

## MINUTES

**Tuesday, March 25, 2025**  
**East Bay Municipal Utility District**  
**Board of Directors**  
**375 Eleventh Street**  
**Oakland, California**

### Regular Closed Session Meeting

President Marguerite Young called to order the Regular Closed Session Meeting of the Board of Directors at 11:23 a.m. in the Administration Building Boardroom.

### 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 and General Counsel Derek T. McDonald.

### PUBLIC COMMENT

- Addressing the Board were the following: 1) Eric Larsen, President, AFSCME Local 444 expressed concerns on requirements for staff in Limited-Term positions to compete for a permanent position in the same class, and commented on Local 444's proposals to provide a tiered set of hiring lists to address this concern and for the District to place savings realized from PEPRA member employees into an employer paid retiree healthcare plan; and 2) Michael Morgan, AFSCME Local 444 commented on Local 444's proposal to address standby pay and scheduling.

President Young requested clarification on the process for hiring Limited-Term staff into permanent positions.

### ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Young announced the closed session agenda, and the Board convened to Administration Building Conference Room 8 for discussion.

### Regular Business Meeting

President Marguerite Young called to order the Regular Meeting of the Board of Directors at 1:20 p.m. in the Administration Building Boardroom.

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, and Secretary of the District Rischa S. Cole.

**BOARD OF DIRECTORS**

President Young led the Pledge of Allegiance.

**Proposed updates to 2025 Assignments for Committees, Joint Powers Authorities, and Associations**

President Young announced the updates were included in the agenda materials and propose assigning Director Lewis as Chair of the Finance/Administration Committee.

- Motion by Director Katz, seconded by Director Chan, to approve the updated 2025 assignments for Board committees, joint powers authorities, and associations, carried (7-0) by the following voice vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 048-25** – Approved the updated 2025 Assignments for Committees, Joint Powers Authorities, and Associations as of March 25, 2025.

**Planning**

Director Chan, Chair  
Director Gómez  
Director Lewis

*2<sup>nd</sup> Tuesday of the month at 9:00 a.m.*  
Administration Center Building

**Legislative/Human Resources**

Director Gómez, Chair  
Director Oddie  
Director Smith

*2<sup>nd</sup> Tuesday of the month at 10:00 a.m.*  
Administration Center Building

**Finance/Administration**

Director Lewis, Chair  
Director Katz  
Director Oddie

*4<sup>th</sup> Tuesday of the month at 10:00 a.m.*  
Administration Center Building

**Sustainability**

Director Smith, Chair  
Director Gómez  
Director Katz

*4<sup>th</sup> Tuesday, quarterly, time to be determined*  
Administration Center Building

**DSRSD/EBMUD Recycled  
Water Authority (DERWA)**

Director Chan  
Director Gómez  
Director Smith, Alternate

*1<sup>st</sup> Monday in February;  
4<sup>th</sup> Monday in April and September;  
2<sup>nd</sup> Monday in December, at 6:00 p.m.*  
Contact: Florence T. Wedington  
Tel: 510-287-1625

**Freeport Regional Water Authority**

Director Gómez  
Director Oddie  
Director Katz, Alternate

*2<sup>nd</sup> Thursday, quarterly at 10:00 a.m.,  
location to be announced*

**Retirement Board**

Director Chan  
President Young

*3<sup>rd</sup> Thursday odd numbered months at 9:00 a.m.*  
Administration Center Building  
Contact: Valerie Weekly  
Tel: 510-287-0760

**Upper Mokelumne River Watershed Authority**

Director Smith  
Director Oddie, Alternate  
Director Katz, Alternate  
Director Gómez, Alternate

*4<sup>th</sup> Friday of January, April, and October; and  
third Friday of August, at 10:00 a.m.*  
McLean Hall, Pardee Center

**EBMUD/EBRPD Liaison**

Director Oddie  
Director Smith  
Director Katz, Alternate

*Meeting dates, times, and location to be  
determined*

**Business Forum (Ad Hoc)**

*Meeting dates, times, and location  
to be determined  
Board Representatives to be  
determined as needed*

