, a location within the ward with the vacancy.
  - The interviews will be conducted in person, and if conducted in EBMUD's Administration Building Boardroom, viewable online, and livestreamed on EBMUD's website.
  - The Board will deliberate and, if time permits, vote for the recommended candidate at the conclusion of the interviews.
- If the Board does not vote for the recommended candidate at the conclusion of the interviews, the Board may adjourn the meeting to a future meeting to vote for the recommended candidate.
- The appointee will be sworn in and will serve as the Director for the ward exactly as if elected to office, until the next general election for EBMUD.

This process may be started before the effective date of the Board member's vacancy but must be completed within 60 days of the effective date of the vacancy.<sup>6</sup>

## **Section 9. Board Member Orientation and Training**

### **9.01 Onboarding and Training of Newly Elected or Appointed Board Members**

In order to effectively govern, new Board members should become familiar with the policies, procedures, and operations of EBMUD. During the first four months following election or appointment, the Board member will participate in the following onboarding presentations (2-4 hours) and tours (2 hours - all day):

- Organization Overview, Public Affairs, Administrative Support (Secretary's Office) and Legislative Programs
- Water Quality and Environmental Protection
- Long-Term Water Supply and East Bay Watershed Master Plan
- Long-Term Infrastructure Investment
- Long-Term Financial Stability and Cybersecurity/Information Systems
- Customer and Community Services
- Workforce Planning and Development, including the Diversity, Equity and Inclusion Strategic Plan
- Personal Benefits Orientation and Selection

The following tours will be offered to Board members as part of the orientation and training. Attendance is optional.

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<sup>6</sup> **Reference:** See Public Utilities Code § 11865(a).

- Local Water Distribution System
- East Bay Watershed
- Upcountry Facilities
- Wastewater Facilities

New Board members are also encouraged to complete the California Special Districts Association training for new Board members.

The Board President and General Manager, in coordination with the Secretary of the District will develop the training and orientation schedule for new Board members. The Board President, with assistance from the Secretary of the District, is responsible for overseeing progress of new Board members in the timely completion of their orientation.

All onboarding presentations and tours will be led by the General Manager and the Senior Management Team. General Board governance training will be conducted from time-to-time by an outside facilitator.

### **9.02 Ethics and Litigation Presentation**

In the first month following election or appointment, each Board member will receive a presentation from the Office of General Counsel on:

- The Municipal Utility District Act
- Open meeting requirements under the Ralph M. Brown Act
- Board governance and Ethics of the EBMUD Board of Directors
- California Conflict of Interest Laws
- The Public Records Act

The presentation will also include information regarding any major litigation in which EBMUD is involved.

### **9.03 Required Ongoing Training**

All Board members, as public officials, shall complete the following trainings, as required by law:

- In accordance with Assembly Bill (AB) 1661, at least two hours of preventing harassment training within six months of assuming office and every two years following the initial training.
- In accordance with AB 1234, at least two hours of ethics training no later than one year from the date the Board member assumes office and every two years thereafter.

Board members' ethics and preventing harassment training certificates will be posted on EBMUD's website.

#### **9.04 Failure to Complete Required Ongoing Training**

Board members who fail to complete the onboarding process and ethics and litigation presentation within the first 6 months of assuming office, and required ongoing training by the prescribed deadlines may:

- Be ineligible to serve as a Board Officer (President or Vice President), chair a standing Board committee, serve on an ad hoc committee, serve on the Retirement Board or serve on the boards of Joint Powers Authorities
- Be ineligible for approval of travel on behalf of EBMUD or reimbursement of travel expenses
- Have information posted on the EBMUD website identifying any incomplete training required by law until such time as the required training has been completed.

### **Section 10. Training, Educational Programs, Conferences, and Professional Meetings**

Board members are encouraged to attend training, educational programs, conferences and professional meetings when the purpose is to support EBMUD or their role as Directors. Attendance at these events must be approved by the Board President in advance. The Secretary of the District manages the budget for these activities and will track requests to attend training, educational programs, conferences, and professional meetings to assist the Board President with reviewing and approving requests. Attendance at these events should not conflict with the Board member's in-person attendance at meetings of the Board of Directors (see Section 11), unless approved in advance by the Board President.

Upon return from any conference attended on behalf of EBMUD, a Director shall file with the Secretary of the District a written report on the Director's activities at the conference (e.g., and what was learned at the conference that may be helpful to the Board or EBMUD and what meetings or sessions the Board member attended).

- The Secretary of the District shall send a copy of the report to the Board President.
- A Director shall not be eligible for reimbursement until they have filed the report with the Secretary of the District.

### **Section 11. Meetings of the Board of Directors**

A Board "meeting," as defined by the Brown Act, is any gathering of a quorum of the Board, or of a Board committee, at the same time and place (including electronically) to discuss the business of EBMUD and/or to take action. To comply with the Brown Act, all meetings must be publicly noticed, and the Board's discussions and actions are limited to the topics specifically stated in the noticed meeting agenda.



## **11.01 Application of the Sturgis Standard Code of Parliamentary Procedure**

The Board follows the Sturgis Standard Code of Parliamentary Procedure (Sturgis) for all aspects of the conduct of Board meetings not otherwise required by law, to the extent reasonably practicable.

Deviation from Sturgis in the conduct of Board meetings shall not be grounds for the invalidation of any lawful action taken by the Board.

## **11.02 Types and Purpose of Meetings**

There are several types of Board meetings allowed under the Brown Act. Their purpose is described here. The time and place of each meeting described below is stated in subsection 11.04.

### **(a) Regular**

The principal type of meeting at which EBMUD business is conducted is a regular Board meeting.

### **(b) Closed Session**

The Brown Act requires all Board meetings to be held publicly, unless one of the specific, narrow exceptions defined in the Act applies, in which case the topic may be discussed in a noticed “closed session meeting.” The most commonly cited exceptions for closed session at EBMUD relate to discussion of litigation, real estate negotiations, labor negotiations and the security of EBMUD infrastructure. Only individuals having an official role in the closed session subject matter may attend the closed session.

The Brown Act explicitly prohibits the unauthorized disclosure of confidential information acquired in a closed session by any person present, including Board members. Some actions taken in closed session must be publicly reported during the regular Board meeting, and the votes for or against the actions must be provided. The Board President generally makes these reports following closed session.

### **(c) Special**

Occasionally, special Board meetings are held to discuss a particular topic, conduct a workshop or study session or, if necessary, hold a meeting at a time or date other than a regularly scheduled Board meeting. Special Board meetings generally must be convened within EBMUD’s service area. State law requires that agendas for special Board meetings be provided to each local newspaper of general circulation and each radio and television station that has requested such notice in writing and be posted in a public place and on EBMUD’s website at least 24 hours prior to the meeting. These meetings are open to the public.



