

MINUTES

Tuesday, February 25, 2025

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

Special Meeting

President Marguerite Young called to order the Special Meeting of the Board of Directors at 9:22 a.m. in the Administration Building Boardroom. The Board met in a workshop session to discuss the District's long-term water supply strategic plan goal, water supply portfolio and key program updates, demand update, drought planning, need for water, future supplemental supply sources, and next steps including preparation of the 2025 Urban Water Management Plan.

ROLL CALL

Directors April Chan, Luz Gómez, Andy Katz, Valerie D. Lewis, Jim Oddie, Joey D. Smith, and President Marguerite Young were present at roll call.

Staff participants included General Manager Clifford C. Chan, General Counsel Derek T. McDonald, Director of Water and Natural Resources Michael T. Tognolini, Manager of Water Supply Improvements Linda H. Hu, Supervisor of Water Recycling Florence T. Wedington, Supervisor of Regional Projects Grace W. Su, Supervisor of Water Transfers Hasan M. Abdullah, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Presentation/Documentation. 1) Presentation entitled "Long-Term Water Supply Workshop," dated February 25, 2025.

DISCUSSION

General Manager Clifford C. Chan introduced the workshop and announced the key topics to be discussed. Director of Water and Natural Resources Michael T. Tognolini reviewed the workshop agenda and introduced the presenters.

Manager of Water Supply Improvements Linda H. Hu provided an overview of the District's water supply; ongoing need for supplemental supplies to address future shortages; historical data on the variability of Mokelumne River supply; the District's Strategic Plan Long-Term Water Supply strategy and objectives; current factors influencing EBMUD's need for water including decreased reliability for Central Valley Project (CVP) supplies, customer demand, drought management, upcountry diversions, drought planning sequencing, regulatory constraints, climate change, and obtaining supplemental supplies; and the District's current supplemental water portfolio.

Supervisor of Water Transfers Hasan M. Abdullah discussed how supplemental supplies from the CVP and water transfers are acquired through the Freeport Regional Water Project on the Sacramento River. Between 2014 and 2022, the District used Freeport four times to divert CVP and transfer water. He reviewed the terms of the District's CVP contract with the U.S. Bureau of Reclamation and the

agreements and costs required for water transfers. Water transfers are needed as supplemental supplies from the CVP become more unreliable. In 2000, the Sacramento Water Forum Agreement was formed to collaboratively address water shortages, river health and groundwater overdraft. In 2013, the District signed a memorandum of understanding (MOU) with Placer County Water Agency (PCWA), a partner in the Sacramento Water Forum, to develop a long-term water transfer program. He described the terms of the MOU and next steps to finalize the program agreement. EBMUD is participating in developing the Water Forum 2.0 agreement and will provide an update to the Board at a future date. Other long-term water transfer efforts are underway with Yuba Water Agency (YWA) and Sycamore Mutual Water Company. A short-term transfer agreement with YWA and Contra Costa Water District (CCWD) expires in 2025. Staff will present the YWA and CCWD transfer agreements to the Board for consideration at a future date. Staff addressed questions from the Board regarding CCWD's role in the YWA agreement; when the Board will consider approving the transfer agreements with YWA and CCWD; whether the District's Warren Act contract can be used for other long-term water transfer agreements; the terms of the District's CVP contract; and timing for use of CVP supplies.

Supervisor of Regional Projects Grace W. Su provided an overview of the Bayside Groundwater Facility in San Lorenzo and the Demonstration Recharge Extraction and Aquifer Management (DREAM) Project pilot which was completed in April 2024. The DREAM project, located in San Joaquin County, is a collaboration between EBMUD, North San Joaquin Water Conservation District (NSJWCD), San Joaquin County, and Eastern Water Alliance. She described how the project works, lessons learned from the pilot, and a preliminary 5-to-20-year timeline for a larger groundwater banking project. The partners are developing concepts for the larger project and next steps include developing concepts and solutions for challenges; reusing existing facilities and identifying new infrastructure needs; obtaining a water rights permit and key agreements; quantifying project benefits and updating EBMUD's unit cost estimates; and implementing a potential MOU with the project partners. Staff addressed Board questions on cost differences between original sourced water and extracted groundwater; comparison of contaminants in original sourced water versus extracted groundwater; associated treatment costs for addressing any water quality differences; why the District only received 263 acre-feet of banked groundwater instead of the 500 acre-feet projected in the DREAM pilot and the status of the remaining water; EBMUD's costs for participating in the DREAM pilot; how extracted groundwater is utilized in EBMUD's system; clarification on whether DREAM project banking occurs naturally or is injected; whether funding for the larger groundwater banking project is included in the 10-year Capital Improvement Program; comparison of water quality between DREAM water and extracted groundwater; and differences between the DREAM and Bayside projects.