**Oakland Chamber of Commerce**

Director Oddie  
Director Lewis, Alternate  
President Young, Alternate

**Special Districts Association of Alameda County/Special Districts Selection Committee**

Director Chan, Member  
Director Katz, Alternate  
Director Lewis, Alternate

**Special Districts Association of Contra Costa County**

Director Smith, Member  
Director Gómez, Alternate  
Director Chan, Alternate

**ANNOUNCEMENTS FROM CLOSED SESSION**

General Counsel Derek T. McDonald announced the Board met in closed session. All Directors were present, and all Directors voted to authorize the General Counsel to initiate litigation in one matter. The action, parties, and other particulars will be disclosed upon inquiry once the action has formally commenced. There were no other announcements required from closed session.

**PUBLIC COMMENT**

None.

## COMMITTEE REPORTS

- Filed with the Board were the Minutes for the March 11, 2025 Planning and Legislative/Human Resources Committee Meetings.
- President Young announced the Board met for the second budget workshop this morning where staff reviewed the District’s budget the Fiscal Year (FY) 2026 and FY 2027 proposed biennial budget, including revenues, operating, debt service, and capital expenses; recommended revisions to the water and wastewater schedule of rates and charges subject to Proposition 218; and information on changes to the proposed budget from the plan presented at Budget Workshop No. 1 on January 28, 2025. President Young announced the public should contact the Secretary’s Office for information on community meetings regarding the budget and rates.
- Chair Valerie D. Lewis reported the Finance/Administration Committee met earlier and received updates on the Monthly Investment Transactions Report for February 2025 and Revisions to Policy 4.14 – Reimbursement of Director Expenses. Chair Lewis and General Manager Clifford C. Chan provided an overview of the Committee discussion and recommendations regarding Policy 4.14 which is scheduled for discussion under Agenda Item 10. President Young announced she would like to table the item until the next Board meeting to allow time to review the recommendations from the Committee. General Counsel Derek T. McDonald commented the Board can vote to table the item when it is up for consideration.

## CONSENT CALENDAR

- Agenda Items 7a-7b were pulled from the Consent Calendar for separate discussion.
  - Motion by Director Chan, seconded by Director Gómez, to approve the recommended actions for Items 1-6 and 8-9 on the Consent Calendar carried (7-0) by the following voice vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 041-25** – Approved the Regular Meeting Minutes of March 11, 2025.
  2. The following correspondence was filed with the Board: **1)** Presentation entitled, “Additional Proposed Revisions to Policy 4.14 –Reimbursement of Director Expenses,” dated March 25, 2025; **2)** Presentation entitled, “Single-Family Residential Accounts Arrearage Management Update,” dated March 25, 2025; **3)** Presentation entitled, “Water Supply Update,” dated March 25, 2025; **4)** Presentation entitled, “Community Water Academy,” dated March 25, 2025; **5)** Speakers’ Bureau and Outreach Record CY25, dated March 25, 2025; **6)** Community Water Academy participant list; **7)** Copy of H2Flow lyrics; **6)** Email dated March 13, 2025 from Ivette Rivera to Office of the Secretary regarding Please include this email, as a PUBLIC RECORD, in the next EBMUD BOD meeting scheduled on 3/25/25: RE:...Just to confirm, given that the new EBMUD Claim that I submitted on 3/7/25 contains facts have allegations; a) against a NEW defendant, Sharon Hu...; and **7)** Draft Proposition 218 notice.

