



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA
REGULAR CLOSED SESSION**

Tuesday, May 27, 2025

11:00 a.m.

Boardroom

375 11th Street

Oakland, CA 94607

*****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.

ANNOUNCEMENT OF CLOSED SESSION AGENDA:

1. Conference with Labor Negotiators Keith Fleming and Stacey Cue from the Industrial Employers Distributors Association; Clifford C. Chan, General Manager; David A. Briggs, Director of Operations & Maintenance; Sophia D. Skoda, Director of Finance; Cindy R. Charan, Director of Human Resources; Samuel A. Feldman, Manager of Budget; Robert L. Hannay, Treasury Manager; Adam Smyer, Manager of Employee Relations; Lisa A. Sorani, Manager of Employee Services; Vincent L. James, Manager of Recruitment & Classification; Lori L. Worden, Senior Human Resources Analyst; Adrian J. Pringle, Senior Human Resources Analyst; and Valerie R. Weekly, Human Resources Administrator, pursuant to Government Code section 54957.6: American Federation of State, County and Municipal Employees, Locals 444 and 2019; International Union of Operating Engineers, Local 39; and International Federation of Professional and Technical Engineers, Local 21.
2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
 - a. One Matter.
 - b. Threat of litigation by Director April Chan regarding investigation of complaint against Director April Chan.

(The Board will discuss Closed Session agenda items in Conference Room 8)

REGULAR BUSINESS MEETING
1:15 p.m.

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

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance
- Recognizing Pride Month and EBMUD's Raining Pride Affinity Group

ANNOUNCEMENTS FROM CLOSED SESSION:

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.

COMMITTEE REPORTS:

- Finance/Administration
- Planning
- Legislative/Human Resources

CONSENT CALENDAR: (Single motion and vote approving 11 recommendations including 1 resolution)

1. Approve the Special Meeting Minutes of May 12, 2025, and the Regular Meeting Minutes of May 13, 2025.
2. File correspondence with the Board.
3. Award a sole source contract beginning on or after May 27, 2025 to Sacramento Municipal Utility District, to supply one 18-inch valve for the Upper San Leandro Dam outlet system for a total cost, after the addition of taxes, not to exceed \$167,375.
4. Award a contract beginning on or after May 27, 2025 to the lowest responsive/responsible bidder, WesTech Engineering, LLC, for supplying ballasted flocculation equipment and design support services for the Walnut Creek Water Treatment Plant Pretreatment Project for a total cost, after the addition of taxes, not to exceed \$5,850,000, under Request for Quotation No. 2505.
5. Authorize an agreement beginning on or after May 27, 2025 with Brand Energy Services of California, Inc., in an amount not to exceed \$156,075 for removal and replacement of joint sealants and associated cleaning of Field Reservoir.
6. Authorize an agreement beginning on or after May 27, 2025, with Rubicon Landscape Corporation for three years, with two options to renew for additional one-year periods for a total amount, including option years, not to exceed \$732,029 for facility landscape maintenance.

CONSENT CALENDAR: (Continued)

7. Authorize an amendment to the agreement originally authorized under Board Motion No. 125-21, with Examinetics, Inc. to increase the agreement amount by \$30,000 to a total amount not to exceed \$165,000 for mobile onsite and online health services through July 12, 2026.
8. Authorize actions related to electricity purchases at select District facilities.
 - 8.1. Authorize an amendment to the agreement previously amended under Board Motion No. 007-23 with the Western Area Power Administration to modify portfolio manager services of electricity purchases at select District facilities through December 31, 2029.
 - 8.2. Authorize an amendment to the agreement previously amended under Board Motion No. 030-23 with the Western Area Power Administration for scheduling coordinator services of electricity purchases at select District facilities through December 31, 2029.
9. Authorize an amendment to the agreement originally authorized under Board Motion No. 040-23 with Trimark Associates, Inc. to add meter verification services for the electric meters of the District's hydroelectric, biogas, and photovoltaic facilities and maintenance of the Remote Intelligent Gateway at the Pardee Powerhouse and document associated service fees.
10. Approve the April 2025 Monthly Investment Transactions Report.
11. Approve revisions to the following District policies: Policy 2.05 – Employee Discipline; Policy 4.05 – Establishing System Capacity Charges; Policy 4.12 – Purchasing and Materials Management; Policy 4.14 – Reimbursement of Director Expenses; Policy 4.21 – Land and Conservation/Mitigation Credit Sales – Use of Funds; Policy 6.06 – Equal Employment Opportunity (EEO); Policy 6.13 – Training and Development; Policy 7.01 – Aqueduct and Distribution Pipeline Rights-of-Way Maintenance; Policy 7.08 – Residences – District-Owned; Policy 7.09 – Workplace Safety and Health; Policy 7.12 – Weather Modification; and Policy 9.06 – Bay-Delta Protection; and approve the annual reauthorization of District Policy 4.07 – Investments. (Resolution)

DETERMINATION AND DISCUSSION:

12. Legislative Update.
 - Receive Legislative Report No. 05-25 and approve positions on the following bills: AB 532 (Ransom) Water Rate Assistance Program and SB 350 (Durazo) Water Rate Assistance Program
 - Update on Legislative Issues of Interest to EBMUD
13. General Manager's Report.
 - Wildfire Preparedness and Response
 - District Art Committee Update

REPORTS AND DIRECTOR COMMENTS:

14. Other Items for Future Consideration.

15. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, June 10, 2025.

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.

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BOARD CALENDAR

Meeting dates, times, and locations are subject to change

Date	Meeting	Time/Location	Topics
Tuesday, May 27, 2025	Finance/Administration Committee	9:30 a.m. Boardroom	- Monthly Investment Transactions Report - District Inflows, Outflows and Reserve Balances - Annual Investment Policy Review - Revisions to District Policies - External Auditor Request for Proposals - Semi-Annual Internal Audit Report
	Board of Directors	11:00 a.m. Boardroom	Closed Session
		1:15 p.m. Boardroom	Regular Meeting
Tuesday, June 10, 2025	Planning Committee	TBD Boardroom	
	Legislative/Human Resources Committee	TBD Boardroom	
	Board of Directors	11:00 a.m. Boardroom	Closed Session
		1:15 p.m. Boardroom	Regular Meeting
Thursday, June 19, 2025	Juneteenth Holiday		<i>Offices Closed</i>
Tuesday, June 24, 2025	Finance/Administration Committee	TBD Boardroom	
	Sustainability Committee	TBD Boardroom	
	Board of Directors	11:00 a.m. Boardroom	Closed Session
		1:15 p.m. Boardroom	Regular Meeting

2025 Board Committee Members

Finance/Administration	Lewis {Chair}, Katz, Oddie
Legislative/Human Resources	Gómez {Chair}, Oddie, Smith
Planning	Chan {Chair}, Gómez, Lewis
Sustainability	Smith {Chair}, Gómez, Katz

APPENDIX

**Closed Session and Regular Business Meetings
11:00 a.m. and 1:15 p.m.**

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

Online*

<https://ebmud.zoom.us/j/97065086667?pwd=eUdZSGh5SG82akZiRDF2UDg2b0IyUT09>

Webinar ID: 970 6508 6667

Passcode: 238500

By Phone*

Telephone: 1 669 900 6833

Webinar ID: 970 6508 6667

Passcode: 238500

International numbers available: <https://ebmud.zoom.us/u/adMXn1VnPP>

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

To view the livestream of Board meetings, please visit:
<https://www.ebmud.com/about-us/board-directors/board-meetings/>

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: May 22, 2025

MEMO TO: Board of Directors

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

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

SUBJECT: Planning Committee Minutes – May 13, 2025

Chair April Chan called to order the Planning Committee meeting at 9:01 a.m. in the Administration Building Boardroom. Directors Luz Gómez and Valerie D. Lewis were present at roll call. Staff participants included General Manager Clifford C. Chan, General Counsel Derek T. McDonald, Director of Engineering and Construction Serge V. Terentieff, Director of Wastewater Amit K. Mutsuddy, Director of Water and Natural Resources Michael T. Tognolini, Associate Civil Engineer Jae Y. Park, Associate Civil Engineer Kevin K. Jim, Manager Watershed & Recreation Charles C. Beckman, Manager Watershed and Recreation Scott D. Hill, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Presentations/Documentation. 1) Presentation entitled, “Sobrante Water Treatment Plant Reliability Improvements Project Update and Final EIR,” dated May 13, 2025; 2) Presentation entitled, “Collaborative Project Delivery – Dewatering Improvements Project,” dated May 13, 2025; and 3) Presentation entitled, “Annual Watershed and Recreation Report,” dated May 13, 2025.

Sobrante Water Treatment Plant (WTP) Reliability Improvements Project Update and Final Environmental Impact Report (EIR). Associate Civil Engineer Jae Y. Park presented an update on the proposed improvements at Sobrante WTP. The project will be implemented in two phases: Phase 1 will restore treatment capacity from 45 million gallons per day (MGD) to 60 MGD and Phase 2 will expand capacity to 80 MGD and construct a transmission pipeline from Sobrante WTP to Road 20 in San Pablo. Phase 1 will occur at the Sobrante WTP while Phase 2 will include work at the WTP and installation of the transmission pipeline. The improvements will address aging infrastructure, enhance climate resiliency, address water quality challenges, increase operational efficiency, and maintain flexibility to treat supplemental supplies. Mr. Park reviewed the project scope and construction locations, outreach to agencies and the public, environmental analyses, and key mitigation measures to address aesthetics; biological resources; cultural, tribal cultural, and geology and soils; transportation; and noise. Some noise impacts remain significant and unavoidable and will require the Board to approve a Statement of Overriding Considerations when approving the project. Public input led to substantial design modifications including increased setbacks, reduced fence heights, architectural enhancements, and improved landscaping. The Final EIR was updated to add Caltrans permitting requirements, revise the project construction schedule, make other minor clarifications and address comments related to traffic, noise, aesthetics, utility conflicts, and environmental resources. The Board will consider certifying the Final EIR and approving the project at its meeting this afternoon. If approved, Phase 1 design is scheduled from 2036 through 2039 followed by construction in 2039 through 2043. Phase 2 construction would depend on the timing of future demands and is currently scheduled for 2054 through 2056. Staff committed to additional community outreach during 30 percent design and prior to construction. The

Committee asked about interim facility reliability, tribal consultation and ceremonial protocols, traffic coordination, easement access, pipeline sizing, long-term capacity restoration, and estimated costs for extending the project timeline. Mr. Park and staff confirmed there will be routine maintenance to address facility reliability, and clarified tribal communication protocols, easement coverage, and outreach plans due to the extended project timeline. It was moved by Director Gómez, seconded by Director Lewis, and carried (3-0) by voice vote to accept the report.

Collaborative Project Delivery – Dewatering Improvements Project. Associate Civil Engineer Kevin K. Jim presented an overview of the proposed use of a progressive design-build (PDB) delivery method for the Dewatering Improvements Project at the Main Wastewater Treatment Plant which is estimated to cost \$115 million. The District has traditionally used the design-bid-build method for capital improvement projects; however, this project was selected as a pilot for the PDB approach due to its scale, complexity, urgency, and ongoing maintenance demands. The PDB method, authorized in 2023 by California Senate Bill 991 for local agencies for water infrastructure projects over \$5 million, allows selection of a design-build team based on qualifications rather than lowest bid. The PDB process has two phases. Phase 1 involves hiring an owner advisor for guidance and technical support in selecting the PDB team (designer and contractor), defining the project scope, and negotiating a guaranteed maximum price (GMP) for completing construction, which offers cost certainty. Phase 2 begins after the GMP is established and construction can begin, with design refinement continuing in parallel. Mr. Jim discussed PDB benefits and challenges, potential future wastewater PDB projects, and next steps. Staff will issue a request for proposals (RFP) for an owner advisor and the Board will consider approving the owner advisor contract in fall 2025. If approved, staff will work with the owner advisor to prepare a request for qualifications/RFP for the PDB team to be issued around summer 2026. Staff would present the Phase 1 contract for Board consideration in spring 2027. Committee members asked about consultant contracts, staff training and development, training costs, and long-term savings potential. Mr. Jim confirmed owner advisor costs would be comparable to traditional consulting and outlined internal training, staff participation in national industry conferences, and cross-departmental knowledge building underway to support this new method. Staff will continue to update the Board as the project progresses. It was moved by Director Lewis, seconded by Director Gómez, and carried (3-0) by voice vote to accept the report.

Annual Watershed and Recreation Report – 2024. Managers of Watershed and Recreation Charles C. Beckman and Scott D. Hill presented the report. The District's East Bay and Mokelumne watershed and recreation facilities continue to be popular with the public, with an estimated two million visitors annually. Mr. Beckman reported over 600,000 visitors to the Mokelumne watershed and recreation areas in 2024. The Pardee Recreation Area remained closed in 2023 for upgrades to the water treatment plant serving the park. In 2024, the area opened for limited day-use only while work continued. The park resumed normal operations in early 2025 following completion of the plant upgrades. The seasonal alcohol prohibition was implemented at Camanche Recreation Area on May 1, 2025. Discussions regarding the prohibition on personal watercraft – which would require amendments to the Watershed Rules and Regulations – were suspended following the boat launch closures due to the Golden Mussel but will continue in 2025. Infrastructure and maintenance work included installing new concrete picnic tables at Camanche North Shore; repointing the Wildermuth House Granary; prescribed fire to treat over 30 acres of grassland affected by invasive plants; replacing four culverts at the South Shore Camanche Recreation Area; and installing new anchorage for the Pardee and Camanche North Shore Marina structures. Staff established a cooperative agreement with the Tuolumne-Calaveras Ranger Unit of Cal Fire to increase the use of prescribed fire on the watershed; conducted environmental education events;

and continued managing boat launch closures at Pardee and Camanche reservoirs to prevent the spread of Golden Mussels into District reservoirs. Next, Mr. Hill reported over one million visitors enjoyed East Bay watershed and recreation activities in 2024. Wildfire management continues to be a priority. In collaboration with U.C. Berkeley, Berkeley Fire, and East Bay Regional Park District, staff oversaw the Grizzly Peak Vegetation Project to remediate vegetation on 12 acres of EBMUD watershed. In the San Pablo Pines, 250 dead trees were felled and processed on site with 500 logs burned in situ. Educational outreach included water walks and student/public engagement at Lafayette Reservoir. Facility improvements included upgraded parking pay stations at Lafayette reservoir and upgraded picnic tables and the shade structure at the San Pablo Reservoir launch ramp. The San Pablo Reservoir boat launch also remains closed to mitigate the spread of the Golden Mussel; however, a family fishing event is scheduled for Memorial Day, May 26. The District will continue working on its plan to reopen its reservoirs to boating. Director Gómez commented on exploring the feasibility of installing electric vehicle charging stations at Lafayette Reservoir. It was moved by Director Lewis, seconded by Director Gómez, and carried (3-0) by voice vote to accept the report.

Adjournment. Chair Chan adjourned the meeting at 10:06 a.m.

CCC:RSC

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: May 22, 2025

MEMO TO: Board of Directors

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

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

SUBJECT: Legislative/Human Resources Committee Minutes – May 13, 2025

Chair Luz Gómez (remote) called to order the Legislative/Human Resources Committee meeting at 10:08 a.m. in the Administration Building Boardroom. Directors Jim Oddie and Joey D. Smith were present at roll call. Staff participants included General Manager Clifford C. Chan, General Counsel Derek T. McDonald, Manager of Legislative Affairs Kathy Viatella, Special Assistant to the General Manager Derry L. Moten, Contract Equity Administrator Beverly D. Johnson, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Presentations/Documentation. 1) Presentation entitled, “Statewide Workforce Development Initiatives,” dated May 13, 2025; 2) Presentation entitled, “Diversity, Equity, and Inclusion Strategic Plan Update,” dated May 13, 2025; and 3) Document titled East Bay Municipal Utility District Contract Equity External Advisory Council Member Organizations.

Legislative Update. Manager of Legislative Affairs Kathy Viatella presented Legislative Report No. 04-25 with recommended support positions for four bills. AB 1153 (Bonta) would revise CalRecycle’s Solid Waste Disposal and Codisposal Site Cleanup Program to additionally include removal and disposal of recreational vehicles; development of enforcement strategies; and development of local enforcement teams and illegal dumping enforcement officers. H.R. 1871 (Huffman) would amend the Internal Revenue Code to make rebates for water conservation, stormwater management, and wastewater management measures exempt from federal taxes. This would align the tax treatment of these rebates with those already in place for energy conservation improvements. H.R. 2269 (McClain) and S. 1092 (Merkley), collectively known as the WIPPES Act, would create a national standard for labeling nonflushable wipes. These companion bills mirror California’s requirements established by AB 818 (Bloom) in 2021, which the District supported, and are expected to help reduce the disposal of non-flushable wet wipes in sewer systems and in turn, decrease costly damage to these systems. At the Committee’s request, General Manager Clifford C. Chan described how wet wipes obstruct pumps and machinery at the Main Wastewater Treatment Plant. It was moved by Director Smith, seconded by Director Oddie, and carried (3-0) by roll call vote to support the staff recommendations.