### **11.03 Role of Standing Committees**

#### **(a) Roles and Responsibilities for Standing Committees**

- With the exception of the Retirement Board, each committee consists of three Board members assigned in accordance with sub-section 12.01.
- The committee will receive staff updates on topics within the purview of the committee, as stated in sub-section 11.03(b).
- For any action to be taken by the Board that was first presented to a committee for consideration, the committee Chair will inform the Board on its discussions regarding the action, including any relevant policy alternatives, and make a recommendation to the Board on the action to take.
- Though committees may recommend a preferred action or policy decision to the full Board, committees do not have the authority to direct staff to exclude any reasonable action or policy alternative from consideration by the full Board.
- Committees may not speak for or act on behalf of the full Board except when expressly authorized by the Board for a specific and time-limited purpose.
- The committee Chair or, in the absence of the Chair, a representative on the committee, will report on the discussions of the standing committee at the Board meeting following the committee meeting.

#### **(b) Roles and Responsibilities for Each Standing Committee**

- Finance/Administration Committee. Reviews EBMUD investments, debt service, and related policies, fees and charges, audits, contracts and grants, and policies for acquisition of equipment or services.
- Legislative/Human Resources Committee. Discusses legislative goals and programs, human resources related issues, personnel policies, District training and development, and EBMUD Diversity, Equity, and Inclusion activities.
- Planning Committee. Reviews planning of facilities, capital projects, operational standards, and the acquisition, development and disposition of real property.
- Sustainability Committee. Discusses matters related to sustainability, natural resources, and the environment.

### **11.04 Time and Place of Meetings**

#### **(a) Regular Board Meetings**

- Regular Board meetings are held on the second and fourth Tuesday of each month.
- The regular meeting is divided into two segments: closed session at 11:00 a.m. and the regular business meeting at 1:15 p.m.

#### **(b) Planning Committee**

Meetings of the Planning Committee will be held at 9:00 a.m. on the second Tuesday of each month.

(c) **Legislative/Human Resources Committee**

Meetings of the Legislative/Human Resources Committee will be held at 10:00 a.m. on the second Tuesday of each month.

(d) **Finance/Administration Committee**

Meetings of the Finance/Administration Committee will be held at 10:00 a.m. on the fourth Tuesday of each month.

(e) **Sustainability Committee**

Meetings of the Sustainability Committee will be held at a time to be determined on the fourth Tuesday, on a quarterly basis.

(f) **Board Workshops**

Board Workshops are special meetings under the Brown Act that will be held at a time to be determined by the General Manager in consultation with the Board President.

(g) **Retirement Board**

The EBMUD Retirement Board meets bi-monthly at 9:00 a.m. on the third Thursday of January, March, May, July, September, and November, respectively. The Retirement Board may change the meeting date from a third Thursday to either a second or fourth Thursday if the third Thursday in the month is in the same week as a regular Board meeting.

(h) **Date, Time, and Place Considerations for All Meetings**

- All Board meetings will be held in the Boardroom of EBMUD's Administration Building located at 375 11th Street, Second Floor, Oakland, California.
- The meeting dates above are subject to cancellation.
- The start times of Board committee meetings stated above may be adjusted to accommodate the agenda for a committee meeting.

## **11.05 Attendance at Meetings**

Board members are expected to attend all assigned meetings. Failure to attend meetings, or excessive tardiness, may result in the loss of compensation for the month in question. See sub-section 13.01 for more details.

## **11.06 Quorum and Majority**

Under the MUD Act, four Board members constitutes a quorum of the EBMUD Board and no Board action is valid unless approved by four Board members.<sup>7</sup> If fewer than four Board members are present at a meeting, the meeting may not proceed and may be cancelled or adjourned to a future date and time.

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<sup>7</sup> **Reference:** See Public Utilities Code § 11909.

Note that the MUD Act or other statutes may require that some actions of the Board be taken by supermajority vote, that is, five Board members.

In committee meetings, committee members may take the actions of receiving a report or voting to recommend the full Board take a certain action. For the purposes of such a vote, a quorum of a committee is two of three committee members. If fewer than two committee members are present at a committee meeting, the meeting may not proceed and may be cancelled or adjourned to a future date and time. If the meeting is cancelled or adjourned, staff may present reports on agenda items to the sole committee member present (and the public) for informational purposes only.

### **11.07 Setting Meeting and Committee Agendas**

#### **(a) Regular Board Meeting Agendas**

- The Secretary's Office, in coordination with the General Manager, will prepare a draft of the regular Board meeting agenda. The General Manager will review the agenda with the Board President.
- The Board President may add or delete items for consideration from the regular meeting agenda as the President feels appropriate.
- The Board President shall not remove items for consideration from the regular meeting agenda that are required by law or necessary for EBMUD to conduct its business.

#### **(b) Committee Meeting Agendas**

- The Secretary's Office, in coordination with the General Manager, will prepare a draft of all committee meeting agendas. The General Manager will review committee meeting agendas with committee Chairs.
- Committee Chairs may add or delete items to committee meeting agendas.

#### **(c) Workshop or other Special Meeting Agendas**

- The Secretary's Office in coordination with the General Manager will prepare drafts of workshop or other special meeting agendas. The General Manager will review these agendas with the Board President.
- The Board President may add or delete items for consideration from the workshop or special meeting agendas as the President feels appropriate.
- The Board President shall not remove items for consideration from the special meeting or workshop agendas that are required by law or for EBMUD to conduct its business.

#### **(d) Agenda Items Originating from a Board Member**

Board Members may request that an item be placed on a future Board agenda by making a request to the General Manager or the Board President. Board members may also ask that an item be placed on a future Board agenda during a Board or committee

meeting, either as a follow-up to an item on the meeting's agenda or during the "Other Items for Future Consideration" item prior to the close of a Board meeting.

#### (e) The Public's Role in Setting Meeting Agendas

Members of the public may request that items of concern be placed on a future regular or committee meeting agenda during a meeting's public comment period. The Board President and General Manager will consider the request. The Board President shall have the sole discretion to approve any requested item for consideration on an agenda.

#### (f) Urgency Agenda Items

In rare cases, a legitimate urgent need may arise that must be acted upon by the Board even though the item was not on the posted agenda. The Board may discuss and take action on an urgency item under the following circumstances:

- A majority of the Board determines that an emergency, as defined by Government Code section 54956.5, exists; or
- Pursuant to a two-thirds vote of the Board Members present at a meeting (or all Board Members if less than five are present), the Board determines that there is an immediate need to take action, and the need arose after the agenda posting deadline.

The General Counsel should be consulted on the addition of any urgency item to a meeting agenda.

### **11.08 Posting Meeting Agendas**

All Board meeting agendas will be posted in accordance with the Brown Act in the front window of the lobby of EBMUD's Main Administration Building and on EBMUD's website.

### **11.09 Public Comment at Board Meetings**

#### (a) Opportunity for Public Comment

Members of the public may address the Board at all regular meetings, committee meetings and special meetings on matters within the jurisdiction of the Board.

- Comments on non-agenda items are heard during the general public comment period at the beginning of the meeting. At special meetings, public comment is limited to agenda items.
- Comments on agenda items are heard when the item is up for consideration.
- Members of the public are encouraged but shall not be required to identify themselves by name in order to make a public comment.

The Board is limited by the Brown Act to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to public comment on items that are not listed on the meeting agenda.