3. **Motion No. 042-25** – Awarded a contract beginning on or after March 25, 2025 to the lowest responsive/responsible bidder, Jesse Mack Company, Inc., for supplying a remote-controlled mower with tracks and forestry flail for a total cost, after the addition of taxes, not to exceed \$120,950, under Request for Quotation No. 2510.
  4. **Motion No. 043-25** – Awarded a sole source contract beginning on or after March 25, 2025, to SPX Flow US, LLC, for supplying one surface aerator assembly and associated services for the Main Wastewater Treatment Plant for a total cost, after the addition of taxes, not to exceed \$335,000.
  5. **Motion No. 044-25** – Authorized an amendment to the contract originally awarded under Board Motion No. 012-23 with Crayon Software Experts LLC, to increase the contract amount by \$650,000 to a total amount not to exceed \$2,884,544 through January 31, 2026 for supplying Microsoft Enterprise Agreement for Microsoft Office 365, Enterprise Mobility and Security, Endpoint Operating Systems, and management software required to manage the District’s workstation fleet and additional Microsoft productivity software.
  6. **Motion No. 045-25** – Authorized an amendment to the agreement originally authorized under the General Manager’s authority with Stop Global Yawning, Inc. dba WHM Creative to increase the agreement amount by \$12,250 to a total amount not to exceed \$91,250 for digital advertising services to support workforce planning goals, promote difficult-to-recruit classifications, and increase awareness of mission-critical water and wastewater careers.
- 7a.- **Authorize amendments to the agreements originally authorized under Board Motion No.**  
7b. **121-22 with ALB, Inc.; American Asphalt Repair & Resurfacing Co., Inc.; Carone & Company, Inc.; J.V. Lucas Paving, Inc.; MCK Services, Inc.; and Public Agencies to increase the aggregate amount of the agreements by \$5,200,000 to a total aggregate amount not to exceed \$20,200,000 and extend the agreements term to March 25, 2026 for paving and other related services; and authorize additional agreements for paving and other related services, on an as-needed basis and subject to the total aggregate amount authorized by the Board for such services on March 25, 2025, with service providers that meet District standards and offer pricing at or below the range in the proposed agreements with the service providers above to increase flexibility and ensure service provider availability. The Board of Directors will be notified of additional qualified service providers by means of the General Manager’s monthly report.**
- Addressing the Board was Eric Larsen, President, AFSCME Local 444 who commented the union objects to contracting out its core work and recommends reducing the contract amount equivalent to the cost of adding two paving crews to perform the work in-house.

General Manager Clifford C. Chan commented the District has had previous discussions with Local 444 about keeping the contract amount constant and noted the contract amount has remained stable for the past three years and includes joint paving agreements with service area cities. There was Board discussion and Mr. Chan responded to questions about the cost of contracting versus adding two paving crews, how joint contracts are administered, and whether cities use union contractors. Director Oddie requested that future items include information on whether cities are using union contractors and said he would abstain from voting on this item. Director Katz stated he also considered abstaining and requested that this issue be studied at a

future Legislative/Human Resources Committee meeting. Staff was asked to provide a breakdown of contracted paving costs and information on whether cities are using union contractors for joint paving projects.

- Motion by Director Young, seconded by Director Lewis, to approve the recommended actions for Items 7a-7b carried (5-0-2) by the following voice vote: AYES (Chan, Gómez, Katz, Lewis, and Young); NOES (None); ABSTAIN (Oddie, Smith); ABSENT (None).

**Motion No. 047-25** – Authorized amendments to the agreements previously authorized under Board Motion 121-22 with ALB, Inc.; American Asphalt Repair & Resurfacing Co., Inc.; Carone & Company, Inc.; J.V. Lucas Paving, Inc.; MCK Services, Inc.; and Public Agencies to increase the aggregate amount of the agreements by \$5,200,000 to a total aggregate amount not to exceed \$20,200,000 and extend the agreements term to March 25, 2026 for paving and other related services; and authorized additional agreements for paving and other related services, on an as-needed basis and subject to the total aggregate amount authorized by the Board for such services on March 25, 2025, with service providers that meet District standards and offer pricing at or below the range in the proposed agreements with the service providers above to increase flexibility and ensure service provider availability. The Board of Directors will be notified of additional qualified service providers by means of the General Manager’s monthly report.