Statewide Workforce Development Efforts. Special Assistant to the General Manager Derry L. Moten presented an update on the District’s participation in statewide and regional workforce development initiatives. The District continues to participate in BAYWORK, a regional collaboration of over 40 Bay Area water and wastewater agencies focused on workforce entry, upskilling, and technical training. District staff have free access to all BAYWORK training and events and through a stackable internship program with Jewish Vocational Services and BAYWORK, the District has made two permanent hires, with a third pending. The District is also a core partner and member of the Statewide Advisory Council for the California Municipal Utilities Association’s workforce initiative,

funded by a \$4 million High Road Training Partnerships grant from the California Workforce Development Board. Mr. Moten shared the District's involvement in the California Urban Water Association's Diversity Committee, which is working with California State University campuses to develop standardized career ladders for the industry, modeled largely on the District's own framework. In response to potential refinery closures in the Bay Area, the District is partnering with local Workforce Development Boards and their Rapid Response programs to conduct targeted outreach to displaced refinery operators and instrumentation technicians. He highlighted the District's partnerships and outreach with local community colleges that train potential and existing District talent noting that many of the participants in the BAYWORK stackable internships are participants in the community college programs. Other activities include exploring curriculum collaboration with CSU East Bay, potentially modeled after UC Berkeley's CE 112 course, as an extension of the Peralta Cohort Program. Staff will continue to support regional and statewide workforce development efforts, expand community partnerships and internal training alignment, and evaluate outreach efforts to transitioning workers. The Committee requested information on a formal evaluation of BAYWORK's programming and consideration of collaboration with the BlueGreen Alliance. It was moved by Director Oddie, seconded by Director Smith, and carried (3-0) by roll call vote to accept the report.

Diversity, Equity, and Inclusion Strategic Plan Update. The DEISP is divided into five strategic pillars (Leadership Commitment, Workforce Diversity, Inclusive Culture, Supplier Diversity, and Social Responsibility) which guide plan implementation. Contract Equity Administrator Beverly D. Johnson provided an overview of the Contract Equity Program's (CEP) 40-year history and Fiscal Year (FY) 2024 performance under Pillar 4 – Supplier Diversity. To date, over \$1 billion in contracts have been awarded to ethnic minority and women owned businesses that contribute to local economic resilience, community capacity, and workforce engagement. Ms. Johnson reviewed CEP's key objectives, goals and successes. She noted that the FY 2024 contract participation data includes only Board- and GM-approved contracts due to a transition in tracking systems and that a comprehensive report based on total contract spend will be shared later. In FY 2024, outreach efforts included targeted community engagement and local hiring on District construction projects, which generated over \$15.6 million in wages and benefits for workers residing in Alameda, Contra Costa, San Joaquin, Calaveras, Amador, and Sacramento counties. For FY 2025, staff will continue community outreach and marketing efforts; educating employees and businesses about contract equity; shifting reporting from contract awards to actual spending; developing a progress-monitoring dashboard; engaging a consultant to assess CEP services and District contracting practices; developing plans for a bid-discount to non-SBE prime bidders who achieve a targeted level of SBE participation; and expanding the SBE First (Set-Aside) incentives to all contracts up to \$250,000 and not just professional services. The District continues to explore a project labor agreement and aims to reengage the Contract Equity External Advisory Council. Ms. Johnson highlighted current council member organizations and extended an invitation to new members to join the council and support CEP goals. Staff was asked to provide a future update on how project labor agreements intersect with contract equity and small business participation. The Committee thanked Ms. Johnson for her work. It was moved by Director Smith, seconded by Director Oddie, and carried (3-0) by roll call vote to accept the report.

Adjournment. Chair Gómez adjourned the meeting at 10:55 a.m.

RC

Secretary of the District

MINUTES

**Tuesday, May 12, 2025
East Bay Municipal Utility District
Board of Directors
375 Eleventh Street
Oakland, California**

Special Closed Session Meeting

President Marguerite Young called to order the special Closed Session Meeting of Board of Directors at 5:04 p.m. in the Administration Building Boardroom. The Board met in closed session in conference with labor negotiators from the Industrial Employers Distributors Association and EBMUD management representatives pursuant to Government Code section 54957.6: American Federation of State, County and Municipal Employees, Locals 444 and 2019; International Union of Operating Engineers, Local 39; and International Federation of Professional and Technical Engineers, Local 21.

ROLL CALL

Directors Luz Gómez (remote), Jim Oddie, Joey D. Smith and President Marguerite Young were present at roll call. Director Andy Katz arrived at 5:05 p.m. Directors April Chan and Valerie D. Lewis were absent (excused).

Staff present included General Manager Clifford C. Chan and General Counsel Derek T. McDonald.

PUBLIC COMMENT

- Addressing the Board was Eric Larsen, President, AFSCME Local 444 who commented on documentation provided to the Board regarding the District's pension and health insurance benefits, cost differences for PEPRA versus classic plan members, and the District's proposed cost-sharing proposal.

PRESENTATIONS/DOCUMENTATION

- Filed with the Board was a handout from Eric Larsen containing pages from the 2024 actuarial report prepared by Segal and Associates and sample 401(k) retirement savings calculations.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Young announced the closed session agenda and stated the Board does not anticipate announcements from closed session and will adjourn in Administration Building Conference Room 8. The Board convened to Conference Room 8 to discuss closed session Item 1.

ADJOURNMENT

President Young adjourned the Special Closed Session meeting at 6:58 p.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: May 27, 2025

Marguerite Young, President of the Board

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MINUTES

**Tuesday, May 13, 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 11:01 a.m. in the Administration Building Boardroom.

ROLL CALL

Directors April Chan, Luz Gómez (remote), Valerie D. Lewis, Jim Oddie, Joey D. Smith and President Marguerite Young were present at roll call. Director Andy Katz arrived at 11:09 a.m.

Staff participants included General Manager Clifford C. Chan and General Counsel Derek T. McDonald.

PUBLIC COMMENT

- Addressing the Board were the following: 1) Dwight George, Assistant Construction and Maintenance Superintendent commented on equity adjustments; 2) Patrick Loosli, Water Distribution Plumber II commented on contract negotiations and equity adjustments; 3) Frederick Saavedra, Water District Plumber III commented on equity adjustments, being injured while on the job, and employee safety; 4) Steven Stanley, Heavy Equipment Operator commented on equity adjustments; 5) Adrian Camacho, Water Distribution Crew Foreman commented on standby pay; 6) John Halseth, Jr. Water Distribution Plumber III commented on contract negotiations and equity adjustments; 7) Robert Collard, Heavy Transport Operator commented on contract negotiations and cost of living; 8) Gilbert Laredo, Water Distribution Crew Foreman commented on contract negotiations and fair and equitable wages; and 9) Eric Larsen, President, AFSCME Local 444 commented on contract negotiations, equity adjustments, incentives for PEPPA members, and standby pay and asked the Board to authorize negotiators to increase the District's wage package.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

Secretary of the District Rischa S. Cole announced Manager of Employee Services Lisa A. Sorani will attend closed session for Agenda Item 1, in addition to those persons identified on the agenda for Item 1. 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 1:27 p.m. in the Administration Building Boardroom.

ROLL CALL

Directors April Chan, Luz Gómez (remote), 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.

ANNOUNCEMENTS FROM CLOSED SESSION

President Young announced the Board met in closed session earlier to consider a request by the General Counsel to authorize litigation in one matter. All Directors were present, and all Directors voted to authorize the General Counsel to initiate litigation. The action, parties, and other particulars will be disclosed upon inquiry once the action is formally commenced. There were no other announcements required from closed session.

PRESENTATIONS

Contra Costa County Science & Engineering Fair Award Winner

Director Smith announced that for the past twelve years, the District has proudly co-sponsored the “Excellence in Water and Wastewater Research Awards” in Alameda and Contra Costa counties. This year, Adit Anand, an 11th grader from San Ramon won the Award of Excellence for his project, “Using Machine Learning to Detect Water Leaks.” Adit took the opportunity to describe his project and address questions from the Board regarding his methodology and findings. Director Smith congratulated Adit and presented a check and certificate of accomplishment on behalf of EBMUD and the sponsors of the Excellence in Water and Wastewater Research Awards as well as a check on behalf of EBMUD and the sponsors of the Excellence in Water and Wastewater Research Awards to Adit’s teacher, Rae Anne Crandall. The Board congratulated Adit and encouraged him to continue his research.

American Society of Civil Engineers 2024 Outstanding Water and Wastewater Treatment Project: San Pablo Reservoir Hypolimnetic Oxygenation System Project

General Manager Clifford C. Chan announced the District received an award for Outstanding Water/Wastewater Project of the Year for the San Pablo Reservoir Hypolimnetic Oxygenation System which was placed into service in last September. Mr. Chan described the project which addresses the root cause of water quality issues at San Pablo Reservoir by oxygenating the hypolimnion and gives the District a tool to effectively reduce taste and odor events as well as concentrations of dissolved manganese and methylmercury in the reservoir. The project will also help the District manage future droughts by improving raw water quality as well as improve habitat for fish and wildlife that reside in and around the San Pablo Reservoir and its wetlands. The award also recognizes the District’s ability to innovate in its construction projects. He highlighted the project team and acknowledged the following staff in attendance

representing the team: Senior Construction Inspector Jack Alexan, Senior Construction Inspector Faletine Bell, Associate Civil Engineer Chloe Cheok, Engineering Manager Michael Hartlaub, Assistant Engineer Elaine Horng, Senior Civil Engineer Javier Prospero, Associate Mechanical Engineer Michael Takacs, Director of Engineering and Construction Serge Terentieff, and Associate Electrical Engineer Justin Young. President Young presented the award and the Board congratulated the team on their achievements.

BOARD OF DIRECTORS (Continued)

Proposed action to appoint Interim Vice President pending completion of the investigation into conduct of a District Board Member.

President Young announced the Board will consider appointing an interim Vice President pending completion of the investigation into one of the Board members. President Young called for public comment.

- Addressing the Board were the following: 1) Lester, Oakland resident, commented on due process and the need for an independent investigation from an outside source; 2) Michelle, Fairview resident and constituent of Director Chan, expressed concern about the accusations, the administrative proceedings and internal investigations; 3) Theo Elpedes, constituent of Director Chan commented on the investigation and that the Board should delay making decisions until the investigations are complete; 4) Tim Ballas, constituent of Director Chan agreed with previous speakers and commented on due process for Director Chan; 6) Chris Moore, Alameda County resident agreed with previous speakers and commented on the need for transparency, his interactions with Director Chan, support for Director Chan to continue as Vice President, and that the Board should delay making decisions until the investigation is complete; 7) Tuan Ngo, commented on the March 27 incident, the proposed action being considered by the Board and its impact on the Asian community, the need for due process, and the community's support for Director Chan; 8) Elizabeth Kenny commented on Director Chan's character, service as a Board member and the community's support, and urged the Board to support Director Chan and to make the investigation independent and public; 9) Benny Lee, commented on a letter he submitted to the Board, the Board's actions to address the March 27 incident during Asian American Heritage month, due process, and support for Director Chan; 10) Chris Miller, Hayward resident expressed support for Director Chan and agreed with the previous speakers; 11) Mary Montgomery commented on support for Director Chan; 12) Lodema Epperson, Hayward resident commented on Director Chan's character, their relationship, and expressed support for her service; 13) Ceta Dochterman, Castro Valley resident commented on Director Chan's character, their relationship and expressed support for her service; 14) Kat Wellman expressed support for Director Chan and questioned the public investigation and due process; 15) Zoya commented on fairness and support for Director Chan; 16) George Wu, Berkeley resident commented on a transparent investigation, allowing Director Chan to continue in her current role, and political retaliation by EBMUD; and 17) Edward Escobar, Citizens Unite and Coalition for Community Engagement commented on due process for Director Chan, the reading of the Asian Pacific Employee Association's Heritage Resolution, and transparency during the investigation.

President Young thanked the speakers for their comments. An external investigation is currently underway to address allegations and conduct concerns, initiated shortly after the last Board meeting and is expected to conclude within the next few Board meetings. President Young noted Director Chan voluntarily extended her suspension as Vice President of the Board, which does not affect her ability to represent

constituents or participate in Board decisions. The investigation is being conducted by an independent firm and does not involve, nor is it being directed by the Board President. The investigation does not pertain to budget allocation matters or the District's previously proposed Quarry Site Restoration project as referenced by some speakers. President Young noted the decision to make the investigation report public may depend on the parties involved and acknowledged potential legal considerations associated with the report's disclosure. The Board will consider appointing an interim Vice President pending the conclusion and findings of the investigation. Director Chan addressed the Board and commented on the Quarry Site Restoration project and the speakers' voicing concern that her actions regarding budget allocations and the project are the cause for retaliation. Director Chan noted she would read letters of support to be entered into the meeting record. President Young recused herself and left the meeting at 2:19 p.m. Immediate Past President Andy Katz (acting as President pro tem in accordance with the Board of Directors Governance Manual) began presiding. He clarified that speaking as an individual, he did not request the item be placed on the agenda and that the Vice President position should remain vacant until the investigation concludes. He proposed the Board continue to leave the Vice President position vacant. He yielded the floor to Director Chan who read from some of the support letters. Following discussion regarding Director Chan reading the remaining support letters, President pro tem Katz called for Board comments and commented Director Chan could resume reading support letters after Board comments and if the Board has not reached consensus regarding next steps. There was extensive Board comment regarding the difficulty of the situation, clarifying the proposed actions are not being considered to remove or silence Director Chan, the public's concern, the Board's established procedures for officer selection and removal, the remarks made about President Young, the investigation coinciding with Asian American Heritage Month, scrutiny received by other Board members from the public regarding this matter, the need to remain impartial and fair, and ensuring a fair process. Director Chan commented concerns about being silenced were due to not being initially designated to read the Asian American Heritage Month statement at the April 22 Board meeting and not related to efforts to remove her from office. President pro tem Katz called for a motion to table the proposed action to appoint an Interim Vice President pending completion of the investigation into conduct of a District Board Member. There was additional Board discussion and comment.

- Motion by Director Lewis, seconded by Director Smith to proceed with appointing an Interim Vice President pending completion of the investigation into conduct of a District Board Member.

There was further Board discussion about the proposed action, the role of the Vice President, Director Chan reading the remaining support letters, the relevance of the discussion regarding the reading of the Asian American Heritage Month statement during the April 22 Board meeting to the investigation, the political sentiment raised, and leaving the Vice President position vacant and allowing the President pro tem to serve as needed.

Director Chan offered a second to President pro tem Katz's comment to leave the Vice President position vacant as the Board has provisions for a President pro tem. President pro tem Katz called for additional comments from the Board. There was additional Board comment regarding the proposed actions, impacts on other members of the community following the March 27 incident, and the reading of the Asian American Heritage Month statement. Director Chan resumed reading the support letters she received. Board members offered additional comment and there was further discussion about today's proceedings, some of the public comments, the proposed actions not being punitive, and a request for a separate discussion regarding the reading of the Asian American Heritage Month statement.

President pro tem Katz called the question. Secretary of the District Rischa S. Cole restated the motion to nominate and appoint an Interim Vice President of the Board of Directors, who shall serve pending the results of investigations, and until such further action as the Board may take at a future meeting. There was no further discussion.

- Motion by Director Lewis, seconded by Director Smith, to nominate an interim Vice President of the Board of Directors carried (4-1) by the following roll call vote: AYES (Gómez, Lewis, Oddie, and Smith); NOES (Chan); ABSTAIN (Katz); ABSENT (Young).

Motion No. 071-25 – Took action to nominate an interim Vice President of the Board of Directors, who shall serve pending the results of investigations and until such further action as the Board may take at a future meeting.

President pro tem Katz opened the floor for nominations for Interim Vice President of the Board of Directors.

- Motion by Director Lewis, seconded by Director Oddie to nominate Director Luz Gómez as Interim Vice President of the Board of Directors, who shall serve pending the results of investigations, and until such further action as the Board may take at a future meeting. Director Gómez accepted the nomination.

President pro tem Katz called for additional nominations, and none came forward. He called for a motion to close the nominations.

- Motion by Director Smith, seconded by Director Lewis to close the nominations for Interim Vice President of the Board of Directors carried (6-0) by the following roll call vote: AYES (Chan, Gómez, Lewis, Oddie, Smith, and Katz); NOES (None); ABSTAIN (None); ABSENT (Young).

Motion No. 072-25 – Closed the nomination period for the Interim Vice President of the Board of Directors.

- Motion by Director Oddie, seconded by Director Smith, to nominate Director Luz Gómez as Interim Vice President of the Board of Directors, who shall serve pending the results of investigations, and until such further action as the Board may take at a future meeting carried (5-0) by the following roll call vote: AYES (Gómez, Lewis, Oddie, Smith, and Katz); NOES (None); ABSTAIN (Chan); ABSENT (Young).

Motion No. 073-25 – Elected Director Luz Gómez as Interim Vice President of the Board of Directors, who shall serve pending the results of investigations and until such further action as the Board may take at a future meeting.

President Young returned and resumed presiding at 3:14 p.m.

- Director Smith left the meeting at 3:16 p.m. and returned at 3:20 p.m.
- Director Chan left the meeting at 3:16 p.m. and returned at 3:21 p.m.

PUBLIC COMMENT

- Addressing the Board was Peter Rosen, Hayward Area Recreation and Park District Director, who commented on running for the Alameda LAFCo Alternate Special District Representative and asked the Board to consider advising the District's Alameda County Special Districts Association (ACSDA) to vote for him during the election following the May 14 ACSDA meeting.