## (b) Management of Public Comment

- Each member of the public who wishes to address the Board will be given three minutes to speak. This time will be doubled if the speaker requires a translator.
- The Board President has the discretion to amend this time for any or all speakers, taking into consideration such factors as the number of speakers or whether a single speaker is representing a group of interested persons.
- The Secretary of the District will call each speaker in the order in which a speaker card was received or, in the case of remote appearances, a hand was raised.
- The Secretary of the District will track time and inform each speaker when the allotted time has concluded.

## (c) Manner of Public Comment

Specific procedures for participating in Board meetings in person or via an online platform and for submitting written comments and documents to the Board is detailed on EBMUD's website.<sup>8</sup> This process may be updated by the Secretary of the District from time to time.

## (d) Disruption of Board Meetings

- Any person who engages in behavior that disrupts, disturbs, impedes, or renders infeasible the orderly conduct of a Board meeting, including, but not limited to, failing to comply with the procedures of this Governance Policy, may be warned by the presiding officer and, if the behavior continues following the warning, removed from the meeting at the direction of the presiding officer.
- Any person who engages in behavior that constitutes use of force or a true threat of force may be removed from a Board meeting at the direction of the presiding officer without warning.
- The presiding officer may suspend a Board meeting and order the clearing of the Board room in order to stop disruption of the meeting and/or facilitate removal of disruptive persons.

# Section 12. Committee, Liaison, Retirement Board, JPA Assignments

## 12.01 Committee Assignments

The President recommends Board members to serve on standing Board committees, the Retirement Board, and the boards of JPAs (each a "committee").

- Board members submit their request for committee assignments to the Secretary of the District by the close of business on the Friday following the first Board meeting in January of each year.

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<sup>8</sup> See <https://www.ebmud.com/about-us/board-directors/board-meetings>

- The President of the Board, in coordination with the Secretary of the District, will prepare a proposed list of assignments, including the chair of each EBMUD committee, to be considered by the Board at the second Board meeting in January of each year.
- The Board votes to approve the proposed assignment list by a majority vote of the Board (four of seven Board members) at its second Board meeting in January.
- New committee assignments become effective starting the next meeting following the approval of the assignments.

## **12.02 Creation and Role of Ad Hoc Committees**

The Board may appoint ad hoc committees to serve for a limited duration to address a specific topic of interest to the Board.

- Ad hoc committees may consist of two or three Board members but must consist of less than a quorum of the Board or a quorum of a standing committee.
- The President may recommend members of an ad hoc committee or members may self-nominate for committee membership. The Board shall vote to approve the membership of an ad hoc committee by a majority vote of the Board (four of seven Board members).
- Ad hoc committees may set their own meeting schedule. Meetings of an ad hoc committee are not required to be publicly noticed or made open to the public under the Brown Act.
- Each ad hoc committee shall report its activities to the full Board at a publicly noticed regularly scheduled Board meeting, as necessary, with the exception of an ad hoc committee appointed to negotiate contracts or contract amendments with the General Manager and General Counsel, in which case the ad hoc committee may receive direction from the Board in closed session.
- An ad hoc committees will be considered to have dissolved once its purpose has been fulfilled.

## **12.03 Board Member Service on Joint Powers and Other Authorities**

From time to time, the Board may appoint one or more Board members or EBMUD staff to serve as an EBMUD representative on a Joint Powers Authority (JPA), trade association, or liaison committee.

- Board members are expected to follow the principles of conduct in this manual and shall following Policy 6.04, Ethics of the EBMUD Board of Directors.
- At the next regularly scheduled Board meeting following a meeting of a JPA, trade association or liaison committee, the Board member representative shall report on activities of the JPA, trade association or committee.

## **12.04 Board Member Service on the Retirement Board**

The Retirement Board is a separate governing body from the EBMUD Board of Directors. It is publicly charged with responsibility to administer the Retirement System and the Retirement Fund for the benefit of its members, and to secure the payment retirement allowances and other post-retirement benefits authorized by the Retirement Ordinance. It consists of three members (two (2) EBMUD Board members and the General Manager) appointed by the EBMUD Board of Directors, two members elected by and from the membership of the Retirement System (current employees), and one non-voting Retired Member elected by retired members.

## **Section 13. Board of Directors Compensation and Benefits**

### **13.01 Determination of Compensation**

Board members receive monthly compensation in an amount set at a public meeting of the Board of Directors.

- To receive compensation for service in any given month, Board members must attend a minimum of 50 percent of their assigned meetings. Meetings include regular Board meetings, standing committee meetings, special meetings, joint powers authority meetings, Retirement Board meetings, and closed session meetings.
- Compensation will not be paid to a Board member for any month in which he or she has not attended at least 50 percent of their assigned meetings unless the Board President or committee chair excuses the absence(s) for good cause. Good cause includes, but is not limited to, a Board member's illness, family emergency, or schedule conflict directly related to the business of EBMUD.
- A Board member may not have excused absences for more than three meeting days per calendar year for personal reasons (i.e., vacations) or for attending conferences (even if the conference is directly related to the business of EBMUD). Each meeting day on which a Board member receives an excused absence for either a regular Board meeting, a standing committee meeting, a special meeting, or a combination of these meetings, will be counted as a day for the purposes of this section.
- Any Board member arriving 15 or more minutes after roll call for a regular Board meeting, closed session, committee meeting, or special meeting will be considered absent from that meeting for the purposes of determining eligibility for compensation. The Secretary of the District will call roll no later than five minutes after the noticed start time of a meeting unless special circumstances require a later start for the meeting.
- Committee chairs or presiding officers may excuse late arrivals, at their discretion, due to unforeseen circumstances.
- Board members receive compensation based only on attendance at assigned meetings as described above, and do not receive compensation for attendance at non-EBMUD activities.



### **13.02 Annual Review of Compensation**

Any adjustment to Board member compensation will be set annually by the Board at a public Board meeting in compliance with the MUD Act and California Constitution.

- The Board may adjust its compensation by providing an increase or a decrease in compensation.
- The Board may increase its compensation by not more than five percent annually.
- If the Board has elected not to increase its compensation in any calendar year, the next time the Board considers an adjustment it may vote to increase its compensation by up to five percent for each calendar year following the operative date of the last compensation increase. In the event the Board votes to increase its compensation in this manner, it should explicitly state the increase for each year following the year of the last compensation increase (i.e., 2.5 percent in year one, two percent in year two, etc.).
- The Board may not apply any increase in compensation retroactively nor award itself retroactive pay in any circumstance.
- Any Board motion to adjust its compensation shall state the effective date of the compensation adjustment.
- No Board action adjusting its compensation shall provide for an automatic increase to that compensation.
- The calculation of Board member compensation will be rounded down to the nearest cent.

### **13.03 Board Member Benefits**

Board members are entitled to the following benefits from EBMUD:

- EBMUD will provide health care benefits to Board members under the same terms and conditions as benefits are provided to EBMUD employees.
- Board members may participate in EBMUD's Employee Retirement System as provided in EBMUD's Retirement Ordinance.
- Board members may participate in EBMUD's deferred compensation plans under the same rules as eligible EBMUD employees.
- Board members may participate in the Utility District Employee Association and the Utility District Credit Union under the same rules as eligible EBMUD employees.

## **Section 14. Reimbursement of Director Expenses**

Board members are entitled to reimbursement of expenses they incur in conducting EBMUD business, as detailed in Policy 4.14, Reimbursement of Director Expenses.