8. **Motion No. 046-25** – Approved the February 2025 Monthly Investment Transactions Report.
9. **Resolution No. 35441-25** – Appointing Representative And Alternate Representative To The Association Of California Water Agencies Joint Powers Insurance Authority Board Of Directors.

## **DETERMINATION AND DISCUSSION**

10. **Provide direction to staff on revisions to Policy 4.14 – Reimbursement of Director Expenses.**

The Board adopted its governance manual in November 2024, and at that time, authorized staff to finalize three governance policies, including Policy 4.14, through the District’s policy review process. During the review process, staff received additional proposed revisions to Policy 4.14 from a Board member. General Manager Clifford C. Chan noted that although President Young asked to table the item to a future Board meeting, the Board will not be voting to adopt policy revisions at this time. Staff is seeking feedback on the proposed revisions before finalizing Policy 4.14 for Board consideration. The proposed revisions received after November 2024 include deleting mileage reimbursement for Directors attending regular, adjourned regular, special and committee meetings of the Board; limiting reimbursement to one conference per year unless a Director’s attendance at a conference is necessary due to service on a joint powers authority, regional committee or other body required to meet at the conference; requiring Directors to submit a draft calendar of conferences and activities for the fiscal year that may require reimbursable lodging, registration or airfare; and clarifying language regarding travel cancellations. An additional revision not included in the staff report proposes to increase the Board President pre-approval expense cap from \$100 to \$150 or \$200 to account for inflation. Finance/Administration Committee Chair Lewis provided an overview of the Committee discussion and recommendations and Committee members provided input. The Committee supported deleting mileage reimbursement for travel to and from regular board meetings; removing the one-conference-per-year reimbursement limit and have conference reimbursements

approved based on budget; ensuring equitable conference access among Board members; including language regarding conference reimbursement when a Director is invited to participate in an official role e.g., as a speaker or panel participant; flexibility in forecasting annual activities; including the “good cause” language from Resolution No. 35000-16 as it relates to travel cancellations; and raising the Board President pre-approval expense cap from \$100 to \$250 to account for inflation. The Committee also requested information on mileage reimbursement practices at other agencies. There was considerable Board discussion regarding adjusting the Board President pre-approval expense cap; data to support increasing the expense cap; maintaining checks and balances as well as accountability; the Board’s annual travel and expense budget; reasonable and proportionate use of the budget; the one-conference-per-year reimbursement limit; mileage reimbursement for travel within the service area, specifically to special meetings or locations outside a Director’s ward; aligning the Board mileage reimbursement policy with the policy for staff; public understanding of Board members attending events when there is a legitimate reason for EBMUD to be represented; and clarifying that the “good cause” language proposed for travel cancellations apply to local events as well. Staff will prepare a memo with information on conference policies and individual budgets from other water agencies; event ticket pricing data to support increasing the Board President pre-approval expense cap from \$100 to \$250; an updated redlined copy of Policy 4.14 based on Finance/Administration Committee recommendations and Board input for Board discussion at a future meeting.

**11. Provide direction to staff on Single-Family Residential (SFR) Accounts Arrearage Management Program to address delinquent debt.**