COMMITTEE REPORTS

- Filed with the Board were the Minutes for the April 22, 2025 Finance/Administration Committee Meeting.
- Director Smith reported the UMRWA Board met on April 25, 2025 and reviewed Board Meeting minutes for January 24, 2025; the Treasurer's Report; Phase 1 - Forest Projects Plan Implementation Report; Phase 2 - MAC Forest Health and Resilience Project Report; Procurement Policy Amendment; Proposed FY 2026 Budget; Audited Financials - FY 2024 and 2023; Re-setting Regular Board Meeting Schedule; and Legislative Issues Update.
- Director Chan reported the DERWA Board met on April 28, 2025 and received a presentation on DERWA Facilities Energy Evaluation; adopted the Fiscal Year 2025-2026 operating and capital budget; and discussed and provided direction on public outreach activities. An open house for DERWA is tentatively scheduled for September 2025.
- Chair April Chan reported the Planning Committee met earlier and received updates on the Sobrante Water Treatment Plant Reliability Improvements Project and Final Environmental Impact Report; Collaborative Project Delivery – Dewatering Improvements Project; and the Annual Watershed and Recreation Report – 2024.
- Chair Luz Gómez reported the Legislative/Human Resources Committee met earlier and received updates on Legislative Report No. 04-25; Statewide Workforce Development Efforts; and the Diversity, Equity, and Inclusion Strategic Plan.

CONSENT CALENDAR

- Agenda Items 1, 7 and 12 were removed from the Consent Calendar for separate discussion.
 - Motion by Director Gómez, seconded by Director Oddie, to approve the recommended actions for Items 2-6, 8-11, and 13-16 on the Consent Calendar carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Approve the Regular Meeting Minutes of April 8, 2025, Special Meeting Minutes of April 16, 2025, Regular Meeting Minutes of April 22, 2025, and Special Meeting Minutes of May 6, 2025.**

Secretary of the District Rischa S. Cole reported the April 8, 2025 Regular Meeting minutes, originally submitted for approval on April 22, 2025, had been revised as requested by Director Chan. The final version of the April 22, 2025 Regular Meeting minutes will be updated to remove reference to Director Oddie participating in the April 25 Friends of the River event.

- Motion by Director Gómez, seconded by Director Smith, to approve the recommended actions for Item 1 carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 086-25 – Approved the Regular Meeting Minutes of April 8, 2025, Special Meeting Minutes of April 16, 2025, Regular Meeting Minutes of April 22, 2025, and Special Meeting Minutes of May 6, 2025.

2. The following correspondence was filed with the Board: **1)** Presentation entitled, “GM Reports on Water and Wastewater Schedules of Rates and Charges, Capacity Charges and Other Fees,” dated May 13, 2025; **2)** Presentation entitled, “Sobrante Water Treatment Plant Reliability Improvements Project Update and Final EIR,” dated May 13, 2025; **3)** Presentation entitled, “Spec 2194 – Lafayette and Walnut Creek Water Treatment Plants Chemical Systems Safety Improvements – Engineering Services During Construction,” dated May 13, 2025; **4)** Speakers’ Bureau and Outreach Record, dated May 13, 2025; **5)** Draft resolution appointing Director of Water and Natural Resources (corrected effective date); **6)** Draft resolution appointing Manager of Natural Resources (corrected effective date); **7)** Email dated May 12, 2025 with two attachments from Ivette Rivera, to Office of the Secretary and Board of Directors regarding For EBMUD Board Of Director May 13, 2025, afternoon meeting: In the spirit of transparency, for members of the public; The EBMUD Board of Directors are currently authorizing litigation related payments to Liebert Cassidy Whitmore for Ivette Rivera v EB...; **8)** Letter (undated) from the Asian Pacific American Democratic Caucus for Director Chan; **9)** Letter (undated) from the Gary for Director Chan; **10)** Letter (undated) from Martina Thomsen for Director Chan; **11)** Letter (undated) from Raymond Trembath for Director Chan; **12)** Letter dated May 12, 2025 from Anne Cawood for Director Chan; **13)** Letter dated May 12, 2025 from Chrissandra Schindler for Director Chan; **14)** Letter dated May 12, 2025 from Christine Margolin for Director Chan; **15)** Letter dated May 12, 2025 from Dublin Mayor Sherry Hu for Director Chan; **16)** Letter dated May 12, 2025 from Maryann Catherine Miller for Director Chan; **17)** Letter dated May 12, 2025 from Michael and Mary Matthews for Director Chan; **18)** Letter dated May 12, 2025 from Oakland Mayor Kevin Jenkins for Director Chan; **19)** Letter dated May 12, 2025 from Paul Wellenkamp for Director Chan; **20)** Letter dated May 12, 2025 from Randal Dutra for Director Chan; and **21)** Handout titled, “Vote for Peter Rosen for Alameda LAFCo Alternate Special District Representative May 2025-May 2028.”
3. **Motion No. 074-25** – Awarded a contract to the lowest responsive/responsible bidder, Guerra Bros. Plumbing, Inc., in an amount not to exceed \$115,920 for the relocation of an existing water meter from a difficult-to-maintain location to the public right-of-way, and the associated installation of a private houseline for 3367 Kim Road in Lafayette.
4. **Motion No. 075-25** – Awarded a contract beginning on or after May 14, 2025 to the lowest responsive/responsible bidder, Hill Brothers Chemical Co., for supplying liquid ammonium sulfate for the District’s Orinda, Lafayette, Sobrante, Upper San Leandro, Walnut Creek, and San Pablo water treatment plants for two years, with three options to renew for additional one-year periods

for a total cost, including option years, not to exceed \$2,627,295 under Request for Quotation No. 2513.

5. **Motion No. 076-25** – Awarded a contract beginning on or after May 13, 2025 to the lowest responsive/responsible bidder, Portable Pipeline Systems, for supplying flexible temporary water distribution hoses for a total cost, after the addition of taxes, not to exceed \$1,074,000, under Request for Quotation No. 2511.
- 6.1. **Motion No. 077-25** – Awarded a contract beginning on or after May 13, 2025, to the lowest responsive/responsible bidder, WHCI Plumbing Supply, for supplying copper tubing to the District for one year, with four options to renew for additional one-year periods for a total cost, after the addition of taxes, including option years, not to exceed \$3,121,172 under Request for Quotation No. 2506.
- 6.2. **Motion No. 078-25** – Approved the fair market bidding and purchase of polyethylene covered copper tubing on the open market for a five-year period beginning May 14, 2025 and ending May 13, 2030 for a total aggregate amount not to exceed \$3,070,578.
7. 1. **Award a contract to the lowest responsive/responsible bidder, Anvil Builders Inc., in an amount not to exceed \$54,647,046 for construction of the Project under Specification 2194.**

Associate Civil Engineer Emily C. Darby provided the presentation which included an overview of the project; the consultant selection process; project complexities; the District's roles and responsibilities; consultant management; cost tracking and controls; a new approach to consultant design; and next steps.

- Addressing the Board was Justin J. Young, Associate Civil Engineer who commented on the new approach to consultant design, contracting with the same consultant for design and engineering services, project costs, staff resolving project issues following consultant design and construction, and the goal to bring awareness about how the District is doing business. Director of Engineering and Construction Serge V. Terentieff commented on the need for the project, the District's goal to bring consistency in operations across all five of its water treatment plants, and the urgency to upgrade the chemical feed systems at the Lafayette Water Treatment Plant. Mr. Terentieff addressed questions from the Board about using the same consultant for design and construction; contracting to update existing facility drawings originally prepared by staff; completing designs using District staff; and the cost to train staff to complete this type of work in the future. Ms. Darby commented on the number of permanent staff that would be needed to complete this multi-year project and that the District does not have resource availability at this time. Staff was asked to provide an update on the new approach to design consultant use/management and to ensure there is collaboration between staff and consultants.
- Motion by President Young, seconded by Director Lewis, to approve the recommended actions for Item 7.1. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 087-25 – Awarded a contract to the lowest responsive/responsible bidder, Anvil Builders Inc., in an amount not to exceed \$54,647,046 for construction of the Lafayette and Walnut

Creek Water Treatment Plants Chemical Systems Safety Improvements Project under Specification 2194.

- 7.2. **Authorize an agreement beginning on or after May 13, 2025 with Stantec Consulting Services, Inc. in an amount not to exceed \$7,106,647 for engineering services during construction for the Lafayette and Walnut Creek Water Treatment Plants Chemical Systems Safety Improvements Project.**
- Motion by Director Young, seconded by Director Lewis, to approve the recommended actions for Item 7.2. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
- Motion No. 088-25** – Authorized an agreement beginning on or after May 13, 2025 with Stantec Consulting Services, Inc. in an amount not to exceed \$7,106,647 for engineering services during construction for the Lafayette and Walnut Creek Water Treatment Plants Chemical Systems Safety Improvements Project.
8. **Motion No. 079-25** – Authorized agreements beginning on or after July 1, 2025 with GSI Environmental Inc. and Terraphase Engineering Inc., for an aggregate amount of \$4,500,000 for three years, with two options to renew for additional one-year periods for a total aggregate amount, including option years, not to exceed \$7,500,000, for general environmental services.
9. **Motion No. 80-25** – Authorized an agreement beginning on or after May 13, 2025 with Insight Water Technologies, Inc. in an amount not to exceed \$429,000 for inspection services for Moraga Aqueduct No. 2 Prestressed Concrete Cylinder Pipeline Inspection.
10. **Motion No. 81-25** – Authorized an agreement beginning on or after May 13, 2025 with Sherwood Design Engineers in an amount not to exceed \$256,000 for final engineering design services for the rehabilitation of the existing wastewater lift station at the Mokelumne River Fish Hatchery.
- 11.1. **Motion No. 82-25** – Authorized amendments to the agreements originally authorized under Board – Motion No. 013-21, with ASK Equipment Rentals; Coast Counties Peterbilt PacLease; Darrah
- 11.2. Trucking & Excavating, Inc.; Doc Bailey Construction Equipment Inc.; Gloria Washington Trucking, Inc.; Herc Rentals Inc.; Ibarra Team Construction Services, Inc.; Inder Trucking; JS Cole Company; KJ's Transport LLC; Monticello Trucking LLC; Nor Cal Rental Group dba Cresco Equipment Rentals; Owen Equipment Sales; Pape Machinery Inc.; S&L Transport, LLC; Saba Holding Company LLC dba Volvo Construction Equipment and Services; Sky Rock Inc.; Sunbelt Rentals, Inc.; Tri Valley Water Trucks, Inc.; United Rentals (North America), Inc.; and Western Pacific Crane & Equipment LLC to increase the aggregate amount of those agreements by \$6,000,000 to a total aggregate amount not to exceed \$31,000,000 for equipment rentals without change to the January 11, 2026 expiration date; and authorized additional agreements for equipment rentals, on an as-needed basis and subject to the total aggregate amount authorized by the Board for such services on May 13, 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.

- 12.1. **Authorize amendments to the agreements previously authorized under Board Motion No. 087-24 with Auto Glass Techs; Autohaus Automotive Inc.; Crash Champions; Walnut Creek Ford; Got Power Inc. dba CD & Power; Doc Bailey Construction Equipment, Inc.; Falcon Collision Repair, Inc.; FH Dailey Chevrolet; Fleetworks, Inc.; Gold Country Auto Body; Golden Gate Truck Center; Grand Collision Center, Inc.; Kelly's Truck Repair; Safeshields dba Maz Glass; Nixon Egli Equipment Co., Inc.; Oakland Chevrolet; Owen Equipment Sales; Pape Machinery, Inc.; Patti's Auto Care, LLC; Peterson Power Systems, Inc.; Stewart's Body Shop, Inc.; United Transmission; Unlimited Tool Repair & Fabrication, Inc.; and Uptown Ford of Oakland to increase the aggregate amount of those agreements by \$1,200,000 to a total aggregate amount not to exceed \$2,030,000 and extend the term of the agreements to May 13, 2026 for vehicle/equipment repair and other related services; and authorize additional agreements for vehicle/equipment repair and other related services, on an as-needed basis and subject to the total aggregate amount authorized by the Board for such services on May 13, 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 Managers monthly report.**
- Addressing the Board was Tony Martin, 1st Vice President, AFSCME Local 444, commented staffing for mechanics, and the other related services in these agreements being the core work of Local 444 members. General Manager Clifford C. Chan addressed questions from the Board on how much the District has spent on these agreements. Local 444 has informed staff they are not opposing the agreement but has requested additional information about the work being performed under the agreements that can be performed in-house.
- Motion by Director Gómez, seconded by Director Chan, to approve the recommended actions for Items 12.1. – 12.2. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 089-25 – Authorized amendments to the agreements previously authorized under Board Motion No. 087-24 with Auto Glass Techs; Autohaus Automotive Inc.; Crash Champions; Walnut Creek Ford; Got Power Inc. dba CD & Power; Doc Bailey Construction Equipment, Inc.; Falcon Collision Repair, Inc.; FH Dailey Chevrolet; Fleetworks, Inc.; Gold Country Auto Body; Golden Gate Truck Center; Grand Collision Center, Inc.; Kelly's Truck Repair; Safeshields dba Maz Glass; Nixon Egli Equipment Co., Inc.; Oakland Chevrolet; Owen Equipment Sales; Pape Machinery, Inc.; Patti's Auto Care, LLC; Peterson Power Systems, Inc.; Stewart's Body Shop, Inc.; United Transmission; Unlimited Tool Repair & Fabrication, Inc.; and Uptown Ford of Oakland to increase the aggregate amount of those agreements by \$1,200,000 to a total aggregate amount not to exceed \$2,030,000 and extend the term of the agreements to May 13, 2026 for vehicle/equipment repair and other related services; and authorized additional agreements for vehicle/equipment repair and other related services, on an as-needed basis and subject to the total aggregate amount authorized by the Board for such services on May 13, 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.

- 13.1. **Motion No. 083-25** – Ratified the extension of Purchase Order No. BPA 122-77938-AX and the payment of \$8,297.96 to GRM Information Management Services of San Francisco, LLC (GRM) –
- 13.2. for the continuous work of supplying monthly storage and maintenance services for the District's inactive records; and authorized an amendment to Purchase Order No. BPA-122-77398-AX with GRM, to increase the agreement amount by \$80,000, which incorporates the ratified amount from the action above, for a total amount not to exceed \$160,000 to support the continued storage and maintenance of the District's inactive records through June 30, 2030.
- 14.1. **Motion No. 084-25** – Ratified the payments of \$42,800.56 to Admail Express, Inc. (Admail) and – \$47,461.27 to Dakota Press, Inc. (Dakota) for the printing and mailing services of the District's
- 14.2 Proposition 218 rate notification rendered between March 25, 2025, and April 17, 2025; and authorized agreements with an effective date on or after March 25, 2025, with Admail and with Dakota in an aggregate amount not to exceed \$90,261.83 for printing and mailing services of the District's Proposition 218 rate notifications.
15. **Motion No. 085-25** – Authorized the Office of General Counsel to continue the employment of the firm of Barboza & Associates for specialized investigative services and mediation and facilitation services relating to Equal Employment Opportunity workplace investigations in an additional amount not to exceed \$75,000.
16. **Resolution No. 35447-25** – Confirming Appointment Of Standby Officer For The East Bay Municipal Utility District Board Of Directors For Ward No. 6 Under The Emergency Succession Plan For The Board Of Directors.

DETERMINATION AND DISCUSSION

17. Appoint the Director of Water and Natural Resources.

General Manager Clifford C. Chan announced Alice E. Towey as the candidate for appointment to the position of Director of Water and Natural Resources and highlighted Ms. Towey's background, education and experience.

- Motion by President Young, seconded by Director Smith, to approve the recommended actions for Item 17 carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Ms. Towey thanked the Board for the opportunity and acknowledged the General Manager and outgoing Director of Water and Natural Resources Michael T. Tognolini.

Resolution No. 35448-25 – Appointing Alice E. Towey As Director Of Water And Natural Resources (*effective May 19, 2025*).

18. Appoint Manager of Natural Resources.

General Manager Clifford C. Chan announced Michelle L. Workman as the candidate for appointment to the position of Manager of Natural Resources and highlighted Ms. Workman's background, education and experience.

- Motion by Director Oddie, seconded by President Young, to approve the recommended actions for Item 18 carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Resolution No. 35449-25 – Appointing Michelle L. Workman As Manager Of Natural Resources (*effective May 19, 2025*).

Ms. Workman thanked the Board and the General Manager for the opportunity.

19. **Legislative Update.**

General Manager Clifford C. Chan announced the Legislative/Human Resources Committee met earlier and unanimously supported the recommended positions in the report. Manager of Legislative Affairs Kathy Viatella reviewed Legislative Report No. 04-25. AB 1153 (Bonta) would revise CalRecycle's Solid Waste Disposal and Codisposal Site Cleanup Program to additionally include removal and disposal of recreational vehicles; development of enforcement strategies; and development of local enforcement teams and illegal dumping enforcement officers. H.R. 1871 (Huffman) would amend the Internal Revenue Code to make rebates for water conservation, stormwater management, and wastewater management measures exempt from federal taxes. This would align the tax treatment of these rebates with those already in place for energy conservation improvements. H.R. 2269 (McClain) and S. 1092 (Merkley), collectively known as the WIPPES Act, would create a national standard for labeling nonflushable wipes. These companion bills mirror California's requirements established by AB 818 (Bloom) in 2021, which the District supported, and are expected to help reduce the disposal of non-flushable wet wipes in sewer systems and in turn, decrease costly damage to these systems. Ms. Viatella concluded with an update on federal and state legislative activities.

– Director Oddie left the meeting at 4:06 p.m. and returned at 4:08 p.m.

- Motion by Director Katz, seconded by Director Smith, to approve the recommended actions for Item 19 carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 090-25 – Received Legislative Report No. 04-25 and approved positions on the following bills: SUPPORT AB 1153 (Bonta) Solid waste disposal and codisposal site cleanup; illegal disposal site abatement; SUPPORT H.R. 1871 (Huffman) Water Conservation Rebate Tax Parity Act; SUPPORT H.R. 2269 (McClain) Wastewater Infrastructure Pollution Prevention and Environmental Safety Act; and SUPPORT S. 1092 (Merkley) Wastewater Infrastructure Pollution Prevention and Environmental Safety Act.