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## ETHICS OF THE EBMUD BOARD OF DIRECTORS

SUPERSEDES

~~26-26 SEP 23~~FEB 19

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

Promote ethical behavior in the conduct of District business.

|   |  |
|---|--|
| <b>Purpose and Scope</b>                            | <p>The proper operation of EBMUD requires that Board members remain objective and responsive to the needs of the public, make decisions within the proper channels of governmental structure, and not use public office for personal gain. To further these objectives, certain ethical principles govern the conduct of each member of the EBMUD Board of Directors.</p> <p>This policy promotes awareness of ethics, integrity and fidelity as critical elements in Board members' conduct and in achievement of the EBMUD mission. It references relevant policies, practices, and procedures that provide the legal framework and operational guidelines for addressing ethical issues.</p>  |
| <b>Responsibilities of Public Office</b>            | <p>EBMUD Board members are dedicated to the concepts of effective and democratic government by responsible elected officials. Board members:</p> <ul style="list-style-type: none"><li>• Uphold the Constitution of the United States and the Constitution of the State of California, and carry out the laws of the nation, the state and local governmental agencies;</li><li>• Comply with applicable laws regulating their conduct, including open government, conflict of interest, and financial disclosure laws;</li><li>• Fulfill all applicable training requirements, including attending two (2) hours of ethics training (AB 1234) and two (2) hours of sexual harassment prevention training and education (AB 1661) every two (2) years; and</li><li>• Work in full cooperation with other public officials, unless they are legally prohibited from doing so.</li></ul> <p><i>[California Government Code Section 1360; California Government Code 53235; California Government Code Section 87200; California Government Code Section 53237; Article 20, Section 3 of the California Constitution.]</i></p>  |
| <b>Fair and Open Processes Involving the Public</b> | <p>EBMUD Board members promote fair and open public processes. Board members, and persons elected but who have not yet assumed office as members of the Board, <del>must fully</del> comply with California's open meeting law for public agencies (the Brown Act).</p> <p><u>Disclosure of Communications</u></p> <ul style="list-style-type: none"><li>• Board members shall publicly disclose any oral or written communications they have had with persons, including, but not limited to, employees, legislators, legislative staff, public officials, developers, <del>contractors</del>, vendors, and consultants, that relate to matters at a Board meeting or Committee meeting in which the Board is performing an adjudicatory or quasi-judicial function.</li><li>• The disclosure may be made orally or in writing <del>in writing</del> <del>form</del> and may be made at the start of the meeting or may be made prior to consideration of the agenda item at the meeting.</li><li>• The Board shall make a good faith effort to comply with these Disclosure provisions of this Policy. A good faith failure to comply with these provisions shall not be construed to be a violation of this Policy.</li></ul> |

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*[California Government Code Section 54950 and following; California Government Code Section 54952.1; California Government Code Section 54959.]*

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**Fair and Equal  
Treatment**

EBMUD Board members promote diversity, equity, inclusion, and equality in personnel matters and in contracting, consistent with state and federal laws.

- Board members, in performance of their official duties and responsibilities, will not discriminate against or harass any person on the basis of race, color, religion, creed, sex, gender (including breastfeeding), gender identity (including transgender status), gender expression, marital or registered domestic partnership status, age for individuals forty or older, national origin, ancestry, disability (mental and physical), medical condition (cancer and genetic characteristics), genetic information, sexual orientation, military and veterans status, family or medical leave status, pregnancy (including childbirth or related medical condition), pregnancy disability leave status, or any other status protected by federal, state and/or local laws.
- Upon receiving notice of a violation of District Policy 6.06, Equal Employment Opportunity (EEO), a Board member will immediately report the alleged violation to the General Manager. If a complaint is made against the General Manager, the Board member will report the violation to the General Counsel.
- Board members will not grant any special consideration, treatment, or advantage to any person or group beyond that available to every other person or group in similar circumstances.
- Board members will cooperate in achieving the equal opportunity objectives of EBMUD.

*[See, e.g., Article 1, Section 31 of the California Constitution; Age Discrimination in Employment Act of 1967; Americans with Disabilities Act Amendments Act of 2008; Fair Employment and Housing Act; Rehabilitation Act of 1973; Title VII of the Civil Rights Act of 1964; California Labor Code Section 1102. See also EBMUD's Policy 6.06, Equal Employment Opportunity (EEO); Policy 6.08, Contract Equity Program; Policy 6.07, Prevention of Workplace Harassment; and Policy 2.02, Accommodation for Individuals with Disabilities in the Workplace.]*

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**Proper Use and  
Safeguarding of  
EBMUD Property  
and Resources**

EBMUD Board members exercise responsible management of District property and resources in the conduct of District business.

- Board members will safeguard EBMUD property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss including criminal acts or breach of trust.
- A Board member will not ask or require an EBMUD employee to perform services for the personal benefit or profit of a Board member or employee.
- Each Board member will protect and properly use any EBMUD asset within his or her control, including information recorded on paper or in electronic form.
- Board members will maintain written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on EBMUD's behalf.
- Board members will adhere to District policies.

*[Article 16, Section 6 of the California Constitution; Penal Code Section 424. See also EBMUD Policy 7.04, Access to District Property for Tours; Policy 7.06, Pardee Conference and Lodging Facility Use; Policy 7.11, Use of District Bay Area Facilities; Policy 4.14, Reimbursement of Director Expenses; Policy 4.20, Use of District Technology Resources]*

**Use of Confidential Information**

Board members will safeguard confidential information.

Board members will not disclose information that legally qualifies as confidential to unauthorized persons without approval of a quorum of the Board. This includes information that:

-(1) has been received for, or during, a closed session Board meeting, either in writing or as part of a discussion,

(2) is protected from disclosure under the attorney/client or other evidentiary privilege, or

(3) is not disclosable under the California Public Records Act.

A Board member may make a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury necessary to establish the alleged illegality of a District action. Prior to disclosing confidential information, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, in a lawful and appropriate manner, to provide an opportunity to cure an alleged violation.

*[California Government Code Section 54963; California Government Code Section 1098]*

**Conflicts of Interest**

Board members avoid both actual conflicts of interest and the appearance of conflicts of interest with the District.

- A Board member will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless his or her participation is legally authorized.
- A Board member will not participate in the discussion, deliberation or vote on a matter before the Board, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter under California law.
- A Board member will not accept any honoraria.
- A Board member will not accept gifts that exceed the limitations specified in California law. Board members will report all gifts, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and Regulations.
- A Board member will not recommend the employment of a relative to the District or to any person known by the Board member to be bidding for or negotiating a contract with the District.

*[California Government Code Section 87100 and following; California Government Code Section 1090 and following; California Government Code Section 81000 and following; California Government Code Section 87105; California Government Code Section 89502; Penal Code Sections 68 and 70, and EBMUD Conflict of Interest Code.]*

**Soliciting Political Contributions**

Board members will not solicit political funds or contributions of in-kind services at EBMUD facilities or use EBMUD equipment.