Supervisor of Water Recycling Florence T. Wedington provided an update on the District's recycled water program which currently includes existing and future non-potable projects. She reviewed the where the projects are located in the service area, identified the projects included in the Capital Improvement Program, and noted there is future opportunity to expand the existing Richmond Advanced Recycled Expansion Project, North Richmond Water Recycling Plant, East Bayshore Recycled Water Project, and San Ramon Valley Recycled Water Project/DERWA. The program's current demand is 7.4 million gallons per day (MGD) and total existing and future projects can provide up to 13 MGD. Staff recently completed the Recycled Water Strategic Plan update which determined the District's goal of 20 MGD by 2040 cannot be achieved by non-potable reuse alone. The District will maintain its recycled water goal of 20 MGD but extend the timeline to 2050. Potable reuse, also known as purified water, will be needed in the long-term to meet the 20 MGD recycled water goal. Implementation of potable reuse will be further assessed during the Water Supply Management Program Update. She outlined potable reuse advanced water treatment requirements; indirect and direct potable

reuse; potable reuse regulations and the status of significant projects throughout the state; potential purified water alternatives; and plans for potential potable reuse at the District. She emphasized the importance of exploring lessons learned from other agencies that have or are implementing potable reuse, strong advance public education and outreach, and developing public familiarity and trust with potable reuse.

- Director Chan left the meeting at 10:26 a.m. and returned at 10:27 a.m.

Manager of Water Supply Improvements Linda H. Hu highlighted the District's water conservation program, areas of focus in the Water Conservation Strategic Plan, and the current portfolio of conservation programs created for each customer class. The water conservation forecast includes plans to save 70 MGD by 2050 with conservation from all customers. To date, the District has achieved savings of 52 MGD. She touched on the California water conservation framework, the District's water use objective, and projections which indicate the need to reduce water use in specific categories to meet the State's objectives by 2040. Next, she discussed the 2050 demand study which supports a wide range of District efforts. A demand study is conducted every 10 years, with a mid-cycle update every five years to track changes in development, conservation, recycled water, high water users, non-revenue water, and climate change. The mid-cycle update for the 2050 demand study reviewed historical demand trends and drought periods since 1970. She then discussed the Drought Management Program and upcoming updates to the Urban Water Management Plan (UWMP) in 2025/2026. Staff will seek Board input on drought planning, including adjusting supply usage earlier in a drought. Supply options for a three-year drought, preliminary water needs, and potential supplemental sources were also reviewed. Next steps include launching the UWMP Update in March, reassessing the need for water, and updating the Water Shortage Contingency Plan. The Board is expected to adopt the updated UWMP in June 2026, with submission to the Department of Water Resources by July 1, 2026. Staff addressed Board questions on whether the District should plan for a 4th year of drought and a clearer way to visually understand the information on the graph in slide 40.

There was considerable Board discussion regarding drought management strategies, including the drought planning sequence, projected water needs in years three or four of a drought, and options for injecting water into the Bayside Groundwater Facility. They also commented on the need to build projects to address potential three year droughts; the timing of taking action in year two instead of year one, and the activation of Freeport; climate change; potential impacts a drought would have on the District's alternative supplemental supply sources; impacts to ratepayers; past instances of spilling supplemental water; diverting water to recharge aquifers in lieu of spilling; cost comparisons of purchasing CVP or transfer water versus other supplemental supply options in later drought years; and potential environmental benefits of spilling water that would help the Mokelumne River Fish Hatchery.

There was additional Board discussion and questions. Board members thanked staff and requested the following:

- Information on the long-term demand estimate of 215 MGD water demand by 2050
- Information on the frequency of multi-year droughts
- Information on how different supplemental supply options may impact ratepayers
- Information on the water quality of different supplemental supply sources
- Information on other potential environmental benefits to spilling water
- Analyze the cost of CVP/transfer water in years 1, 2, and 3 of a drought
- How often the District has spilled water that has been purchased
- Whether water can be diverted to DREAM partners instead of spilling
- Continue outreach on the Bayside Groundwater Facility

ADJOURNMENT

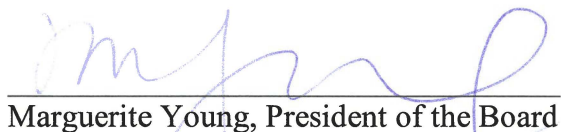
President Young adjourned the Special Meeting at 11:06 a.m.

SUBMITTED BY:



Rischa S. Cole, Secretary of the District

APPROVED: March 11, 2025



Marguerite Young, President of the Board