20.1. **File the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges Subject to Proposition 218 for FY 2026 and FY 2027.**

Director of Finance Sophia D. Skoda provided the presentation which discusses actions for Agenda Items 20.1-20.2 and 21.1 – 21.2. She reviewed the budget and rates calendar; rates and charges subject to Proposition 218; annual water charges and annual wastewater bills for single-family residential (SFR) District accounts compared to other Bay Area agencies; proposed updates to

elevation surcharges and the recycled water rate; and the monthly impacts to the average SFR bills from the proposed water and wastewater rate increases noting actual charges to a customer's bill will depend on the amount of water used in each billing period. Wastewater treatment charges collected on the water bill do not include the Wet Weather Facility Charge which is collected on the property tax bill. Next, she reviewed proposed revisions to rates, fees, and charges that are not subject to Proposition 218 as well as to Regulations Governing Water Service. Two public hearings are scheduled for the June 10, 2025 Board meeting – a hearing on the recommendations and adoption of the budget, rates and charges subject to Proposition 218 and a second hearing (as outlined under Agenda Items 21.1-21.2) on the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218 for FY 2026 and to Select Regulations. For the rates and charges subject to Proposition 218, a notice was mailed to the record owners of parcels upon which the proposed charges will be imposed and tenants directly responsible for the payment of the proposed charges informing them of the proposed increases, the public hearing and Proposition 218 objection and protest provisions. Ms. Skoda recognized and thanked Finance Department and Budget Office staff for their work preparing the reports and developing the budget.

- Motion by Director Oddie, seconded by Director Gómez, to approve the recommended actions for Item 20.1. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 091-25 – Filed the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges Subject to Proposition 218 for Fiscal Years 2026 and 2027.

- 20.2. **Set a Public Hearing for Tuesday, June 10, 2025, during the Board's regular meeting, to consider the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges Subject to Proposition 218 for FY 2026 and FY 2027 and to comply with Proposition 218 requirements.**

- Motion by Director Oddie, seconded by Director Gómez, to approve the recommended actions for Item 20.2. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 092-25 – Set a Public Hearing for Tuesday, June 10, 2025, during the Board's regular meeting, to consider the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges Subject to Proposition 218 for FY 2026 and FY 2027 and to comply with Proposition 218 requirements.

- 21.1. **File the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218 for FY 2026 and to Select Regulations.**

- Motion by Director Katz, seconded by Director Smith, to approve the recommended actions for Item 21.1. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 093-25 – Filed the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218 for Fiscal Year 2026 and to Select Regulations.

21.2. Set a Public Hearing for Tuesday, June 10, 2025, during the Board’s regular meeting, Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218 for FY 2026 and to Select Regulations.

- Motion by Director Katz, seconded by Director Smith, to approve the recommended actions for Item 21.2. carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 094-25 – Set a Public Hearing for Tuesday, June 10, 2025, during the Board’s regular meeting, to consider the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater Schedules of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218 for Fiscal Year 2026 and to Select Regulations.

22.1. Take actions to certify the Final Environmental Impact Report (EIR) for the Sobrante Water Treatment Plant Reliability Improvements Project (Project); make findings in accordance with the California Environmental Quality Act (CEQA), including a Statement of Overriding Considerations; adopt the Mitigation Monitoring and Reporting Program in accordance with CEQA; adopt the Practices and Procedures Monitoring and Reporting Plan; and approve the Project.

General Manager Clifford C. Chan announced the Planning Committee met earlier and unanimously supported the recommendation to certify the EIR and approve the project. Associate Civil Engineer Jae Y. Park provided a presentation on proposed improvements at Sobrante WTP. The project will be implemented in two phases: Phase 1 will restore treatment capacity from 45 million gallons per day (MGD) to 60 MGD and Phase 2 will expand capacity to 80 MGD and construct a transmission pipeline from Sobrante WTP to Road 20 in San Pablo. Phase 1 will occur at the Sobrante WTP while Phase 2 will include work at the WTP and installation of the transmission pipeline. The improvements will address aging infrastructure, enhance climate resiliency, address water quality challenges, increase operational efficiency, and maintain flexibility to treat supplemental supplies. Mr. Park reviewed the project scope and construction locations, outreach to agencies and the public, environmental analyses, and key mitigation measures to address aesthetics; biological resources; cultural, tribal cultural, and geology and soils; transportation; and noise. Some noise impacts remain significant and unavoidable and will require the Board to approve a Statement of Overriding Considerations when approving the project. Public input led to substantial design modifications including increased setbacks, reduced fence heights, architectural enhancements, and improved landscaping. The Final EIR was updated to add Caltrans permitting requirements, revise the project construction schedule, make other minor clarifications and address comments related to traffic, noise, aesthetics, utility conflicts, and environmental resources. Mr. Park reported on community outreach plans for projects where construction was deferred and CEQA has been completed. If the Board certifies the EIR and approves the project, Phase 1 design is scheduled from 2036 through 2039 followed by construction in 2039 through 2043. Phase 2 construction would depend on the timing of future demands and is currently scheduled for 2054 through 2056.

- Motion by President Young, seconded by Director Chan, to approve the recommended actions for Items 22.1-22.5 carried (7-0) by the following roll call vote: AYES (Chan, Gómez, Katz, Lewis, Oddie, Smith, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Resolution No. 35450-25 – Certifying The Final Environmental Impact Report For The Sobrante Water Treatment Plant Reliability Improvements Project, Making Findings, Adopting The Mitigation Monitoring And Reporting Plan And Practices And Procedures Monitoring And Reporting Plan, And Approving The Project.

23. General Manager’s Report.

General Manager Clifford C. Chan announced the April 2025 Monthly Report was included in the agenda materials and the Speakers’ Bureau and Outreach Record CY25 had been provided at Board places.

DIRECTOR COMMENTS

24. Other Items for Future Consideration.

None.

25. Director Comments.

President Young asked Directors to submit their comments for this meeting in writing to the Secretary.

- Director Smith reported attending the Spring Mega Chamber Mixer and Business Expo in El Cerrito on April 22; West County Mayors and Supervisors Meeting in Hercules on April 24; UMRWA Board meeting in Valley Springs on April 25; DERWA Board meeting in Dublin on April 25; North Richmond Municipal Advisory Committee in Richmond on May 6; and a vegetation management tour with upcountry staff on May 8.
- Directors Chan, Gómez, Katz, Lewis, Oddie and President Young had no reports.

ADJOURNMENT

President Young adjourned the Regular Meeting at 4:44 p.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: May 27, 2025

Marguerite Young, President of the Board

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BOARD ACTION

Agenda Number:	3.	Meeting Date:	May 27, 2025
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TITLE	PURCHASE OF INTERIM REPLACEMENT VALVE FOR UPPER SAN LEANDRO DAM
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Award a sole source contract beginning on or after May 27, 2025 to Sacramento Municipal Utility District (SMUD), to supply one 18-inch valve for the Upper San Leandro (USL) Dam outlet system for a total cost, after the addition of taxes, not to exceed \$167,375.
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SUMMARY	USL Dam is equipped with an outlet valve enabling controlled releases to be made into San Leandro Creek to maintain water levels in USL Reservoir. While repairs are made to the existing valve, a temporary replacement valve must be procured and installed in case emergency releases need to be made from the reservoir.
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DISCUSSION	USL Reservoir serves as a critical terminal reservoir, which collects runoff from the surrounding watershed and, when necessary, is supplemented with water from either the Pardee Reservoir or the Sacramento River. USL Dam has a 48-inch flow control valve that is used to release water from the reservoir when storage exceeds operational targets. The valve also provides for emergency drawdown of the reservoir. The 48-inch valve was damaged in March 2025 during routine operation and has been removed from service for repair. In the interim, to ensure a minimum level of operability of the reservoir outlet facilities, it is recommended that a replacement valve be procured under this agreement and installed by the District until repairs are completed (expected by September 2025). After the repair, the replacement valve will be used to support other repairs in the future and serve as a backup at San Pablo and Briones reservoirs. The District learned of a surplus valve available from SMUD while the District searched for an appropriate and immediately available large diameter replacement valve. SMUD agreed to sell the valve, which has never been used or installed, to the District at cost. This item supports the District's Long-Term Infrastructure Investment Strategic Plan goal.
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VENDOR SELECTION	This is a sole source purchase of a surplus valve from SMUD, to be used temporarily while the permanent flow control valve is repaired.
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Originating Department: Water Operations	Department Director or Manager: Roberto C. Cortez	CEP Forms? No	Board Action Type: Materials and Supplies
Funds Available: FY2025; Award#7000045; Page 87	Budget Coding: 11.763.2013471.55110		Approved: 
Attachment(s): N/A			

Title:	Purchase of Interim Replacement Valve for Upper San Leandro Dam	Meeting Date:	May 27, 2025
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SUSTAINABILITY

Economic

Funding for this purpose is available in the Fiscal Year 2025 adopted capital budget for Raw Water Aqueduct Improvements.

Social

SMUD, as a municipal agency, is exempt from the Contract Equity Program process.

ALTERNATIVES

Do not perform the work. This alternative is not recommended because the USL Reservoir Dam must be equipped with a suitable valve that can be used in normal operations and emergency conditions. Additionally, if an appropriate valve is not installed by the end of September 2025, DSOD may require the District to lower the reservoir level to mitigate the risk of uncontrolled water releases.

Rebid the project. This alternative is not recommended because the cost for a suitable replacement valve is estimated at \$750,000 with a lead time of 40 weeks.

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BOARD ACTION

Agenda Number:	4.	Meeting Date:	May 27, 2025
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TITLE	BALLASTED FLOCCULATION EQUIPMENT AND SERVICES
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Award a contract beginning on or after May 27, 2025 to the lowest responsive/responsible bidder, WesTech Engineering, LLC (WesTech), for supplying ballasted flocculation equipment and design support services for the Walnut Creek Water Treatment Plant (WTP) Pretreatment Project for a total cost, after the addition of taxes, not to exceed \$5,850,000, under Request for Quotation (RFQ) No. 2505.
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SUMMARY	This contract is for the procurement of ballasted flocculation equipment and design support services for the Walnut Creek WTP Pretreatment Project under Specification 2200. The ballasted flocculation system includes coagulant mixing, microsand and polymer injection and mixing, sand ballasted flocculation, settling, sludge removal, sand recycling, and clarification via plate settlers. The Walnut Creek WTP ballasted flocculation system will consist of two ballasted flocculation trains with a total effluent design capacity of 88 million gallons per day.
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DISCUSSION	Walnut Creek WTP was originally constructed in 1967 as an inline filtration facility to treat high-quality water from Pardee Reservoir delivered via the Mokelumne Aqueducts. The Walnut Creek WTP Pretreatment Project will add new pretreatment facilities to enhance the plant's ability to treat supplemental water and address poorer raw water quality caused by climate change, high rainfall runoff, wildfires, and/or algal blooms. Ballasted flocculation was selected as the preferred pretreatment technology due to its compact footprint and proven effectiveness in removing solids and total organic carbon from raw water. To ensure a fully integrated and functional system, including valves, pumps, mixers, sludge scrapers, controls, and warranty provisions, selecting a single supplier for the ballasted flocculation equipment is considered best practice. Only two suppliers, WesTech and Veolia Water Technologies, Inc. (Veolia), have demonstrated experience providing complete ballasted flocculation systems for municipal water treatment applications. While the Walnut Creek WTP Pretreatment Project is currently in its initial design phase and is currently not scheduled to start construction until summer 2029, pre-selecting a ballasted flocculation system supplier is necessary to inform the detailed design of the project and reduce the risk of the selected vendor providing significantly higher, sole-sourced pricing
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Originating Department: Finance	Department Director or Manager: Sophia D. Skoda	CEP Forms? Yes	Board Action Type: Materials and Supplies
Funds Available: FY 2025; Award #7000090; Page 105	Budget Coding: 11.557.2014143.55110		Approved: 
Attachment(s): P-035; P-061			

Title:	Ballasted Flocculation Equipment and Services	Meeting Date:	May 13, 2025
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during construction. Once construction begins in 2029, the contract will be reassigned to the general contractor for equipment fabrication, installation, and commissioning in 2032.

This purchase supports the District's Long-Term Infrastructure Investment and Water Quality and Environmental Protection Strategic Plan goals.

VENDOR SELECTION

An RFQ was posted on the District's website, sent to two firms, and advertised in the Oakland Tribune. Two bids were received. Veolia, the apparent low bidder, included unacceptable exceptions to the RFQ requirements and the District's terms and conditions. As a result, Veolia was deemed non-responsive and disqualified. The next lowest bidder, WesTech, met the RFQ requirements, included only minor exceptions to the RFQ that were acceptable to the District, and was deemed the lowest responsive/responsible bidder.

SUSTAINABILITY

Economic

Funding for this purchase is available in the Fiscal Year 2025 adopted capital budget for Treatment Plant Upgrades.

Social

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of the Department of Industrial Relations of the State of California.

This equipment will enhance the plant's ability to treat supplemental water.

Environmental

A California Environmental Quality Act Environmental Impact Report for the Walnut Creek Water Treatment Plant Pretreatment Project was certified by the Board on July 9, 2024.

This contract will facilitate the mitigation of the impact of deteriorating raw water quality caused by climate change.

ALTERNATIVES

Do not award this contract. This alternative is not recommended because the specialized equipment is needed to improve Walnut Creek WTP's ability to treat supplemental water and deteriorating water quality.

Reject received bid and re-bid. This alternative is not recommended because the District engaged in a fair and competitive bid process and received a bid that met the specifications.

Purchase equipment under the project's construction contract. This alternative is not recommended because ballasted flocculation system pre-selection is needed to inform the design of the project. Competitive procurement of the equipment during construction would likely result in change orders and delays to the project as each system supplier specifies different footprint, configuration, and equipment quantity and sizing requirements. In addition, sole sourcing the system supplier for equipment purchase during construction would result in significantly higher equipment costs.



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE Materials and Supplies Agreement - RFQ No. 2505 Ballasted Flocculation Equipment and Services						DATE: April 22, 2025					
CONTRACTOR: WesTech Engineering, LLC Salt Lake City, UT				PERCENTAGE OF CONTRACT DOLLARS							
				Availability Group		Contracting Objectives		Participation			
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		0.0%			
		Ethnicity	Gender	White Women		2%		0.0%			
\$5,850,000 *		-	-	Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION					
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit
PRIME: WesTech Engineering, LLC		\$5,850,000	Unclassified						100.0%		
SUBS: None											
TOTAL		\$5,850,000				0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		369		102		65		536			
Percent of Total Employees:		68.8%		19.0%		12.1%					
MSA Labor Market %:		47.7%		39.1%		13.2%					
MSA Labor Market Location:		Utah									
COMMENTS											
Contract Equity Participation: Zero Contract Equity participation. Firm is unclassified. Contract Duration: NA *Total not to exceed: \$5,850,000											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Ballasted Flocculation Equipment and Services			Ethnic Minority Percentages From U.S. Census Data						
				B	H	A/PI	AI/AN	TOTAL	
			National	10.5	10.7	3.7	0.7	27.3	
Materials and Supplies Agreement - RFQ No. 2505		DATE: 4/22/2025	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2	
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	Unclassified	Company Wide	11	29	15	1	56	10.4%	13.2%
WesTech Engineering, LLC Libbie Linton 3665 S West Temple Salt Lake City, UT 84115 801-265-1000		Manager/Prof	1	11	8	0	20	7.1%	
		Technical/Sales	0	5	2	0	7	8.0%	
		Clerical/Skilled	9	9	4	0	22	15.1%	
		Semi/Unskilled	1	4	1	1	7	31.8%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		AA Plan on File:	NA		Date of last contract with District:		11/23/2021		
		Co. Wide MSA:	Utah		# Employees-Co. Wide:		536	Bay Area:	0
P	Information Not Provided	Company Wide	6	7	5	0	18	12.6%	26.9%
Veolia Water Technologies, Inc. Laura Himmelsbach 4001 Weston Pkwy Cary, NC 27513 919-889-8245		Manager/Prof	0	5	5	0	10	10.6%	
		Technical/Sales	1	2	0	0	3	10.0%	
		Clerical/Skilled	5	0	0	0	5	26.3%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA:	North Carolina		# Employees-Co. Wide:		143	Bay Area:	0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **API**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)



BOARD ACTION

Agenda Number:	5.	Meeting Date:	May 27, 2025
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TITLE	FIELD RESERVOIR JOINT SEALANT REMOVAL AND REPLACEMENT
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Authorize an agreement beginning on or after May 27, 2025 with Brand Energy Services of California, Inc. (Brand), in an amount not to exceed \$156,075 for removal and replacement of joint sealants and associated cleaning of Field Reservoir.
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SUMMARY	This agreement includes the removal and replacement of the original joint sealants at Field Reservoir, along with the removal of any associated hazardous materials.
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DISCUSSION	Field Reservoir is located in Oakland and provides water for filter backwashing at Upper San Leandro Water Treatment Plant (USLWTP) as well as supply for the distribution system. The joint sealants between the concrete floor panels at Field Reservoir, constructed in 1961, have deteriorated and require replacement. Failure of these sealants could result in intrusion of foreign materials into the reservoir, potentially compromising water quality. The reservoir is currently offline but is scheduled to be brought back online in the coming months to support the startup of USLWTP and therefore the work must be completed by June 30, 2025. The services contracted for in the agreement cannot be satisfactorily performed under the District civil service and therefore contracting out is proper. This project supports the District's Water Quality and Environmental Protection and Long-Term Infrastructure Investment Strategic Plan goals.
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SERVICE PROVIDER SELECTION	A request for proposals was posted on the District's website. Three service providers submitted proposals. Brand was selected based on their experience with similar projects, references, understanding of the project, their ability to perform the work needed, and the cost for the project. Work under this agreement is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of the Department of Industrial Relations (DIR) of the State of California. Brand is licensed to perform work in California and is not on the State Department of Industrial Relations debarment list. Brand and its listed subcontractors are properly registered with the State DIR.
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Originating Department: Water Operations	Department Director or Manager: Roberto C. Cortez	CEP Forms? Yes	Board Action Type: General Services
Funds Available: FY2025; Award#7000031; Page 76	Budget Coding: 11.735.3100078.53110	Approved: 	
Attachment(s): P-035; P-061			

Title:	Field Reservoir Joint Sealant Removal and Replacement	Meeting Date:	May 27, 2025
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SUSTAINABILITY

Economic

Funding for this purpose is available in the Fiscal Year 2025 adopted capital budget for Reservoir Rehabilitation and Maintenance.