- A Board member will not solicit or direct a political contribution or in-kind services from District officers, employees, consultants or contractors, or from vendors or consultants that have a material financial interest in a contract or other matter while that matter is pending before EBMUD.
- A Board member will not use EBMUD's seal, trademark, stationary, or other indicia of EBMUD's identity or facsimile thereof in any solicitation for political contributions.

*[California Government Code Section 3205 and EBMUD Campaign Finance Reform Ordinance.]*

**Incompatible Offices**

Except as expressly permitted by law, Board members appointed or elected to another public office, the duties of which may legally require action contradictory or inconsistent with the interests of the first entity, will resign from the first entity.

*(See, generally, [California Government Code Section 109973 Cal. Op. Atty. Gen. 357 \(1999\)](#). See also California Government Code Section 53227, under which a special district employee may not be sworn into office as an elected or appointed member of the same special district unless he or she resigns as an employee.)*

**Board Member-  
General Manager  
Relationship**

~~The Board sets District policy and the General Manager is responsible for execution of policy:~~

- ~~• The Board provides policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly convened Board and Board committee meetings.~~
- ~~• Members of the Board deal with matters within the authority of the General Manager through the General Manager, except when it pertains to the functions of the General Counsel.~~

~~*[Municipal Utility District Act (MUD Act) Sections 11883, 11937 and 11939.]*~~

**Exercise  
Responsible  
Financial  
Management**

The Board ensures the District exercises responsible financial management.

- The Board ensures that EBMUD maintains a system of auditing and accounting that completely and at all times shows the financial condition of the District in accordance with generally accepted accounting principles and legal requirements.
- The Finance/Administration Committee will interview and recommend [to the Board](#) an independent auditor to conduct an annual audit of the District's books, records, financial affairs, and periodic single audits of federal funds received by the District.
- The independent auditor will provide reports and present the results of their audits, including recommendations made to the Board's Finance/Administration Committee. Reports from the auditor will be provided to the Board upon completion as part of the next Board mailing.
- Staff will respond to audit recommendations and provide periodic updates to the Board on the status of the responses to the recommendations.

*[MUD Act Section 11889.]*

**Improper Activities  
and the Reporting  
of Such Activities;  
Protection of  
Whistleblowers**

~~The Board ensures that EBMUD maintains a healthy and transparent work environment:~~

- ~~• The General Manager has primary responsibility for ensuring compliance with the District's personnel policies and procedures, and ensuring that District employees do not engage in improper activities, for investigating~~

~~allegations of improper activities, and for taking appropriate corrective and disciplinary actions. The Board ensures that the General Manager is operating the District according to law and the policies approved by the Board.~~

- ~~• Board members will disclose to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines the General Manager is not properly carrying out these responsibilities.~~
- ~~• A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position to intimidate, threaten, coerce, command or influence any other person for the purpose of preventing such person from acting in good faith to bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board member or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a District Board member or District employee.~~

~~{Labor Code Section 1102.5 and following; California Government Code Section 53298~~

~~and 53298.5; and EBMUD Equal Employment Opportunity (EEO) Policy 6.06.]~~

**Directors'  
Compensation and  
Expense  
Reimbursement**

~~EBMUD Board members receive a monthly stipend for their public service and the amount of that stipend is reviewed annually. EBMUD reimburses Board members for actual reasonable and necessary expenses incurred in the performance of duties authorized or requested by the Board.~~

- ~~• EBMUD Board members receive monthly compensation in an amount set at a public meeting of the Board of Directors. Board members must attend a minimum of 50% of their assigned meetings. Meetings include regular business meetings, standing committee meetings, special meetings, joint powers authority meetings, retirement board meetings, and closed session meetings. Salary shall not be paid to a Board member for any month in which he or she has not attended the minimum number of meetings unless the Board President excuses the absence(s) for good cause. Good cause includes, but is not limited to, a Board member's illness, family emergency, or schedule conflict directly related to the business and interests of the District.~~
- ~~• Any Board member arriving 15 or more minutes late for a Board or Committee meeting will be considered absent from that meeting. Such absences will be taken into account when determining the minimum number of meetings attended for compensation during that period. Committee chairs or presiding officers may excuse late arrivals, at their discretion, due to unforeseen circumstances.~~
- ~~• Each Board member is encouraged to participate in outside activities and organizations that further the interests of the District. Board members do not receive compensation for attendance at non-District activities. Expenses incurred by Board members in connection with such activities are reimbursable, where authorized in advance or subsequently ratified by the Board President. No personal gain or loss to a Board member is intended. The following rules apply:~~

- ~~a) All expenses must be incurred in compliance with Policy 4.14, Reimbursement of Director Expenses. Any expense that is not specified in Policy 4.14 must be approved in a public meeting by the Board, before it is incurred.~~
- ~~b) All expenses must be reasonable and necessary and Board members will exercise prudence in all expenditures, including transportation, food, lodging, telephone, and technology related charges.~~
- ~~c) Each Board member must use government and group rates offered by a transportation or lodging provider when available.~~
- ~~d) EBMUD does not provide credit cards to Board members. Upon incurring expenses, Board members will submit a reimbursement request, accompanied by evidence of payment of such expenses that will meet the District's requirements.~~
- ~~e) At the next Board meeting, each official shall briefly report on meetings attended at District expense. If multiple officials attended, a joint report may be made.~~

~~[MUD Act Sections 11908 and 11908.1; Resolution No. 35000-16, August 9, 2016; Policy 4.14, Reimbursement of Director Expenses; California Government Code Section 53232.2.]~~

**Candidate's Statement**

A Board member will not include false or misleading information in a candidate's statement for a general District election filed pursuant to Section 13307 of the Elections Code.

*[Elections Code Sections 13307 and 13313; EBMUD Campaign Finance Reform Ordinance.]*

**Violation of Ethics Policy**

A perceived violation of EBMUD's ethics policy by a Board member should be referred to the Board President for investigation and consideration of any appropriate action warranted. In the case of a perceived violation by the Board President, the matter should be referred to the Board Vice President. Nothing in this Governance Policy shall be construed to limit the right of any Board member to request that the perceived violation be placed on the agenda for determination and discussion. A violation of this policy may be addressed by remedies available by law, including but not limited to:

- Adopting a resolution expressing disapproval of the conduct of the Board member who has violated this policy,
- Injunctive relief, or
- Referral of the violation to the California Fair Political Practices Commission, District Attorney and/or the Grand Jury.

**Authority**

Resolution No. xxx, (date)

**References**

~~See footnotes~~References are stated in each section above sections.

~~References are available for public review in the Office of the District Secretary.~~

~~Resolution No. 35000-16, August 9, 2016~~





# Policy 4.14

EFFECTIVE

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## REIMBURSEMENT OF DIRECTOR EXPENSES

SUPERSEDES

22 NOV 22

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

Reimburse Directors as provided in the Municipal Utility District Act, Public Utilities Code Section 11908.1, for reasonable, actual and necessary expenses that are incurred in the performance of duties authorized or requested by the Board.

#### Purpose and Scope

EBMUD reimburses Directors for reasonable, actual and necessary expenses incurred in the performance of duties authorized or requested by the Board. Each Director is encouraged to participate in outside activities and organizations that further the interests of the District. Expenses incurred by Directors in connection with such activities are reimbursable, where authorized in advance or subsequently ~~ratified~~approved by the Board President. No personal gain or loss to a Director is intended.