Director of Customer and Community Services Andrew L. Lee provided the presentation. The Board adopted Resolution No. 35211-20 in December 2020 to establish an alternative to water shutoffs for delinquent SFR accounts. Implementation of the program began in September 2024, at the conclusion of the California Water and Wastewater Arrearage Payment Program (CWWAPP). Some customers received support through the temporary federal Low Income Household Water Assistance Program (LIHWAP), which ended in March 2024. CWWAPP and LIHWAP significantly reduced customer arrearages; however, arrearage levels remain higher than pre-COVID-19 levels. Despite the overall reduction in delinquent accounts, the number of accounts past due by more than 100 days has increased significantly, rising from approximately 5,500 pre-COVID to 15,062 (including both tenant- and owner-occupied SFR accounts). This increase has resulted in a substantial increase in total arrearages, growing from \$3.0 million pre-COVID to a high of \$22.9 million in August 2024. As of February 2025, the District recovered (including active payment plans) approximately \$7.1 million from tenant-occupied SFR accounts and \$2.8 million from owner-occupied SFR accounts which reduced arrearages to \$13 million. Mr. Lee reviewed arrearage trends between July 2018 and August 2022; arrearages by customer segment; the collection path for tenant-occupied and owner-occupied SFR accounts; delinquency and arrearage trends for accounts delinquent for more than 100 days; and service area maps showing where flow restrictors are installed and where SFR liens were filed as of February 2025. Approximately 42 percent of tenant-occupied SFR accounts who had a flow restrictor installed (346 out of 819) are living with the flow restrictor without addressing their arrears. A total of 4,270 owner-occupied SFR delinquent accounts are subject to collection through the property tax roll. The District initiated outreach owner-occupied SFR delinquent accounts in September 2024. In total, 2,899 customers responded to outreach (68%) and provided some form of payment making up approximately \$2.8 million of the arrearages (42.5%). After a lien is recorded against

a property and if the customer continues to be unresponsive, the District will initiate the process to transfer the lien to the property tax roll. By May 2025, these customers will receive a notice that provides a final opportunity to contest the delinquent charges at a District public hearing. Following the public hearing, any unpaid delinquent charges will be transferred to the customer's respective county property tax roll in August 2025. He shared staff's observations about the use of flow restrictors, resources needed compared to water shutoffs, evidence of device tampering, and an increase in customers seeking payment plans. To continue addressing the remaining overdue accounts and continue implementing the program with modifications, staff is seeking direction on the following: for continued non-payment of accounts after a flow restrictor is installed for more than three months either add a live account third-party collection process (e.g., wage garnishment) and keep accounts active, or shutoff water service, write off delinquent debt, and send account to third-party collections. Add water service shutoffs for accounts that have had a flow restrictor installed and removed after a payment plan is setup, subsequently defaulted, and unwilling to work with the District; add water service shutoffs for any accounts where the customer had made a threat against the safety of District staff; or explore a new engagement process with a third-party for customers that do not respond to the flow restrictor (90+days) in lieu of water service shutoff. There was significant Board discussion regarding the recommendations; evaluating Customer Assistance Program (CAP) eligibility when making contact with customers; on the spot and automatic CAP enrollments; program costs and benefits; retroactive CAP credits; experience at other agencies using flow restrictors; if language access is a factor for non-responsive customers; the number of customers that may fall below the federal poverty level; other financial incentives or benefit if customers sign up for a payment plan; programs that can assist customers if they immediately qualify for CAP; CAP outreach efforts; language accessibility; partnering with non-profits or similar agencies to assist customers with delinquent accounts; discounting or forgiving customer debt; voluntary customer contributions to help other customer pay their bills; and messaging on notices regarding consequences for threatening District staff. There was additional Board discussion and Mr. Lee and General Manager Clifford C. Chan responded to Board questions. The Board directed staff to proceed with the live account third-party collection process (e.g., wage garnishment) and to keep accounts active with no shutoffs. Staff was asked to explore debt forgiveness; automatic CAP enrollment and a 30 day grace period to provide documentation; improved messaging strategies; develop criteria for case-by-case decisions for customer who default on payment plans after a flow restrictor has been installed; information on the wage garnishment process; the number of SFR customers with arrearages eligible for CAP; of the 2,693 customers that are in arrears, how many have not paid since COVID; a graph of the arrearages and delinquency numbers by ward; the number of SFR customers that are living below the federal poverty level; improve outreach for CAP customers that are delinquent on their bills; retroactive application of CAP benefits; evaluate if language is an issue for non-payment or lack of responsiveness; number of SFR tenant-occupied accounts; include information on notices for customers to be courteous to staff and to seek District support to address arrearages; and explain how other charges (e.g., City of Oakland sewer service charge) collected on EBMUD's bill are distributed.

- Director Chan left the meeting at 2:27 p.m. and returned at 2:29 p.m.
- Director Oddie left the meeting at 3:07 p.m. and returned at 3:09 p.m.