Social

Local 444 was notified of this agreement on September 6, 2024 and did not raise any specific issues related to this agreement.

Environmental

Brand will properly contain, sample, and dispose of any associated hazardous material waste per state and local ordinances and at District-approved landfills.

ALTERNATIVES

Do not perform the work. This alternative is not recommended because the original caulking from 1961 has degraded.

Rebid the project. This alternative is not recommended because Field Reservoir needs to be in service to support USLWTP this fall.



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE General Services Agreement Field Reservoir Joint Sealant Removal and Replacement					DATE: April 4, 2025							
CONTRACTOR: Brand Energy Services of California, Inc. Atlanta, GA					PERCENTAGE OF CONTRACT DOLLARS							
					Availability Group		Contracting Objectives		Participation			
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP			White Men		25%		100.0%			
		Ethnicity	Gender		White Women		6%		0.0%			
\$156,075 *		White		Men		Ethnic Minorities		25%		0.0%		
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Brand Energy Services of California, Inc.		\$156,075	White	X		100.0%						
SUBS: None												
TOTAL		\$156,075					100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		6,205		769		11,828		18,802				
Percent of Total Employees:		33.0%		4.1%		62.9%						
MSA Labor Market %:		39.0%		33.7%		27.3%						
MSA Labor Market Location:		USA										
COMMENTS												
Contract Equity Participation: 100% White Men participation. Contract Duration: NA *Total not to exceed: \$156,075												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Field Reservoir Joint Sealant Removal and Replacement		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
General Services Agreement DATE: 4/4/2025		9 Bay Area Counties							
		Alameda/CC Counties							
R=Recmmd P=Prime S=Sub Composition of Ownership		Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM	Company Wide	2,112	9,179	315	77	11,683	62.1%	27.3%
Brand Energy Services of California, Inc. Jennifer Knudtson 600 Galleria Pkwy SE, Ste 1100 Atlanta, GA 30339 678-214-3262		Manager/Prof	115	405	73	5	598	34.2%	
		Technical/Sales	104	228	12	2	346	0.0%	
		Clerical/Skilled	1,548	7,153	195	54	8,950	64.9%	
		Semi/Unskilled	345	1,393	35	16	1,789	0.0%	
		Bay Area		27	168	8	1	204	65.6%
		AA Plan on File: NA Date of last contract with District: NA Co. Wide MSA: USA # Employees-Co. Wide: 18,802 Bay Area: 311							
P	WW: L/SBE	Company Wide	0	0	0	0	0	0.0%	31.6%
Euro Style Management Lilia Bugriyev 1401 Main Ave Sacramento, CA 95838 916-331-4858		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	NA	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area		0	0	0	0	0	#DIV/0!
		Co. Wide MSA: Sacramento # Employees-Co. Wide: 35 Bay Area: 0							
P	EMW-H	Company Wide	0	11	0	0	11	91.7%	31.6%
Process Measurement Group dba Toledo Industrial Coatings 1316 Church St. Roseville, CA 95678 916-801-0978		Manager/Prof	0	2	0	0	2	66.7%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	9	0	0	9	100.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area		0	0	0	0	0	0.0%
		Co. Wide MSA: Sacramento # Employees-Co. Wide: 12 Bay Area: 0							

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and AI/AN=American Indian/Alaskan Native)



BOARD ACTION

Agenda Number:	6.	Meeting Date:	May 27, 2025
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TITLE	FACILITY LANDSCAPE MAINTENANCE
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Authorize an agreement beginning on or after May 27, 2025, with Rubicon Landscape Corporation (Rubicon) for three years, with two options to renew for additional one-year periods for a total amount, including option years, not to exceed \$732,029 for facility landscape maintenance.
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SUMMARY	This agreement provides for seasonal landscape maintenance, irrigation maintenance, and litter abatement at District facilities.
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DISCUSSION	The District performs vegetation management across more than 400 facilities in the service area. During peak wildfire season - April to October - District forces prioritize fire fuel reduction to ensure compliance with City and County regulations. This agreement will enable District forces to focus on critical fire prevention efforts while Rubicon completes seasonal landscaping work at administration buildings, pumping plants, service yards and other facilities. Ongoing maintenance at these locations is necessary to maintain visual appeal, minimize security concerns associated with overgrowth, and address complaints from neighboring communities. The services contracted for in the agreement cannot be satisfactorily performed under the District civil service and therefore contracting out is proper. This project supports the District's Long-Term Infrastructure Investment, Customer and Community Services and Water Quality and Environmental Protection Strategic Plan goals.
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SERVICE PROVIDER SELECTION	A request for proposals was posted on the District's website. Two service providers submitted proposals. Rubicon was selected based on their experience on similar projects, references, understanding of the project, their ability to perform the work needed, and the cost of the project. Work under this agreement is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of the Department of Industrial Relations (DIR) of the State of California. Rubicon is licensed to perform work in California, and is not on the State Department of Industrial Relations debarment list. Rubicon and its listed subcontractors are properly registered with the State DIR.
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Originating Department: Water Operations	Department Director or Manager: Roberto C. Cortez	CEP Forms? Yes	Board Action Type: General Services
Funds Available: FY2025	Budget Coding: 11.736.Variou.Variou.53110		Approved: 
Attachment(s): P-035; P-061			

Title:	Facility Landscape Maintenance	Meeting Date:	May 27, 2025
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SUSTAINABILITY

Economic

The Fiscal Year 2025 adopted operating budget includes funding for the first year of this multi-year contract or agreement. Funding for the additional years will be considered as part of the associated budget development process.

Social

Local 444 was notified of this agreement on February 5, 2025. Local 444 issues were addressed at a meeting on April 28, 2025 and resolved.

Environmental

Rubicon has an integrated pest management plan that is in strict accordance with the California Department of Pesticide Regulation Code. Starting in 2019 Rubicon started transitioning to electric equipment with approximately 75 percent of their equipment now electric with plans to complete the transition by the end of 2026 to reduce greenhouse gas emissions.

Maintenance of existing public structures, facilities, or topographic features is included within the classes of projects covered by the Existing Facilities exemption in California Environmental Quality Act Guidelines section 15301.

ALTERNATIVES

Do not authorize this agreement. This alternative is not recommended because the work is seasonal and time sensitive, and deferred landscape maintenance would create public eyesores, raise security concerns due to overgrowth, and increase complaints from neighboring communities over the spring and summer seasons.

Rebid the project. This alternative is not recommended because it was a fair and competitive process resulting in competitively priced quotes. Additional quotes would not be expected to provide better pricing.



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE General Services Agreement Facility Landscape Maintenance		DATE: February 19, 2025										
CONTRACTOR: Rubicon Landscape Corporation Richmond, CA					PERCENTAGE OF CONTRACT DOLLARS							
Local Business					Availability Group		Contracting Objectives			Participation		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%			0.0%			
		Ethnicity	Gender	White Women		6%			0.0%			
\$732,029 *				Ethnic Minorities		25%			0.0%			
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Rubicon Landscape Corporation		\$732,029	Non Profit								100.0%	
SUBS:												
TOTAL		\$732,029			0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		2		4		19		25				
Percent of Total Employees:		8.0%		16.0%		76.0%						
MSA Labor Market %:		32.3%		27.8%		39.9%						
MSA Labor Market Location:		9 Bay Area Counties										
COMMENTS												
Contract Equity Participation: Zero Contract Equity participation. Firm is a Non Profit organization. Contract Duration: Three years, with two options to renew for additional one-year periods. *Total not to exceed: \$732,029												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

Title: Facility Landscape Maintenance			Ethnic Minority Percentages From U.S. Census Data							
					B	H	A/PI	AI/AN	TOTAL	
			National		10.5	10.7	3.7	0.7	27.3	
General Services Agreement DATE: 2/19/2025			9 Bay Area Counties		5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties		10.7	15.6	15.4	0.5	46.2	
R=Recmmd P=Prime S=Sub		Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	Non Profit: LBE		Company Wide	2	16	0	0	18	90.0%	39.9%
Rubicon Landscape Corporation Jen Freitas 2500 Bissell Avenue Richmond, CA 94804 510-231-3989			Manager/Prof	0	2	0	0	2	33.3%	
			Technical/Sales	0	1	0	0	1	100.0%	
			Clerical/Skilled	0	0	0	0	0	0.0%	
			Semi/Unskilled	2	13	0	0	15	100.0%	
			Bay Area	2	16	0	0	18	90.0%	39.9%
510-231-3989			AA Plan on File:	NA		Date of last contract with District:		11/17/2020		
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		20	Bay Area: 20	
P	EMM-H: L/SBE		Company Wide	0	15	0	0	15	100%	39.9%
Los Loza Inc. Jorge Loza 810 Hampton Rd. Hayward, CA 94541 510-520-2657			Manager/Prof	0	1	0	0	1	100.0%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	4	0	0	4	100.0%	
			Semi/Unskilled	0	10	0	0	10	100.0%	
			Bay Area	0	15	0	0	15	100.0%	39.9%
510-520-2657			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		15	Bay Area: 15	

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)



BOARD ACTION

Agenda Number:	7.	Meeting Date:	May 27, 2025
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TITLE	AMEND AGREEMENT FOR MOBILE ONSITE AND ONLINE HEALTH SERVICES
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Authorize an amendment to the agreement originally authorized under Board Motion No. 125-21, with Examinetics, Inc. to increase the agreement amount by \$30,000 to a total amount not to exceed \$165,000 for mobile onsite and online health services through July 12, 2026.
--------------------	--

SUMMARY	This amendment provides onsite audiometric testing and online respirator medical clearance for continued Cal/OSHA compliance.
---------	---

DISCUSSION	Under Cal/OSHA regulations, the District must provide annual audiometric testing to any employee exposed to an average of 85 decibels over an eight-hour period. There are approximately 800 employees with job duties meeting this criterion. Cal/OSHA also requires respiratory medical clearance exams for approximately 300 employees whose job duties require periodic use of a respirator. Onsite and online services allow tests to be completed in an efficient and cost-effective manner. During the COVID pandemic, permanent changes to safety protocols were enacted such as more frequent equipment disinfection and social distancing that reduced efficiency and increased testing costs. The protocols and testing were authorized under Board Motion No. 125-21 for a total amount not to exceed \$135,000. An additional \$30,000 will allow services to continue through July 12, 2026. This work supports the District's Workforce Planning and Development Strategic Plan goal.
------------	---

CONSULTANT SELECTION	Examinetics, Inc. was a direct award because its records management platform meets the District's needs, their services are competitively priced and they offer a wider range of services for the price, as well as specialized training. Staff conducted a marketplace survey to review other consultants with similar services. Consultants operating in Northern California were surveyed against Examinetics, Inc. namely U.S. Mobile Health Exams, Healthmetrics, WAHTS and SHOEBOX. The survey found that U.S. Mobile Health Exams' records management platform does not meet the District's needs, the other consultants had high upfront costs, especially when switching providers. The other consultants did not offer the same comprehensive Cal/OSHA training or trained technicians to perform the training.
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Originating Department: Operations and Maintenance	Department Director or Manager: David A. Briggs	CEP Forms? Yes	Board Action Type: Professional Services
Funds Available: FY2025	Budget Coding: 11.784.8852400.52310.	Approved: 	
Attachment(s): P-035; P-061			

Title:	Amend Agreement for Mobile Onsite and Online Health Services	Meeting Date:	May 27, 2025
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Staff also surveyed three other water utilities in the Bay Area. Out of the three, two use Examinetics, Inc. and cited the same justification above.

SUSTAINABILITY**Economic**

The Fiscal Year 2025 adopted operating budget includes funding for the first year of this multi-year agreement. Funding for the additional year will be considered as part of the associated budget development process.

Social

This type of work is not performed by District forces and consequently union notification was not required.

ALTERNATIVES

Do not amend the agreement. This alternative is not recommended because the testing and documentation are required by Cal/OSHA.

Select a different consultant to do the work. This alternative is not recommended because staff surveyed other consultants and could not find another local provider meeting the District's needs that were cost effective.

I:\Sec\2025 Board Related Items\052725 Board Agenda Items\OMD – Amend Agreement for Mobile Onsite and Online Health Services.docx



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE						DATE:					
Professional Services Agreement - Amendment Amend Agreement for Mobile Onsite and Online Health Services						May 20, 2025					
CONTRACTOR:				PERCENTAGE OF CONTRACT DOLLARS							
Examinetics, Inc. Overland Park, KS				Direct Award		Availability Group		Contracting Objectives		Participation	
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		100.0%			
		Ethnicity	Gender	White Women		6%		0.0%			
\$30,000 *		White		Men		Ethnic Minorities		25%		0.0%	
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION					
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit
PRIME: Examinetics, Inc.		\$30,000	White	X		100.0%					
SUBS: None											
TOTAL		\$30,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
			White Men		White Women		Ethnic Minorities		Total Employees		
No. of Employees:			INFORMATION NOT PROVIDED								
Percent of Total Employees:											
MSA Labor Market %:											
MSA Labor Market Location:											
COMMENTS											
Contract Equity Participation - 100% White Men participation. Contract Duration: Through July 12, 2026. *Total not to exceed: \$165,000 = \$135,000 (Original) + \$30,000 (Amendment)											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

[illegible]

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: **B**=Black, **H**=Hispanic, **A/PI**=Asian/Pacific Islander, and **AI/AN**=American Indian/Alaskan Native)



BOARD ACTION

Agenda Number:	8.1.-8.2.	Meeting Date:	May 27, 2025
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TITLE	AMEND AGREEMENTS WITH WESTERN AREA POWER ADMINISTRATION
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	• Authorize an amendment to the agreement previously amended under Board Motion No. 007-23 with the Western Area Power Administration (WAPA) to modify portfolio manager services of electricity purchases at select District facilities through December 31, 2029. • Authorize an amendment to the agreement previously amended under Board Motion No. 030-23 with the Western Area Power Administration for scheduling coordinator services of electricity purchases at select District facilities through December 31, 2029.
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SUMMARY	Continued electrical service from WAPA requires the District to amend existing agreements for updated fees for WAPA's portfolio manager and scheduling coordinator services, respectively.
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DISCUSSION	The District purchases low-cost electricity through several agreements with WAPA, a U.S. Department of Energy power generating and marketing administration. Approximately 30 percent of the District's electricity is purchased from WAPA for 11 District facilities and an estimated savings of \$4 million in Fiscal Year 2024. The fees for WAPA's portfolio manager and scheduling coordinator services are increasing for the first time in 15 years to \$3,671.29 and \$5,841.09 per month, respectively. No other terms of the agreements are amended. The District has amended its agreements with WAPA for energy, scheduling services, and various fees since the District began purchasing power from WAPA in 1982. The amendments contain a requirement that the District indemnify WAPA in select circumstances and a limitation of liability provision. The General Manager has reviewed these provisions with input from Risk Management and the Office of General Counsel and recommends the Board authorize the amendments. The amendments support the District's Long-Term Financial Stability Strategic Plan goal.
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SUSTAINABILITY	Economic The Fiscal Year 2025 adopted operating budget includes funding for the first year of this multi-year agreement. Funding for the additional years will be considered as part of the associated budget development process. The services from these amendments reduce the District's operating costs by up to \$4 million annually.
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Originating Department: Water Operations	Department Director or Manager: Roberto C. Cortez	CEP Forms? No	Board Action Type: Administrative
Funds Available: FY 2025	Budget Coding: Various.various.various.53740	Approved: 	
Attachment(s): N/A			

Title:	Amend Agreements with Western Area Power Administration	Meeting Date:	May 27, 2025
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Social

The savings from WAPA power purchases lower the District's operating costs and benefits District customers. This type of work is not performed by District forces and consequently union notification was not required.

WAPA, a federal organization, is exempt from the Contract Equity Program process.

Environmental

Approximately 15 percent of the WAPA's power is renewable, hydroelectric energy.

ALTERNATIVE

Do not authorize the amendments. This alternative is not recommended because the District would forfeit substantial financial savings from low-cost WAPA power.