#### Reimbursable Expenses

Directors are eligible for the reimbursement of expenses they incur in connection with attendance as a representative of the District at ~~such~~ events such as conferences and association meetings. Reimbursable expenses include:

- Travel;
- Lodging;
- Meals;
- Technology Expenses; and
- Other related expenses incurred in the performance of official District business in accordance with the Guidelines for Reimbursement of Board of Director Expenses, attached to this Policy.

#### Authorization of Reimbursement

Reimbursement of Director expenses must be approved as follows:

- The President of the Board of Directors will approve Reimbursable Expenses incurred by fellow Directors.
- The Vice President of the Board of Directors will approve expenses incurred by the Board President, and in the President's absence, may approve expenses incurred by fellow Directors.
- In the absence of both the President and Vice President, the Immediate Past President may also approve expenses of fellow Directors, including the President and Vice President.
- Any expense that is not specified in this Policy must be approved by the Board in a public meeting before it is incurred.
- Under no circumstance may any Director be authorized to approve their own expenses.

#### Rules Applicable to Reimbursable Expenses

The following rules apply to Reimbursable Expenses:

- Directors will exercise responsible fiscal management in incurring expenses as required by Policy 6.04, Ethics of the EBMUD Board of Directors. All expenses must be reasonable and necessary, and Directors will exercise prudence in all expenditures.
- Reimbursable Expenses will be incurred and reimbursed in accordance with the *Guidelines for Reimbursement of Board of Director Expenses*, attached to this Policy.



- Each Director must use government and group rates offered by a transportation or lodging provider, when available.
- EBMUD does not provide credit cards to Directors. Upon incurring expenses, Directors will submit a reimbursement request, accompanied by evidence of payment of such expenses that will meet the District's requirements.
- Upon return from any conference attended on behalf of the District, a Director shall file with the Secretary of the District a written report on the Director's activities at the conference (e.g., and what was learned at the conference that may be helpful to the Board or the District and what meetings or sessions the Board member attended).
  - The Secretary shall send a copy of the report to the Board President.
  - A Director shall not be eligible for reimbursement until they have filed the report with the Secretary.
- At the next Board meeting, following attendance at a conference or meeting for which a Director has received expense reimbursement, the Director each official shall briefly report on the meetings attended at District expense. If multiple officials-Directors attended, a joint report may be made.

**References**Resolution No. xxx, [date] Policy 6.04 – Ethics Policy of the EBMUD Board of Directors**Authority**

Government Code Section 53232.2  
Government Code Section 53232.3  
Public Utilities Code Section 11908.1  
IRS Publication 463 – Travel, Entertainment, Gift and Car Expenses  
Policy 6.04GP.XX - Ethics of the EBMUD Board of Directors

## GUIDELINES FOR REIMBURSEMENT OF BOARD OF DIRECTOR EXPENSES

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**PURPOSE** – These guidelines are used to reimburse Board of Directors (Director) for actual, reasonable and necessary expenses while engaged in official District business, as provided in MUD Act Section 11908.1, pursuant to Policy X.XX.

### **Internal Revenue Service (IRS) Requirement**

The District operates under an Accountable Plan, as defined in Internal Revenue Service Regulations 1.62.2. An Accountable Plan is one in which expense reimbursements are not taxable income, not wages, and not included as income. To be an Accountable Plan (according to the IRS), your employer's reimbursement or allowance arrangement must include the following rules:

- Your expenses must have a business connection - that is, you must have been paid or incurred deductible expenses while performing services as a 'Director of the District'.
- You must adequately account to your employer for these expenses within a reasonable period of time.
- You must return any excess reimbursement or allowance within a reasonable period of time.

Reasonable Period of Time: The definition of reasonable period of time depends on the facts and circumstances of your situation. However, regardless of the facts and circumstances of your situation, actions that take place within the times specified in the following list will be treated as taking place within a reasonable period of time.

- You receive an advance within 30 days of the time you have an expense.
- You adequately account for your expenses within 60 days after they were paid or incurred.
- You return any excess reimbursement within 120 days after the expense was paid or incurred.

You are given a periodic statement (at least quarterly) that asks you to either return or adequately account for outstanding advances and you comply within 120 days of the statement.

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### **Authorization**

#### Reimbursable Expenses That Require Prior Authorization

- Conferences, seminars, or similar training courses requiring either a registration fee or overnight lodging costing \$100 or more.
- Travel to destinations in excess of 150 miles from the Director's normal place of work or for overnight lodging of more than one night related to business travel.
- Travel advances and/or prepayment of business expenses that require submission to the Office of the Secretary.

Note: The Board President approves all prior authorization requests from Directors. The Board Vice President approves all prior authorization requests from the Board President, and in the President's absence, may approve fellow Director's authorization requests. In the absence of the President and/or the Vice President, the Immediate Past President may also approve authorization requests including requests from the President or Vice President. Any expenses incurred without prior written approval will not be reimbursed unless it is an emergency related to District business.

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**Reimbursable Expenses That Do Not Require Prior Authorization**

- Conference, seminar or similar training registration fees costing less than \$100.
- One day travel less than 150 miles from the Director's normal place of work.
- Training with no registration fee or overnight stay.
- Business meetings or District sponsored events:
  - Regular, adjourned regular, and special meetings of the Board.
  - Board committee meetings (as a member or alternate at the request of the committee chairperson) whether standing or ad hoc.
  - Seminars, and non-District meetings or functions when attending as a representative of the Board.
  - Other services rendered as a Director.
- Typical reimbursed monthly expenses:
  - Meals – Refer to meals section.
  - Mileage – Refer to use of private owned vehicles section.
  - Tolls – No receipt required.
  - Parking – Receipt required.
  - Monthly internet charges – Reviewed and approved by Chief Information Officer. Expenses must be submitted within six months of being incurred or expense payment being made.

**Qualifications**

Director business expenses are reimbursed or paid directly by the District provided they are ordinary, necessary, reasonable, and within the scope of District business for the individual requesting reimbursement. Expenses must meet the following general qualifications:

- Expenses incurred must comply with the provisions of this policy and all expenses must be properly authorized.
- Expenses and business purpose to the District must be adequately documented and explained. Reimbursement of actual expenses requires submission of receipts for all expenses except per diem reimbursement for luggage handling and housekeeping tipping, or reimbursement of bridge tolls.

**Allowable  
Expenses**

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**Registration Fees**

Registration fees incurred to participate in conferences, training courses or other similar activities directly related to District business or interests are reimbursable.

**Meals**

Reimbursement for meals requires an itemized receipt and is limited to the IRS approved per diem rate for the area of travel. Per diem rates are subject to change at any time. The IRS approved per diem rate will be disbursed in whole dollar amounts to approximate 20 percent for breakfast, 30 percent for lunch, and 50 percent for dinner. Current per diem rates can be reviewed at the U.S. General Services Administration website, [GSA Home](#). Click the link to "Per Diem Lookup".