12. **General Manager's Report.**

Water Supply Update

Manager of Maintenance and Construction/Water Operations Roberto C. Cortez presented the update on the District's current water supply including the following data through March 19: gross water production; total system storage (637,610 acre-feet); precipitation in the East Bay (16.3 inches) and in the Mokelumne (31.6 inches); and the snow depth (90 inches) and snow water content (23.8 inches) at Caples Lake. He reviewed snowpack levels and snow water equivalent in the Sierras as of March 19; precipitation forecasts across the states for March 27 – April 2, 2025; projected Mokelumne precipitation for Rainfall Year 2025; and 2025 total system storage projections.

Community Water Academy (CWA)

Special Assistant to the General Manager Kelly A. Zito provided the presentation. The District will host its third CWA in April 2025. A cohort of about 40 individuals will participate in a series of five sessions that include behind-the-scenes tours of District facilities and talks from EBMUD subject matter experts to learn about the District's operations, policies and projects. She reviewed the itinerary and noted the participant list had been provided at Board places.

Screening of EBMUD/Alphabet Rockers Song

Special Assistant to the General Manager Kelly A. Zito announced the District collaborated with the Oakland-based Grammy Award-winning musical group, Alphabet Rockers to create "H2FLOW," a song and music video that was globally released as a part of World Water Day. This musical collaboration is part of EBMUD's enhanced education program. The Alphabet Rockers are scheduled to perform the song live at the Oakland Roots Soccer Club's Earth Day-themed game on April 19, 2025 at the Oakland-Alameda County Coliseum. The video was displayed for the Board and meeting participants and a copy of the song lyrics was provided at Board places.

General Manager Clifford C. Chan announced the Speakers' Bureau and Outreach Record CY25 had been provided at Board places.

**DIRECTOR COMMENTS**

13. **Other Items for Future Consideration.**

None.

14. **Director Comments.**

- Director Gómez reported attending the Well UnTapped Fellowship in Tehachapi March 21- March 22 and the Lafayette City Council meeting (remote) on March 24.

- Director Lewis reported attending the Alameda County Mayors Conference in Piedmont on March 12; Alameda County Special Districts Association Annual dinner in Castro Valley on March 13; and the Niagara Movement Foundation's Gala Awards dinner in Oakland on March 15.
- Director Oddie reported attending the Alameda County Mayors Conference in Piedmont on March 12; Ward 5 meet and greet in Alameda on March 13; Alameda County Special Districts Association Annual dinner in Castro Valley on March 13; State of the City Address in San Leandro on March 18; and State of the City Address in Alameda on March 20. He thanked the General Manager and staff for the tour of the Main Wastewater Treatment Plant on March 21.
- Director Smith reported attending the Ward 1 meet and greet in Richmond on March 12; State of the Cities in Hercules on March 13; West County Forum in San Pablo on March 13; EBMUD Water Wednesday webinar (remote) on March 19; and Powerful Women of the Bay Awards luncheon in Oakland on March 25.
- President Young reported on plans to provide a water cycle presentation and the H2FLOW video for her granddaughter's TK class on April 26.
- Directors Chan and Katz had no report.

**ADJOURNMENT**

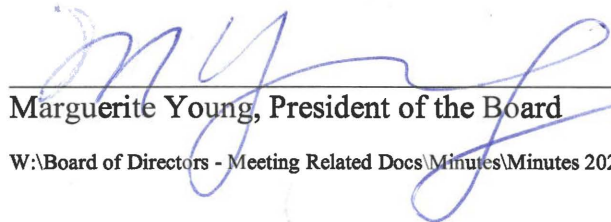
President Young adjourned the Regular Meeting at 4:07 p.m.

SUBMITTED BY:



\_\_\_\_\_  
Rischa S. Cole, Secretary of the District

APPROVED: April 8, 2025



\_\_\_\_\_  
Marguerite Young, President of the Board

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