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BOARD ACTION

Agenda Number:	9.	Meeting Date:	May 27, 2025
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TITLE	AMEND AGREEMENT FOR METERING AND COMMUNICATION SERVICES FOR RENEWABLE ENERGY FACILITIES
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Will

ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Authorize an amendment to the agreement originally authorized under Board Motion No. 040-23 with Trimark Associates, Inc. (Trimark) to add meter verification services for the electric meters of the District's hydroelectric, biogas, and photovoltaic facilities and maintenance of the Remote Intelligent Gateway (RIG) at the Pardee Powerhouse and document associated service fees.
--------------------	--

SUMMARY	Transacting in the California wholesale energy market requires specific metering and real-time data monitoring equipment and a Qualified Reporting Entity (QRE) to submit meter data for Renewable Energy Certificate (REC) transactions. The amendment would add meter verification services and document associated service fees.
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DISCUSSION	Renewable energy from the District's hydroelectric and biogas facilities are sold on the California wholesale market, and RECs from the District's hydroelectric and biogas facilities are currently sold to Marin Clean Energy (MCE) and the Port of Oakland (Port), respectively. The current agreements with MCE and the Port are set to expire on June 30, 2025. On February 7, 2025, the District issued a request for proposals (RFP) to over 100 entities seeking buyers for the District's hydroelectric and biogas energy, along with associated RECs beyond the expiration date of the MCE and Port agreements. As a result, a five-year agreement was executed with Silicon Valley Clean Energy (SVCE) for the sale of hydroelectric energy and REC's on March 13, 2025, with the contract taking effect on July 1, 2025. Biogas energy and RECs are planned to be sold to the Port under a new 10-year agreement effective July 1, 2025. Participation in California's wholesale energy market requires revenue meters for all generators to be certified by the California Independent System Operator (CAISO) and RIGs for generators greater than 10 megawatts. In addition, a CAISO-certified entity is required to maintain and manage the meters and RIGs. The District's agreements with MCE, SVCE, and the Port require the sale and transfer of the District's RECs using the Western Renewable Energy Generation Information System (WREGIS), an independent, web-based system for tracking RECs. A QRE approved by WREGIS is required to collect, verify, and submit generation data to WREGIS.
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Originating Department: Water Operations	Department Director or Manager: Roberto C. Cortez	CEP Forms? Yes	Board Action Type: Professional Services
Funds Available: FY 2025	Budget Coding: 11.762.8402600.53750 & 21.913.9362700.53750		Approved: 
Attachment(s): P-035; P-061			

Title:	Amend Agreement for Metering and Communication Services for Renewable Energy Facilities	Meeting Date:	May 27, 2025
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The District's QRE, Trimark, began providing the CAISO-required services for the District in 2012 authorized under Board Motion No. 141-12. Subsequently, Trimark's QRE services were continued under Board Motion No. 040-23. This amendment will add meter verification services and document associated service fees.

This amendment supports the District's Water Quality and Environmental Protection and Long-Term Financial Stability Strategic Plan goals.

**CONSULTANT
SELECTION**

A project-specific request for proposals for meter data management, QRE services, and maintenance of the RIG was sent to three firms on the CAISO's active authorized inspectors list and one proposal was received. Trimark was selected based on the consultant's reasonable fee structure, proximity of the consultant's offices to the District's hydroelectric facilities, and the consultant's record of providing quick, reliable, and responsive services to the District.

SUSTAINABILITY**Economic**

The Fiscal Year 2025 adopted operating budget includes funding for the first year of this multi-year agreement. Funding for the additional years will be considered as part of the associated budget development process.

Social

This type of work is not performed by District forces and consequently union notification was not required.

Environmental

The District's hydroelectric and biogas facilities are certified as renewable energy sources by the California Energy Commission.

ALTERNATIVE

Do not authorize the amendment. This alternative is not recommended because the District would be unable to participate in the California wholesale electric market, sell RECs, and receive revenue from these products.



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

TITLE Professional Services Agreement - Amendment Amend Agreement for Metering and Communication Services for Renewable Energy Facilities						DATE: April 18, 2025						
CONTRACTOR: Trimark Associates, Inc. Folsom, CA				Local Business / Sole Proposer		PERCENTAGE OF CONTRACT DOLLARS						
BID/PROPOSER'S PRICE: \$300,000 *		FIRM'S OWNERSHIP Ethnicity: White Gender: Men		Availability Group White Men White Women Ethnic Minorities		Contracting Objectives 25% 6% 25%		Participation 100.0% 0.0% 0.0%				
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER M W		CONTRACTING PARTICIPATION						
PRIME: Trimark Associates, Inc.		\$300,000	White	X		White-Men 100.0%	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
SUBS: None												
TOTAL		\$300,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		29		20		51		100				
Percent of Total Employees:		29.0%		20.0%		51.0%						
MSA Labor Market %:		32.7%		30.0%		37.3%						
MSA Labor Market Location:		Sacramento										
COMMENTS												
Contract Equity Participation: 100% White Men participation. Contract Duration: February 28, 2033. *Total not to exceed: \$300,000												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								



BOARD ACTION

Agenda Number:	10.	Meeting Date:	May 27, 2025
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TITLE	MONTHLY INVESTMENT TRANSACTIONS REPORT
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ACTION	☒ Motion:	☐ Resolution:	☐ Ordinance:
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RECOMMENDED ACTION	Approve the April 2025 Monthly Investment Transactions Report.
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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 April 2025 report is being brought to the Board for consideration. This report was presented at the May 27, 2025 Finance/Administration Committee meeting.
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DISCUSSION	Pursuant to Policy 4.07, staff generates 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 April 2025, the portfolio increased from \$552.3 million to \$581.5 million. Net transactions increased the total by \$28.3 million. Interest received added approximately \$857,000 to the portfolio. Deposits into short-term liquidity funds totaled \$51.3 million, and the District withdrew \$53.8 million. The District did not purchase any securities, and no securities matured. No securities were called or sold. Net transactions at the District's commercial bank resulted in an increase of approximately \$30.8 million.
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Originating Department: Finance	Department Director or Manager: Sophia D. Skoda	CEP Forms? N/A	Board Action Type: Financial
Funds Available: N/A	Budget Coding: N/A		Approved: 
Attachment(s): April 2025 Monthly Investment Transactions Report			

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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Transactions Summary
April 2025

Portfolio	Beginning Balance*	Monthly Net Transaction Activity	Monthly Interest Activity	Ending Balance
001 - Water System Consolidated	412,549,950	(8,000,000)	419,558	404,969,509
007 - Wastewater Consolidated	96,727,221	(2,000,000)	146,341	94,873,562
049 - Ferc Partnership	2,187,411	-	24,107	2,211,518
009 - BACWA	2,474,620	-	27,271	2,501,890
015 - DERWA	1,093,708	-	12,052	1,105,760
002 - FRWA	1,093,708	-	12,052	1,105,760
014 - IICP	164,605	-	1,814	166,419
010 - UMRWA	69,995	-	772	70,767
003 - Employees Retirement	3,124,108	7,517,000	115,131	10,756,239
099 - Wells Fargo**	32,802,191	30,821,107	98,213	63,721,512
Total	552,287,517	28,338,107	857,312	581,482,935

* 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

05/06/2025
Date

Kevin Ma
Reviewed by: Kevin Ma, Accounting Supervisor

05/06/2025
Date

David Glasser
Approved by: David Glasser, Controller

05/06/2025
Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
April 2025

Portfolio	Buys	Deposits	Matured	Calls	Sales	Withdrawals	Non-Investment Transactions*	Net Transaction Activity
001 - Water System Consolidated	-	24,000,000	-	-	-	(32,000,000)	-	(8,000,000)
007 - Wastewater Consolidated	-	6,000,000	-	-	-	(8,000,000)	-	(2,000,000)
049 - Ferc Partnership	-	-	-	-	-	-	-	-
009 - BACWA	-	-	-	-	-	-	-	-
015 - DERWA	-	-	-	-	-	-	-	-
002 - FRWA	-	-	-	-	-	-	-	-
014 - IICP	-	-	-	-	-	-	-	-
010 - UMRWA	-	-	-	-	-	-	-	-
003 - Employees Retirement	-	21,277,000	-	-	-	(13,760,000)	-	7,517,000
Investment Activity Total	-	51,277,000	-	-	-	(53,760,000)	-	(2,483,000)
099 - Wells Fargo	-	(51,277,000)	-	-	-	53,760,000	28,338,107	30,821,107
Total	-	-	-	-	-	-	28,338,107	28,338,107

*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

05/07/2025

Date



Approved by: Robert L. Hannay, Treasury Manager

05/07/2025

Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
April 2025

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

No Transactions this Period

-	-	-	-
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
April 2025

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Deposits										
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	GOFXX	4/21/2025	4/21/2025	N/A	8,000,000	8,000,000	-	8,000,000
001 - Water System Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/21/2025	4/21/2025	N/A	8,000,000	8,000,000	-	8,000,000
001 - Water System Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/21/2025	4/21/2025	N/A	8,000,000	8,000,000	-	8,000,000
					Total		24,000,000			
007 - Wastewater Consolidated	Money Market Mutual Funds	Federated MM	GOFXX	4/21/2025	4/21/2025	N/A	2,000,000	2,000,000	-	2,000,000
007 - Wastewater Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/21/2025	4/21/2025	N/A	2,000,000	2,000,000	-	2,000,000
007 - Wastewater Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/21/2025	4/21/2025	N/A	2,000,000	2,000,000	-	2,000,000
					Total		6,000,000			
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	4/25/2025	4/25/2025	N/A	5,609,000	5,609,000	-	5,609,000
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	4/23/2025	4/23/2025	N/A	10,041,000	10,041,000	-	10,041,000
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	4/11/2025	4/11/2025	N/A	5,627,000	5,627,000	-	5,627,000
					Total		21,277,000			
099 - Wells Fargo	Cash	WELLS FARGO Cash	CASH2017	4/30/2025	4/30/2025	N/A	30,919,321	30,919,321	-	30,919,321
					Total		30,919,321			
							82,196,321	82,196,321	-	82,196,321



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
April 2025

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
April 2025

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

- - - -



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
April 2025

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
April 2025

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Withdrawals										
001 - Water System Consolidated	Local Government Investment	PCAMP LGIP	CAMP6035	4/3/2025	4/3/2025	N/A	8,000,000	8,000,000	-	8,000,000
001 - Water System Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/2/2025	4/2/2025	N/A	12,000,000	12,000,000	-	12,000,000
001 - Water System Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/2/2025	4/2/2025	N/A	12,000,000	12,000,000	-	12,000,000
					Total		32,000,000			
007 - Wastewater Consolidated	Local Government Investment	PCAMP LGIP	CAMP6035	4/3/2025	4/3/2025	N/A	2,000,000	2,000,000	-	2,000,000
007 - Wastewater Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/2/2025	4/2/2025	N/A	3,000,000	3,000,000	-	3,000,000
007 - Wastewater Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/2/2025	4/2/2025	N/A	3,000,000	3,000,000	-	3,000,000
					Total		8,000,000			
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	4/29/2025	4/29/2025	N/A	13,760,000	13,760,000	-	13,760,000
					Total		13,760,000			
							53,760,000	53,760,000	-	53,760,000



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
April 2025

Portfolio	Total Interest Received	Interest Transferred to Wells Fargo*	Net Interest Activity (Reinvested)**
001 - Water System Consolidated	419,558	-	419,558
007 - Wastewater Consolidated	182,686	(36,345)	146,341
049 - Ferc Partnership	24,107	-	24,107
009 - BACWA	32,163	(4,892)	27,271
015 - DERWA	20,825	(8,773)	12,052
002 - FRWA	21,571	(9,518)	12,052
014 - IICP	5,224	(3,410)	1,814
010 - UMRWA	5,808	(5,035)	772
003 - Employees Retirement	145,370	(30,240)	115,131
Interest Transactions Total	857,312	(98,213)	759,098
099 - Wells Fargo	-	98,213	98,213
Total	857,312	-	857,312

*Coupon and other interest received; reinvestment unavailable.

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

Sherry Sarcos
 Prepared by: Sherry Sarcos, Accounting Technician

05/06/2025
 Date

Kevin Ma
 Reviewed by: Kevin Ma, Accounting Supervisor

05/06/2025
 Date

David Glasser
 Approved by: David Glasser, Controller

05/06/2025
 Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
April 2025

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)										
007 - Wastewater Consolidated	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	36,345	36,345
							Total	-		36,345
003 - Employees Retirement	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	30,240	30,240
							Total	-		30,240
002 - FRWA	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	9,518	9,518
							Total	-		9,518
009 - BACWA	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	4,892	4,892
							Total	-		4,892
010 - UMRWA	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	5,035	5,035
							Total	-		5,035
014 - IICP	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	3,410	3,410
							Total	-		3,410
015 - DERWA	Cash	WELLS FARGO Cash	CASH2017	4/1/2025	4/1/2025	N/A	-	-	8,773	8,773
							Total	-		8,773
							-	-	98,213	98,213



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
April 2025

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Interest Received (Reinvested)										
001 - Water System Consolidated	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	112,214	112,214
001 - Water System Consolidated	Local Government Investment Pool	CAMP LGIP	CAMP6035	4/30/2025	4/30/2025	N/A	-	-	82,610	82,610
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	GOFXX	4/1/2025	4/1/2025	N/A	-	-	38,507	38,507
001 - Water System Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/1/2025	4/1/2025	N/A	-	-	89,544	89,544
001 - Water System Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/1/2025	4/1/2025	N/A	-	-	96,682	96,682
							Total			419,558
007 - Wastewater Consolidated	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	41,670	41,670
007 - Wastewater Consolidated	Local Government Investment Pool	CAMP LGIP	CAMP6035	4/30/2025	4/30/2025	N/A	-	-	32,099	32,099
007 - Wastewater Consolidated	Money Market Mutual Funds	Federated MM	GOFXX	4/1/2025	4/1/2025	N/A	-	-	14,927	14,927
007 - Wastewater Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MVRXX	4/1/2025	4/1/2025	N/A	-	-	27,593	27,593
007 - Wastewater Consolidated	Money Market Mutual Funds	State Street MM	GVMXX	4/1/2025	4/1/2025	N/A	-	-	30,050	30,050
							Total			146,341
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	4/15/2025	4/15/2025	N/A	-	-	115,131	115,131
							Total			115,131
002 - FRWA	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	12,052	12,052
							Total			12,052
009 - BACWA	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	27,271	27,271
							Total			27,271
010 - UMRWA	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	772	772
							Total			772
014 - IICP	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	1,814	1,814
							Total			1,814
015 - DERWA	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	12,052	12,052
							Total			12,052
049 - Ferc Partnership	LAIF	LAIF LGIP	LGIP1001	4/15/2025	4/15/2025	N/A	-	-	24,107	24,107
							Total			24,107
							-	-	759,098	759,098



BOARD ACTION

Agenda Number:	11.	Meeting Date:	May 27, 2025
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TITLE	APPROVE REVISIONS TO DISTRICT POLICIES AND REAUTHORIZE THE INVESTMENTS POLICY
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ACTION	☐ Motion:	☒ Resolution:	☐ Ordinance:
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RECOMMENDED
ACTION

Approve revisions to the following District policies:

- Policy 2.05 – Employee Discipline
- Policy 4.05 – Establishing System Capacity Charges
- Policy 4.12 – Purchasing and Materials Management
- Policy 4.14 – Reimbursement of Director Expenses
- Policy 4.21 – Land and Conservation/Mitigation Credit Sales – Use of Funds
- Policy 6.06 – Equal Employment Opportunity (EEO)
- Policy 6.13 – Training and Development
- Policy 7.01 – Aqueduct and Distribution Pipeline Rights-of-Way Maintenance
- Policy 7.08 – Residences – District-Owned
- Policy 7.09 – Workplace Safety and Health
- Policy 7.12 – Weather Modification
- Policy 9.06 – Bay-Delta Protection

Approve the annual reauthorization of the following District policy:

- Policy 4.07 – Investments

SUMMARY

To ensure District operations and business practices remain consistent with Board objectives and priorities, the District reviews policies every two years to consider whether any organizational, regulatory, or other changes necessitate their modification. Also, in accordance with Section 53646 of the California Government Code, District Policy 4.07, Investments, is reviewed and reauthorized by the Board annually. Proposed policy modifications and annual reauthorizations are forwarded to the Board for consideration and approval. Revisions to District policies as well as the annual Investments Policy reauthorization were reviewed at the May 27, 2025 Finance/Administration Committee meeting.

DISCUSSION

Policy 2.05 – Employee Discipline was modified to specify that discharge cannot be made for discriminatory reasons.

Policy 4.05 – Establishing System Capacity Charges was modified to clarify the objective, provide background, describe the cost basis, clarify SCC fund use restrictions, provide the conditions for SCC credits, specify requirement to conform with all applicable legal requirements, add references, and eliminate procedural elements.

Originating Department: Internal Audit	Department Director or Manager: Barry N. Gardin	CEP Forms? N/A	Board Action Type: Policies
Funds Available: N/A	Budget Coding: N/A		Approved: 
Attachment(s): Policies 2.05, 4.05, 4.07, 4.12, 4.14, 4.21, 6.06, 6.13, 7.01, 7.08, 7.09, 7.12, 9.06; Resolution			

Title:	Approve Revisions to District Policies and Reauthorize the Investments Policy	Meeting Date:	May 27, 2025
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Policy 4.07 – Investments is being recommended for reauthorization with no changes.

Policy 4.12 – Purchasing and Materials Management was modified to incorporate the best interest of the District as a consideration for alternative acquisitions and affirmatively state that the District will not contract with suppliers on the State Department or Treasury Department sanctions list.

Policy 4.14 – Reimbursement of Director Expenses was modified to clarify reimbursement authorization requirements; provide Board members with the authority to travel within their allotted budget; provide the Board President with the authority to approve expenses that exceed the allotted budget; raise the reimbursement pre-authorization threshold; incorporate standards for travel and expense cancellations; and stipulate requirements for annual travel planning.

Policy 4.21 – Land and Conservation/Mitigation Credit Sales – Use of Funds was modified to clarify the objective, update guidelines for disposal of surplus real property, and update the reference for the Watershed Master Plan.

Policy 6.06 – Equal Employment Opportunity (EEO) was modified to add definitions, include discipline as a consideration in determining EEO discrimination, include reproductive rights as a category in protected groups, and remove duplicative language.