Meal expenses (breakfast, lunch, or dinner) are reimbursable for Directors under these specified conditions:

- For one-day training, conferences, seminars, meetings, and trips.
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- Business meal costs incurred must be reasonable, necessary and at appropriate locations. You must include the names of participants (if being claimed for reimbursement), and the specific business purpose of the meal. Food may be provided at on-site gatherings such as ward events.

It is the Director's responsibility to make necessary arrangements with the host for special dietary requirements. If the Director's special dietary needs request is denied by the host, the Director should receive a meal reimbursement for that meal. The Director is required to provide written details from the host indicating the special dietary needs request cannot be fulfilled.

#### Car Rentals

Car rentals are only approved if public transportation is not reasonably available in the area of travel. Car rentals should be for compact or mid-sized models without upgrades for one or two persons sharing transportation. For three or more persons, or as required to meet District business needs, a larger model may be rented.

The District may contract with a vehicle rental company as a preferred provider. Such a preferred provider will offer governmental rates to Directors for all travel and will not offer liability or collision insurance to Directors on District business because the District is self-insured.

#### Use of Privately Owned Vehicles

Reimbursement for mileage expenses incurred shall be determined as follows:

- Local and long-distance travel shall be reimbursed at the authorized IRS rate per mile.
- Long distance travel - Mileage expenses shall be based upon direct mileage between destinations as determined from established tables of highway distances.
- Directors are personally responsible to pay all traffic citations, parking tickets and any resulting towing or impound charges.
- Mileage to and from the airport and parking at the airport. A receipt is required for cabs, ride-sharing, shuttle service or airport parking.

Note: The mileage reimbursement, plus related en-route expenses per Director, shall not exceed the corresponding lowest quoted round-trip airfare plus an allowance of \$50 covering avoided costs from Oakland, San Francisco, Sacramento or San Jose to the terminal point nearest the point of destination. Lowest quoted round-trip airfare must be documented through services such as Expedia, Travelocity and Orbitz. Questions regarding "in lieu" fare levels can be verified with the Secretary of the District in advance of travel.

#### Lodging

Lodging expenses must be reasonable. When possible, rates should not exceed the maximum group rates published for the conference. Lodging expenses will be reimbursed only when overnight absence from the Director's home is required. An itemized receipt must be attached to the Expense Report. Overnight lodging is not authorized for conferences or seminars that are within the service area without specific advance written approval from the Board President.

Note: If double, deluxe, suite, or other premium-cost accommodations are requested, reimbursement will be at the standard rate for single room occupancy. The receipt should be annotated to show the "standard single" rate if the cost of the accommodations exceeds that rate.

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Government, corporate or conference rates must be requested, when available,

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and used if these rates are less than otherwise posted rates.

#### Transient Occupancy Tax (TOT)

When reserving a hotel reservation for a stay in City of Rancho Mirage, San Francisco and Sacramento cities and counties, complete the TOT exemption form. When you check in, show the hotel staff the form, show them your District ID and sign the TOT exemption form. Exemption forms are found on the Travel and Expense (T&E) Splashpad page  
[https://splashpad.ebmud.com/Travel&Expense/Transient\\_Occupancy\\_Tax.pdf](https://splashpad.ebmud.com/Travel&Expense/Transient_Occupancy_Tax.pdf).

#### Airline Fares

Each airline ticket purchased must be at the lowest fare consistent with the business purpose. The District does not reimburse the costs of travel agent fees incurred for the purpose of purchasing airlines tickets. Directors traveling by air for business have the option to reserve and purchase airline tickets on the Internet using their personal credit card and documenting the available fare options that reasonably meet the business purpose.

The following travel service websites are available to research and book reservations:

- Expedia.com
- Travelocity.com
- Orbitz.com
- Travelzoo.com
- Kayak.com

Not all airlines are affiliated with these travel service websites, including Southwest, Jet Blue, ATA, etc. Therefore, those airline websites should also be reviewed for cost comparisons for available flights.

After locating the lowest airfare consistent with the business purpose of the trip, if the airfare is greater than \$250 the Director must provide the information from the website(s) (travel service website and, where used, specific airline website) indicating the alternative options available, in addition to the option ticketed. That documentation must show the lowest fare available for the business trip and must accompany the Expense Report for reimbursement or payment to the District.

#### Miscellaneous

- Internet Access at the hotel or conference center for business use and access to District Information systems.
  - Limits on gratuities are described below:
    - Business meals – 15 percent of the total cost of the meal for an individual or as automatically charged by the restaurant for a group business meal when substantiated by an itemized receipt.
    - Taxi – 10 percent of the cost of taxi fares.
    - Luggage handling and housekeeping – limited to the IRS per diem rate for the area.
    - Laundry services are only reimbursed when travel extends beyond five business days.
  - Minor purchases are reimbursable up to \$500 for non-stock/non-repetitive supplies, or materials that cannot be procured economically through normal
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channels due to time or the value of the purchase.

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**Unauthorized  
Expenses**

Meals

- Meal allowances are not paid for meals en route by air when food is provided by the airline, included with the conference registration, or otherwise provided. (Snacks and continental breakfasts such as rolls, juice and coffee shall not be considered meals.)
- Business discussions during mealtime between Directors, and a Director and employees do not constitute a business meal eligible for reimbursement.
- Alcoholic beverages are not reimbursed except for specific events with prior written approval of the Board President.

Car Rental Insurance and Citations

Directors should not purchase, nor shall the District reimburse the cost of liability or collision insurance as the District is self-insured. Insurance authorized by the Director at the time of rental will not be reimbursed. In the event of an accident while using a rental car, refer the car rental agency to the District's Risk Management Division.

Directors are personally responsible for paying all traffic citations, parking tickets and resulting towing or impound charges in a timely manner.

Airline Fares

Directors will not be reimbursed for the following airline fees:

- Upgraded seating such as first-class, business class, or economy plus
  - When a Director prefers to use a higher class than the economy ticket for reimbursement, the Director must pay the incremental cost of the airfare and provide documentation that shows the incremental cost.
- Early Bird check-in
- Frequent flyer miles or rewards programs
- Cancellation protection or insurance
- Additional travel insurance or premiums

Any requests for a particular airline or routing which results in higher fares will not be reimbursed. The additional costs of airline fares will be the responsibility of the Director.

Miscellaneous

The District provides a cell phone allowance or District cell phones for business related telephone expenses. The District does not provide any additional reimbursement for business or non-business related telephone expenses.

**Travel and  
Expense  
Authorization**

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Travel and Expense Authorizations:

- Must be completed in Elsie for reimbursement of expenses before the expense is incurred unless these guidelines specifically state otherwise.
  - Must be completed by each Director for all travel and approved by the Board President.
  - Travel and Expense Authorizations become a public record upon submission to the District for payment.
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**Processing Travel  
and Expense  
Authorizations**

Director

- Requests Secretary of the District to complete Travel and Expense Authorization in Elsie before expenses are incurred.
- Provides copies of the conference, seminar or training course schedule/agenda to include with the Travel and Expense Authorization.
- Provides written justification stating business purpose for the expense to include with the Travel and Expense Authorization.
- Completes the local TOT exemption form for lodging in California at time of check in if available in that city.

Office of the Secretary

- Prepares Travel and Expense Authorization in Elsie, attaches the required documentation and written request from the Director and obtains approval from the Board President.
- Reviews and approves use of the District Purchase Card for travel and business related expenses and direct travel-related expense payments for up to the total approval amounts shown on Travel and Expense Authorization for transactions requiring payment via purchase/credit card.
- Determines the “reasonableness” of expenses eligible for reimbursement based on time and location of travel, duration of trip and purpose of travel.
- Enters Travel and Expense Authorization with supporting documentation and approvals in Elsie for processing by the Accounting Division.

Board President

- Reviews and approves Travel and Expense Authorization for reasonableness and forwards it to the Office of the Secretary.

Board Vice President

- Reviews and approves, for the Board President and all other Directors in the President’s absence, Travel and Expense Authorization for reasonableness and forwards it to the Office of the Secretary.

Immediate Past President

- In the absence of the Board President and/or the Vice President, reviews and approves for the President, Vice President or other Director’s Travel and Expense Authorization for reasonableness and forwards it to the Office of the Secretary.

Accounting Division

- Accounts Payable (AP) staff, under the direction of the Controller, audits Travel and Expense Authorizations submitted for compliance with procedures.
- Prepares direct travel-related expense payments for up to the total approval amounts shown on the Travel and Expense Authorization for transactions requiring payment by check.

**Expense Report**

Expense Reports must always be completed by each Director for reimbursement of any business expense after the expense is incurred unless these guidelines specifically state otherwise. All Expense Reports must include adequate documented explanations of the business purpose of the expenses. Expense Reports become a public record upon submission to the District for payment.

**Processing  
Expense Report**

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Director

- Submits Expense Report and supporting receipts to the Office of the Secretary. Do not include any personal information such as personal credit card information, bank account information, home address or personal phone numbers.
- Always check the Forms Shop for the current form. This form is updated to include current mileage reimbursement rates, regulatory and processing changes.
- The Director incurring the expense cannot approve their own Expense Report.
- Information in the Expense Report must be authorized in writing (e.g., via email) by the Director incurring the expense

Office of the Secretary

- Reviews Expense Report and attachments.
- Sends Expense Report to the Board President for approval.
- Enters Expense Report with supporting documentation and approvals in Elsie for processing by the Accounting Division.

Board President

- Reviews Expense Report for approval after expenses are incurred to determine the need, appropriateness, and reasonableness of each item of expense.
- Sends approved Expense Report to Office of the Secretary for final review before Office of the Secretary enters Expense Report with supporting documentation and approvals into Elsie.

Board Vice President

- Reviews and approves Expense Report for the Board President and all other Directors in the President's absence after expenses are incurred to determine the need, appropriateness, and reasonableness of each item of expense.
- Sends approved Expense Report to Office of the Secretary for final review before entering in Elsie.

Immediate Past President

- In the Board President and/or Vice President's absence, reviews and approves Expense Report of the President, Vice President or other Directors after expenses are incurred to determine the need, appropriateness, and reasonableness of each item of expense.
- Sends approved Expense Report to Office of the Secretary for final review before entering in Elsie.

Accounting Division

- Audits all Expense Reports for compliance with procedures.
- Returns incomplete Expense Reports to the Office of the Secretary with a request for adjustment or explanation.

Advises Office of the Secretary when reimbursement is available for distribution to Director.

**Prepayment of**

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Directors requesting prepayment of expenses for a business trip are required to

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**Expenses**

submit their requests to the Secretary of the District at least ten (10) working days prior to their scheduled departure date or event.

If the District issued a prepayment of expenses, a copy of the Travel and Expense Authorization must be attached to the request. In order to account for prepaid expenses, Expense Reports must be submitted within 15 working days of completion of the business trip.

For periodic expenses when a Travel and Expense Authorization is not required (tolls, BART fares, personal car mileage, etc.) an Expense Report should be submitted within six months.

If the Director chooses not to purchase an airline ticket, the information regarding the ticket selection should be sent to the Secretary of the District who will purchase the ticket at the request of the Director. The charge for the amount of the ticket will be recorded as a prepaid expense to be cleared by a subsequent approved Expense Report.

Cancellations

When traveling on District business, the Director must be reasonably certain that they will be able to complete the trip. Canceling a trip for personal reasons must be approved by the Board President and may result in the Director being responsible for any non-refundable costs. Where possible, another Director may be substituted with the approval of the Board President. If a substitution needs to be made, notify the Secretary's Office and copy the Board President.

Business and Personal Combined

Any Director who wishes to combine personal and business travel should consult with the Secretary of the District who in consultation with the Controller will determine a reasonable allocation of costs. Any cost variance in airfare, car rental, or lodging must be clearly identified on the Travel and Expense Authorization. Charges to accommodate personal preferences will not be reimbursed. Use of frequent flyer miles will not be reimbursed. All other expense reimbursement rules apply.

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**Public Report to  
the Board**

~~At the next Board Meeting, the Director will make an oral or written presentation to the Board regarding any authorized events attended after business travel outside of the District service area or meetings attended at the District's expense are completed. If multiple Directors attended, a joint report may be made.~~

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**Substantiation of  
Travel Expenses**

Travel expenses shall be substantiated by any of the following sources:

- Board meeting minutes
- Certification of committee attendance signed by the committee chair
- Verification of attendance at authorized meetings and functions signed by the Board President



# Policy 6.XX

EFFECTIVE DD MON YY

## PROTECTION OF WHISTLEBLOWERS

SUPERSEDES

N/A

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| <b>Purpose and Scope</b>                                     | The District strives to maintain a healthy and transparent work environment, free from discrimination, harassment, or retaliation based on the reporting of improper activities in the workplace. This Governance Policy describes the roles and responsibilities of the Board of Directors and the General Manager in protecting District whistleblowers.   |
| <b>Improper Activities</b>                                   | For the purposes of this Governance Policy, "improper activities" includes any violation of state or federal statute; a violation of or noncompliance with a local, state, or federal rule or regulation; or unsafe working conditions or work practices in an employee's place of employment.   |
| <b>Role of the General Manager</b>                           | The General Manager has primary responsibility for ensuring compliance with the District's personnel policies and procedures, ensuring District employees do not engage in improper activities, investigating allegations of improper activities, and taking appropriate corrective and disciplinary actions.  |
| <b>Role of the Board of Directors</b>                        | <p>The Board ensures that the General Manager is operating the District according to law and the policies approved by the Board.</p> <p>Board members will disclose to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines the General Manager is not properly carrying out these responsibilities.</p> <p>A Board member will not directly or indirectly use or attempt to use the authority or influence of their position to intimidate, threaten, coerce, command or influence any other person for the purpose of preventing such person from acting in good faith to bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board member or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a District Board member or District employee.</p> |
| <b>Claims Against the General Manager or General Counsel</b> | The Board will be notified if, in the initial intake interview for any formal complaint that the General Manager or General Counsel has engaged in an improper activity, the complainant has alleged a prima facie case of an improper activity.   |
| <b>Authority</b>   | Resolution No. xxx, (date)   |
| <b>References</b>  | Labor Code Section 1102.5 <i>et seq.</i><br>Government Code Sections 53298 & 53298.5<br>Policy 6.06, EBMUD Equal Employment Opportunity (EEO)  |

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