Policy 6.13 – Training and Development was modified to update language and expand the concept of continuous learning and include employee development, advancement activities, and initiatives.

Policy 7.01 – Aqueduct and Distribution Pipeline Rights-of-Way Maintenance was modified to prohibit unauthorized non-District vehicles parking anywhere on the District rights-of-way and incorporate minor edits for clarification.

Policy 7.08 – Residences – District-Owned was modified to specify operating need as a consideration in the residency program selection process.

Policy 7.09 – Workplace Safety and Health was modified to incorporate response requirements for reporting and documenting potential incidents of workplace violence, expand training requirements, include accessibility accommodations, and require development of a Workplace Violence Prevention Plan in accordance with the California Labor Code 6401.9.

Policy 7.12 – Weather Modification was modified to incorporate social, environmental, and economic impacts as considerations in conducting weather modification activities.

Policy 9.06 – Bay-Delta Protection was modified to identify agency stakeholders who have undertaken efforts to minimize and mitigate adverse impacts to the bay and delta natural resources and codify the District's intent to support legislation initiatives that will lead to improvements in water quality and reliability.

Title:	Approve Revisions to District Policies and Reauthorize the Investments Policy	Meeting Date:	May 27, 2025
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SUSTAINABILITY**Economic**

Policies 4.05, 4.07, 4.12, and 4.14 promote economic sustainability by establishing charges to recover costs, ensuring District funds are invested in compliance with established criteria, provide reimbursement to Board of Directors for expenses incurred in the performance of their duties, and allowing the District to pursue materials, services, and equipment in alignment with its mission.

Social

Policies 2.05, 6.06, 6.13, and 7.09 promote social responsibility by maintaining high standards of District staff in performance of work, promote ethical behavior in the conduct of District business, ensuring equal employment opportunity, emphasizing the District's intention to support staff development, and providing work environments that are safe, secure, and healthy.

Environmental

Policies 4.21, 7.01, 7.08, 7.12, and 9.06 promote environmental stewardship by ensuring funds from the sale of watershed land and conservation/mitigation credits protect water quality and biological diversity, maintaining integrity of aqueduct and pipeline rights-of-way, District-owned facilities and watershed lands, and supporting the protection and enhancement of the Bay-Delta.

General policy and procedure making is not a project subject to the California Environmental Quality Act.

ALTERNATIVES

Do not update these policies. This alternative is not recommended because it would leave in place policies that do not reflect current operating practices and are not consistent with Board directives.

Do not reauthorize Policy 4.07. This alternative is not recommended because it would leave in place a policy without the required annual reauthorization by the Board.

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Policy 2.05R

EFFECTIVE [27 MAY 25](#)
~~28 OCT 14~~

SUPERSEDES [28 OCT 14](#)
~~11 OCT 05~~

EMPLOYEE DISCIPLINE

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

Expect all employees to maintain high standards for job performance, cooperation, efficiency, safety, honesty and integrity in the performance of their work with the District and take disciplinary action up to and including discharge when justified by an employee's job performance or conduct.

Civil Service Employees

All civil service employees may be subject to disciplinary action up to and including discharge from employment for cause and after due process. Each disciplinary case will be considered on an individual basis, taking into account relevant factors including the nature and severity of the offense, the employee's work performance and conduct, length of service with the District and the employee's response to charges.

Civil Service Exempt Employees

Probationary civil service and employees who are exempt from the District's civil service pursuant to the Municipal Utility District Act are "at will" employees, and may be discharged for any [non-discriminatory](#) reason, without prior notice and without the right of appeal. Nothing in this policy is intended to alter the "at will" employment status of the District's probationary and civil service-exempt employees.

Authority

Resolution 20,573, September 8, 1961
As amended by Resolution No. 33498-05, dated October 11, 2005
As amended by Resolution No. 34005-14, dated October 28, 2014
[As amended by Resolution No. XXXXX-25, dated May 27, 2025](#)
Municipal Utility District Act § 12161



Policy 2.05

EFFECTIVE 27 MAY 25

SUPERSEDES 28 OCT 14

EMPLOYEE DISCIPLINE

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

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Municipal Utility District Act § 12161



Policy 4.05R

EFFECTIVE [27 MAY 25](#)

~~26 SEP 17~~

SUPERSEDES [26 SEP 17](#)

~~14 OCT 08~~

ESTABLISHING SYSTEM CAPACITY CHARGES~~FINANCING FACILITIES TO SERVE~~ ~~APPLICANTS FOR NEW SERVICES~~

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

Establish charges to recover the reasonable and proportional costs to provide capacity in the District's existing and future water system facilities to serve new customers or to serve expanded use by existing customers.

~~Require applicants for new water service to pay their share of the cost of water system facilities, including existing District system-wide and regional system facilities, and an allocation of the capital costs for future water supply projects.~~

Background

The System Capacity Charge (SCC) was established in 1983 to recover the proportional share of the costs of capital facilities necessary to provide capacity for new and expanded water system use. The SCC helps to fund the District's water system capital improvement program, including the payment of debt service and funding for future water supply facilities to meet long-term increases in future use.

System Capacity Charge Basis

The SCC recovers a proportional and reasonable share of the costs of existing facilities and of future water supply facilities needed to serve a premise based on projected average annual water demand for service(s) to that premise. The SCC is collected from all applicants for new water service or when there is a change in use of existing water service at a premise.

The three components of the SCC for potable water service are:

- 1) System-Wide Buy-In: recovers a proportional allocation of District costs for existing water system-wide facilities;
- 2) Regional Buy-In: recovers a proportional allocation of District costs for existing facilities that service specific regions; and
- 3) Future Water Supply: recovers a proportional allocation of District costs for planning and constructing future water supply projects to serve new or upsized connections.

For nonpotable/recycled water service, the only applicable component of the SCC is the Future Water Supply component.

Restrictions

SCCs collected must be expended for the purpose for which the charges are collected and cannot exceed the estimated proportional and reasonable cost of receiving service through the District's existing and future water system facilities.

Establishing System Capacity
Charges~~Financing Facilities to Serve~~
~~Applicants for New Services~~

NUMBER 4.05

PAGE NO.: 2

EFFECTIVE DATE 27 MAY 25
~~26 SEP 17~~

System Capacity
Credit

Consistent with this policy, a credit may be provided when new services provided to a premise replace one or more existing or prior services provided to that premise. The credit will be based on the SCC previously paid for service at the premise (if any), the historical water usage at the premise, or other standard values as specified in the District's most recent adopted Schedule of Rates, Charges and Fees. The SCC credit cannot be applied to a standby meter, fire service meter, or in the case of a combination standard and fire service meter, the portion of the meter oversized for the private fire protection system. Additional limitations to the application of SCCs credits may be specified in the District's most recent adopted Schedule of Rates, Charges and Fees.

Regulatory Basis

The SCC will be implemented consistent with applicable legal requirements to allow the recovery of proportionate capacity-related costs of new connections to the water system.

Components of
the System
Capacity Charges

~~The District maintains System Capacity Charges (SCC) for new water services in the major SCC regions and the additional SCC subregions.~~

~~Customers must pay their share of the costs to provide water service. The three components of the SCC for standard potable service are:~~

- ~~1) System-Wide Buy-In: existing District system facilities excluding supplemental supplies;~~
- ~~2) Regional Buy-In: existing District regional facilities; and~~
- ~~3) Future Water Supply: an allocation of the capital costs for future water supply projects.~~

Method of
Calculation

~~The District uses two methods to determine the amount to be charged under each of these three components—the “Buy-In” method and the “Incremental Cost” method.~~

Buy-In Method

~~The Buy-In method requires new customers to buy into their share of existing facilities that have been built and sized to accommodate their water demand by paying an amount for the investment made by existing ratepayers in the facilities. The Buy-In method is used to determine the two component costs—System-Wide and Regional Buy-In components of the SCC. Nonpotable/recycled water customers do not pay the System-Wide and Regional Buy-In components of the SCC.~~

System-Wide Buy-In Component

~~The first component of the SCC requires new customers entering into the system pay a share of the investments made by existing ratepayers for the District's system water facilities. By depositing collected revenues for the System-Wide Buy-In component into the District's general fund, existing ratepayers are reimbursed for investments made over time on system-wide facilities, including the payment of debt service and funding of capital projects.~~

Regional Buy-In Component

~~The second component for the SCC requires new customers to pay the share of investments made by existing ratepayers for regional facilities constructed to provide service to each of the SCC regions. Collected revenues provide funding for the regional facilities, including the payment of debt service and funding of capital projects. When the cost to provide service to a new growth area vastly exceeds the regional facility costs of the adjacent SCC region, special SCC additional subregions are created to recover the costs of the regional investments made to extend water service to the new growth area.~~

Incremental Cost Method

~~The incremental cost method is used to determine the amount new customers must pay for future water supply capital projects pursued by the District to specifically accommodate the demands of new water services. The District uses this method to determine the third SCC component, the Future Water Supply Component.~~

Future Water Supply Component

~~New customers for potable and nonpotable/recycled water are required to pay their share of the costs for the future water supply facilities. Initial funding for the future water supply facilities will come from debt financing. Repayment of the debt is to be paid from the Future Water Supply component of the SCC, assessed and collected from new service connection applicants.~~

System Capacity
Charges Program
Management

~~The SCC program will be managed to ensure funds collected under the program are expended for the authorized purpose and do not exceed the cost of providing water service.~~

~~The following five points govern the management of the SCC program:~~

- ~~1) Accounting: SCC revenues and disbursements are to be accounted for in one or more separate accounts apart from other Water System receipts and disbursements.~~
- ~~2) Future Water Supply Disbursements: Disbursements from the Future Water Supply component of the SCC will be limited to the debt service on future water supply projects that have been allocated to serve new connections. During times of development slowdowns, payment for all or a portion of Future Water Supply debt service may be made from Water System reserves. These payments will be repaid from Future Water Supply revenues received from new applicants.~~

Establishing System Capacity
Charges~~Financing Facilities to Serve~~
~~Applicants for New Services~~

NUMBER 4.05

PAGE NO.: 4

EFFECTIVE DATE 27 MAY 25
~~26 SEP 17~~

~~3) System-Wide and Regional Buy-In Disbursements: During any fiscal year, disbursements from the Buy-In components of the SCC account to reimburse the Water System General Fund will be limited to the amount collected from the System-Wide and the Regional Buy-In components of any SCC collected from new connections.~~

~~4) Future Water Supply Projects: During the capital budget review process, an analysis of each SCC-funded future water supply project must be provided to determine whether:~~

- ~~• The facilities are appropriate to meet the expected need;~~
- ~~• There is reasonable confidence that potential hook-ups of new applicants from the proposed facility will realistically occur as planned; and~~
- ~~• The costs of the facilities allocated to new development can be recovered from SCC charges.~~

~~5) System-Wide and Regional Projects: Costs of existing District facilities shall also be updated as part of the biennial budget process to reflect the replacement cost of the existing water system. This update will be the basis of the System-Wide and Regional Buy-In components of the calculation of the SCC.~~

System Capacity
Charge Rate
Setting

~~The costs of the existing water system facilities, the future water supply facilities, and any other costs allocated to new development that will be identified and charged to the SCC must be filed with the Secretary of the District and available to the public ten days prior to any action by the Board of Directors to levy a new or increased SCC.~~

Authority

Motion No. 93-074, May 11, 1993
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Government Code Section 66013 [limitations on capacity fees]
Government Code Section 66324 [accessory dwelling units]
Government Code Section 66338 [junior accessory dwelling units]
Proposition 26 (Cal. Const., art. XIII C, sec. 1(e))
Water and Wastewater System Schedules of Rates and Charges, Capacity Charges, and Other Fees



Policy 4.05

EFFECTIVE 27 MAY 25

SUPERSEDES 26 SEP 17

ESTABLISHING SYSTEM CAPACITY CHARGES

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

Establish charges to recover the reasonable and proportional costs to provide capacity in the District's existing and future water system facilities to serve new customers or to serve expanded use by existing customers.

Background

The System Capacity Charge (SCC) was established in 1983 to recover the proportional share of the costs of capital facilities necessary to provide capacity for new and expanded water system use. The SCC helps to fund the District's water system capital improvement program, including the payment of debt service and funding for future water supply facilities to meet long-term increases in future use.

System Capacity Charge Basis

The SCC recovers a proportional and reasonable share of the costs of existing facilities and of future water supply facilities needed to serve a premise based on projected average annual water demand for service(s) to that premise. The SCC is collected from all applicants for new water service or when there is a change in use of existing water service at a premise.

The three components of the SCC for potable water service are:

- 1) System-Wide Buy-In: recovers a proportional allocation of District costs for existing water system-wide facilities;
- 2) Regional Buy-In: recovers a proportional allocation of District costs for existing facilities that service specific regions; and
- 3) Future Water Supply: recovers a proportional allocation of District costs for planning and constructing future water supply projects to serve new or upsized connections.

For nonpotable/recycled water service, the only applicable component of the SCC is the Future Water Supply component.

Restrictions

SCCs collected must be expended for the purpose for which the charges are collected and cannot exceed the estimated proportional and reasonable cost of receiving service through the District's existing and future water system facilities.

System Capacity Credit

Consistent with this policy, a credit may be provided when new services provided to a premise replace one or more existing or prior services provided to that premise. The credit will be based on the SCC previously paid for service at the premise (if any), the historical water usage at the premise, or other standard values as specified in the District's most recent adopted Schedule of Rates, Charges and Fees. The SCC credit cannot be applied to a standby meter, fire service meter, or in the case of a combination standard and fire service meter, the portion of the meter oversized for the private fire protection system. Additional limitations to the application of SCCs credits may be specified in the District's most recent adopted Schedule of Rates, Charges and Fees.

Establishing System Capacity Charges

NUMBER 4.05

PAGE NO.: 2

EFFECTIVE DATE 27 MAY 25

Regulatory Basis The SCC will be implemented consistent with applicable legal requirements to allow the recovery of proportionate capacity-related costs of new connections to the water system.

Authority Motion No. 93-074, May 11, 1993
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. XXXXX-25, May 27, 2025

References Government Code Section 66013 [limitations on capacity fees]
Government Code Section 66324 [accessory dwelling units]
Government Code Section 66338 [junior accessory dwelling units]
Proposition 26 (Cal. Const., art. XIII C, sec. 1(e))
Water and Wastewater System Schedules of Rates and Charges, Capacity Charges, and Other Fees



Policy 4.07

EFFECTIVE 28 MAY 24

INVESTMENTS

SUPERSEDES 23 MAY 23

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

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPAs) in compliance with investment criteria for safety, liquidity, yield, and diversification as set forth herein. Investments shall be in securities with a range of maturities to provide adequate security and liquidity to pay demands when due while providing a risk-adjusted market rate of return on investments that takes into consideration the cash flow needs of the District and its JPAs.

Authority	Section 53600 et. seq. of the California Government Code (Government Code) and Chapter 6, Article 7 of the Municipal Utility District Act (M.U.D. Act) govern the investment of idle monies of the District. Section 53635 of the Government Code defines how investments are to be handled for Joint Powers Authorities.
Delegation of Authority	The authority and responsibility to invest idle monies of the District are delegated by the Board to the Director of Finance as the Treasurer. The Director of Finance may designate individual staff to carry out his/her responsibilities under this policy.
No Bond Proceeds	The investment of bond proceeds is specifically defined in individual bond indenture documents and is not included in this policy. This exemption also applies to funds held at the Trustee in Principal, Interest, Debt Service Reserve, or other accounts for the purpose of servicing the bonds.
Ethics and Conflicts of Interest	Officers and employees involved in the investment process shall: - refrain from personal business activity that could conflict with proper execution of the District's investment program, or which could impair their ability to make impartial investment decisions on behalf of the District, - disclose any material financial interest in financial institutions that conduct business with the District, - disclose material personal financial/investments that are related to or could reasonably be affected by the performance of the District's investments, - refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District's investments, and - comply with the District's Conflict of Interest Code, Procedure 418 - Gifts, Personal Loans and Personal Benefit Interests, Procedure 601 - Conflict of Interest Disqualification Procedure, and District Procedure 447 - Vendor Interactions and Procurement Integrity
Investment Criteria and Objectives	Criteria for selecting investments shall: - adhere to the prudent investor standard, described in Section 53600.3 of the Government Code as follows: "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of

a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency," **and**

- conform with the Government Code and the M.U.D. Act, **and**
- align with District policies, mission and values, **and**
- have the following objectives, in order of priority:

1. *Safety* – The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and to minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.
 2. *Liquidity* – The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives.
 3. *Yield* – The District's ability to provide a risk-adjusted market rate of return on the District's investments while conforming to the safety and liquidity criteria above.
 4. *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings; and maturity, rating and other restrictions where applicable.
-

**Environmental,
Social and
Governance
Factors**

It is the intent of the District to align its investment decisions with its policies, mission, and values. Safety, liquidity, yield and diversification are the District's primary investment objectives. The District will also consider sound Environmental, Social and Governance (ESG) factors and objectives in its investment process, subject to the prudent investor standard.

Maturity

The weighted average maturity of the portfolio shall not exceed 900 days.

**Rating Agencies
and Rating
Requirements**

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:

- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels or the assignment of negative watch or outlook prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

**Investment
Options**

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Government Code, Chapter 6, Article 7 of the M.U.D. Act, Board Resolutions, and via this policy. Percentage limitations, where indicated, apply at the time of purchase. As used in this section, the term "Portfolio" refers to all investable funds covered by this policy.

1. United States Treasury Obligations

- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

2. United States Government Agencies Obligations

Under this subsection, only obligations issued by the following agencies are permitted:

- o Federal Agricultural Mortgage Corporation (FAMC)
- o Federal Farm Credit Bank (FFCB)
- o Federal Home Loan Bank (FHLB)
- o Federal Home Loan Mortgage Corporation (FHLMC)
- o Federal National Mortgage Association (FNMA)
- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: 40% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

- Maximum Share of Portfolio: as determined by the State Treasurer and in accordance with Section 16429.1 of the Government Code
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: n/a
- Other Restrictions: none

4. Local Government Investment Pools

Under this subsection, only obligations of the following agencies are permitted:

- California Asset Management Program (CAMP)
- Investment Trust of California (CalTRUST)
- Maximum Share of Portfolio: 40% of the Portfolio
- Maximum Issuer Limit: 20% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: Ratings of AAAm for stable net asset value funds and AA category or higher for floating net asset value funds by at least one Rating Agency
- Other Restrictions: none

The District will review each Pool's disclosure documents annually to assess the suitability of the fund's holdings. These documents, along with the other criteria above, including the rating restriction, will be used to determine the suitability to receive Portfolio funds.

5. Money Market Mutual Funds

Under this subsection, only Money Market Mutual Funds with stable, non-floating net asset value are permitted:

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Fund Limit: 5% of Money Market Mutual Fund's assets
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: AAAm by at least two Rating Agencies
- Other Restrictions: none

The District will request from each Money Market Mutual Fund, prior to investing and on an annual basis after investing, documents which provide details on the operations of the fund. These documents, along with the other criteria above, including the rating restriction, will be used to determine the suitability to receive Portfolio funds.

6. Certificates of Time Deposit

Under this subsection, only investments in selected depositories, using one or more private sector entity, in compliance with and as authorized under Government Code Section 53601.8 are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: applicable maximum FDIC deposit insurance coverage limit
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
 - Investment in local branches within the District, whenever possible.

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: applicable maximum FDIC deposit insurance coverage limit
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions:
 - o Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 5% of the portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions:
 - o Issued by an entity that is, at the time of purchase:
 - organized and operating in the United States as a general corporation, with total assets exceeding \$500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
 - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, and has commercial paper that is rated A-1+ by at least one Rating Agency.

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 5% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions:
 - o Issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
 - o Collateral may only be in any securities authorized in items 1, or 2
 - o A Master Repurchase Agreement must be on file with the District
 - o Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

Funds on deposit at the District's commercial bank may be invested in overnight repurchase agreements through a sweep program.

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- o The State of California
- o Any local agency within the State of California
- Municipal Bonds:
 - o Maximum Share of Portfolio: 20% of the Portfolio when added together with Municipal Notes
 - o Maximum Issuer Limit: 5% of the Portfolio
 - o Maximum Issue Limit: 10% of original issue amount
 - o Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
 - o Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
 - o Other Restrictions: none
- Municipal Notes:
 - o Maximum Share of Portfolio: 20% of the Portfolio together with Municipal Bonds
 - o Maximum Issuer Limit: 5% of the Portfolio
 - o Maximum Issue limit: 10% of original issue amount
 - o Maximum Maturity: n/a
 - o Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
 - o Other Restrictions: none

Zero or Negative Market Rates

As authorized under Section 53601.6 and at the discretion of the Director of Finance or its designees, investments can be made "in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates." Those investment may also then be held until their maturity dates. This provision sunsets January 1, 2026.

**Investment
Placement**

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or to obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

**Selling Securities
Prior To Maturity**

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
 - to comply with this policy, while considering the impact of the sale(s), or
 - if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.
-

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

**Portfolio
Performance**

The Portfolio will seek to attain a risk-adjusted market rate of return that takes into consideration the cash flow needs of the District. As a result, portfolio performance will be measured using common market indicators. Those may include, but are not limited to: the Federal funds rate, short-term government obligations rates, and other market rates that reflect the mix of securities in the Portfolio.

**Purchasing
Entities**

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, **or**
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA), **and**
- provide audited financial statements to the District annually.

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

**Trade
Confirmations and
Settlements**

The District shall comply with the following:

1. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).
 2. To ensure a high degree of internal control, all trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.
-

**Review And
Reporting
Requirements**

On a monthly basis, in accordance with Section 53607 of the Government Code, the Treasurer shall prepare and submit a report listing investment transactions to the General Manager and the Board of Directors.

On a quarterly basis, in accordance with Section 53646 of the Government Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors. If rendered, the report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Government Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

**Performance
Review And
Internal Control**Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer has established and maintains an internal control structure designed to ensure that funds covered under this policy are protected from loss, theft, fraud, or misuse.

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26, 2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016
Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution 35083-18, April 24, 2018
Approved by Resolution 35137-19, April 23, 2019
Approved by Resolution 35174-20, April 28, 2020
Approved by Resolution 35220-21, April 27, 2021
Approved by Resolution 35290-22, May 24, 2022
Approved by Resolution 35346-23, May 23, 2023
Approved by Resolution 35398-24, May 28, 2024

References

EBMUD Conflict of Interest Code
Procedure 418 – Gifts, Personal Loans and Personal Benefit Interests
Procedure 447 – Vendor Interactions and Procurement Integrity
Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1 RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	MOODY'S	FITCH	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	← Minimum rating required for District investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	MOODY'S	FITCH	
A-1+	P-1	F1+	← Minimum rating required for District investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

MONEY MARKET FUNDS			
S&P	MOODY'S	FITCH	
AAAm	Aaa-mf	AAAf	← Minimum rating required for District investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

STABLE NAV LGIPs			
S&P	MOODY'S	FITCH	
AAAm	Aaa-mf	AAAf	←Minimum rating required for District investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

FLOATING NAV LGIPs		
S&P	MOODY'S	FITCH
AAAf	Aaa-mf	AAAf
AAf	Aa-mf	AAf
←Minimum rating required for District investments		
Af	A-mf	Af
BBBf	Baa-mf	BBBf

EXHIBIT 2
East Bay Municipal Utility District
Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District. Please send completed form:

via mail, to:
Steven Goodman-Leibof
East Bay Municipal Utility District
375 11th Street, MS809
Oakland, CA 94607

and electronically, to:
steven.goodman-leibof@ebmud.com

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility)**

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

E. I have provided:

- ☐ Audited Financial Statements

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____

Sign Name _____

Title _____

Date _____

EXHIBIT 3
East Bay Municipal Utility District
Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Government Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools - Stable Net Asset Value	40%	AAAm	n/a	see page 4, Item 4
Local Government Investment Pools - Floating Net Asset Value		AA-f		
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	20%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	20%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Investment Terms Used in the Policy

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Government Code, or the M.U.D. Act.

AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MATURITY	The date upon which the principal or stated value of an investment becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
RISK (INVESTMENT RISK)	The probability that an actual investment return outcome will differ from an expected return outcome.
RISK-ADJUSTED RETURN	The return on investment relative to the amount of risk taken over a given period of time (e.g. if two or more investments have the same return over a given time period, the one that has the lowest risk will

	have the better risk-adjusted return).
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivered in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD	The annual rate of return on a debt investment expressed as a percentage.



Policy 4.12R

EFFECTIVE [27 MAY 25](#)

~~24 JAN 23~~

SUPERSEDES [24 JAN 23](#)

~~27 SEP 22~~

PURCHASING AND MATERIALS MANAGEMENT

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

1. Procure all materials, supplies, equipment, and secure general services for the District's use so as to receive maximum value for each dollar expended consistent with ultimate use, product quality, and supplier performance. In doing so, the District shall:
 - a. Provide a fair and impartial competitive environment.
 - b. Provide equal opportunities to all qualified suppliers in accordance with applicable law and District Policy 6.09 (Contractors' Compliance with Equal Employment Opportunity).
 - c. Take proactive action to locate and encourage equitable participation by all businesses in the competitive bidding and contract procurement processes of the District in accordance with District Policy 6.08 (Contract Equity Program).
 - d. Seek the participation of local, diverse and Small Business Enterprises in all District bidding processes.
 - e. Pursue alternative acquisition procedures in situations where competitive bidding would be unavailing ~~or would not produce advantage and advertisement for competitive proposals would thus be undesirable, impractical, or impossible, or not in the best interest of the District and its rate payers~~, as determined by Purchasing in consultation with the Office of General Counsel.
 - f. Endeavor to adhere to the principles of sustainability in the acquisition of materials and supplies, as prescribed in District Policy 7.05 (Sustainability and Resilience).
 - g. ~~Make every reasonable effort to~~ Not to contract with any suppliers on the Federal State debarment list or Department of the Treasury sanctions list.
 - h. Make efforts to procure materials, equipment, and supplies that have sustainable characteristics such as being sourced locally, made with recycled or renewable materials, being non-polluting, or having a reduced carbon footprint.
 - i. ~~Promote Practice~~ financial stewardship by obtaining materials that are most suited for the intended purpose and do not have unnecessary equipment, properties, or requirements.
2. Balance the need for material availability with the fiscal responsibility to effectively and responsibly manage inventory investment.
3. Dispose, auction, or competitively bid surplus equipment, damaged goods, scrap, excess, and obsolete materials and supplies in a manner that minimizes environmental impacts and ~~will~~ yield the highest monetary return for the District.
4. Provide District-wide supply-chain management support and logistics, including the warehousing and distribution of materials and equipment.
5. Provide uniform methods and procedures for receiving and opening bids for materials, supplies, equipment, services, or construction projects.
6. Place the authority and responsibility with the Manager of Purchasing to administer and coordinate this ~~P~~policy.

Authority

Adopted by Resolution No. 27809, July 27, 1976
Amended by Resolution No. 33178-99, November 23, 1999
Amended by Resolution No. 33523-06, March 28, 2006
Amended by Resolution No. 33941-13, September 24, 2013
Amended by Resolution No. 34052-15, September 22, 2015
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35315-22, September 27, 2022
Amended by Resolution No. 35335-23, January 24, 2023
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Public Utilities Code (Municipal Utility District Act) Section 12752)
Graydon vs Pasadena Redevelopment Agency (1980) 104 Cal.App.3d 631
Policy 6.08 – Contract Equity Program
Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity
Policy 7.05 – Sustainability and Resilience
Procedure 415 – Emergency Purchases
Procedure 425 – Fair Market Price Purchases
Procedure 431 – Purchase of Materials and Supplies Covered by the Municipal
Utility District Act (MUD Act)
Procedure 452 – Supplier Selection For Material and Supplies Purchases



Policy 4.12

EFFECTIVE 27 MAY 25

SUPERSEDES 24 JAN 23

PURCHASING AND MATERIALS MANAGEMENT

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

1. Procure all materials, supplies, equipment, and secure general services for the District's use so as to receive maximum value for each dollar expended consistent with ultimate use, product quality, and supplier performance. In doing so, the District shall:
 - a. Provide a fair and impartial competitive environment.
 - b. Provide equal opportunities to all qualified suppliers in accordance with applicable law and District Policy 6.09 (Contractors' Compliance with Equal Employment Opportunity).
 - c. Take proactive action to locate and encourage equitable participation by all businesses in the competitive bidding and contract procurement processes of the District in accordance with District Policy 6.08 (Contract Equity Program).
 - d. Seek the participation of local, diverse and Small Business Enterprises in all District bidding processes.
 - e. Pursue alternative acquisition procedures in situations where competitive bidding would be unavailing, impossible, or not in the best interest of the District and its rate payers, as determined by Purchasing in consultation with the Office of General Counsel.
 - f. Endeavor to adhere to the principles of sustainability in the acquisition of materials and supplies, as prescribed in District Policy 7.05 (Sustainability and Resilience).
 - g. Not contract with any suppliers on the Federal State debarment list or Department of the Treasury sanctions list.
 - h. Make efforts to procure materials, equipment, and supplies that have sustainable characteristics such as being sourced locally, made with recycled or renewable materials, being non-polluting, or having a reduced carbon footprint.
 - i. Practice financial stewardship by obtaining materials that are most suited for the intended purpose and do not have unnecessary equipment, properties, or requirements.
2. Balance the need for material availability with the fiscal responsibility to effectively and responsibly manage inventory investment.
3. Dispose, auction, or competitively bid surplus equipment, damaged goods, scrap, excess, and obsolete materials and supplies in a manner that minimizes environmental impacts and yields the highest monetary return for the District.
4. Provide District-wide supply-chain management support and logistics, including the warehousing and distribution of materials and equipment.
5. Provide uniform methods and procedures for receiving and opening bids for materials, supplies, equipment, services, or construction projects.
6. Place the authority and responsibility with the Manager of Purchasing to administer and coordinate this policy.

Authority

Adopted by Resolution No. 27809, July 27, 1976
Amended by Resolution No. 33178-99, November 23, 1999
Amended by Resolution No. 33523-06, March 28, 2006
Amended by Resolution No. 33941-13, September 24, 2013
Amended by Resolution No. 34052-15, September 22, 2015
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References

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Policy 4.14R

EFFECTIVE [27 MAY 25](#)
[22 NOV 22](#)
SUPERSEDES [22 NOV 22](#)
[24 MAR 20](#)

REIMBURSEMENT OF DIRECTOR EXPENSES

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

Reimburse Directors as provided in the Municipal Utility District ~~(MUD)~~ 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, when authorized in advance or subsequently approved by the Board President. Directors will not receive personal gain or incur personal loss for their activities.](#)

Reimbursable Expenses

[Directors are eligible for the reimbursement of expenses incurred in connection with attendance as a representative of the District at 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 **Authorized Expenses**

[Reimbursement of Director expenses must be approved as follows:](#)

- [The President of the Board of Directors will pre-authorize or approve Reimbursable ~~e~~ Expenses incurred by fellow Directors ~~in connection with attendance as a representative of the District at meetings, associations and other groups and will approve travel and other related expenses incurred in the performance of official District business.~~](#)
- [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 who currently sits on the Board may also approve expenses incurred by fellow Directors, including the President and Vice President. ~~In the absence of the President and/or Vice President, the Immediate Past President may also approve expenses of fellow Directors including the President and Vice President.~~](#)

- Any expense that does not meet the criteria for reimbursement 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. ~~Reimbursable Director expenses will be reasonable, and in accordance with the guidelines attached to this policy.~~

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.
- ~~Each Director may be reimbursed for attendance at only one conference per year, unless the Director's attendance at a conference is necessary because the Director serves on a joint powers authority, regional committee or other body required to meet at the conference.~~
- Each Director will be reimbursed for attendance at conferences as long as there are funds available in the Director's allotted travel budget for the fiscal year. The Board President has the authority to approve reimbursement for conference expenditures that may exceed the Director's allotted travel budget for the fiscal year, based on factors such as whether the Director has an official role at the conference (e.g., serving as a panelist), the Director's recent and planned budget utilization, and the status of the remaining travel budget for the Board.
- 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., what was learned at the conference that may be helpful to the Board or the District and what meetings or sessions the Director 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

Reimbursement of Director Expenses

NUMBER 4.14

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~~22 NOV 22~~

[Director shall briefly report on the meeting. If multiple Directors attended, a joint report may be made.](#)

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33414-04, March 23, 2004
Amended by Resolution No. 33471-05, April 26, 2005
Amended by Resolution No. 33661-08, March 11, 2008
Amended by Resolution No. 33756-10, February 23, 2010
Amended by Resolution No. 33919-13, March 26, 2013
Amended by Resolution No. 33923-13, April 9, 2013
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35168-20, March 24, 2020
Amended by Resolution No. 35325-22, November 22, 2022
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

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 6.04 – Ethics of the EBMUD Board of Directors
[Resolution No. 35000-16 dated August 9, 2016](#)
[Resolution No. 35428-24 dated November 26, 2024](#)

[EBMUD District Vehicle Guidelines](#)
[EBMUD Board of Directors Governance Manual](#)

GUIDELINES FOR REIMBURSEMENT OF BOARD OF DIRECTOR EXPENSES

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 4.14.

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.

Authorization

Reimbursable Expenses That Require Prior Authorization

- Conferences, seminars, or similar training courses requiring either a registration fee or overnight lodging costing ~~\$200~~^{\$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.

- [Use of international data or telecommunications plans while traveling for non-District related purposes to remain in contact and available for District related communications.](#)

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 [who currently sits on the Board](#) 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.

[Prior to the beginning of each fiscal year, the Secretary will provide the Board with a draft calendar of conferences and activities for the fiscal year that may require reimbursable lodging, registration or airfare. By June 10 of each year, each Director shall provide the Secretary with a written forecast of the Director's planned event attendance for the fiscal year. The written forecast can include conferences or activities that were not on the draft calendar provided by the Secretary. The Secretary will submit the written forecasts to the Board President for review and approval. During the fiscal year, Directors can submit requests to participate in additional conferences or activities for the Board President's consideration.](#)

Reimbursable Expenses That Do Not Require Prior Authorization

- Conference, seminar or similar training registration fees costing less than ~~\$200~~[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

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.
- 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 enroute 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 [represents the fare for a direct flight \(for in state travel\), during normal business hours and](#) must be documented through services such as Expedia, Travelocity and Orbitz [or similar travel website](#). Questions regarding “in lieu” fare levels can be verified with the Secretary of the District in advance of travel.

Use of District Fleet Vehicles

[A Director may request use of a District fleet vehicle for travel in connection with attendance as a representative of the District at events. The Director should submit a request to the Office of the Secretary as far in advance as possible but no later than 72 hours before their travel date. The Director will operate the fleet vehicle in accordance with all vehicle laws and District vehicle guidelines. The Director will be responsible for refueling the fleet vehicle in accordance with District vehicle guidelines prior to returning it to the District. The Director will be reimbursed for refueling the fleet vehicle.](#)

[Directors are personally responsible to pay all traffic citations, parking tickets and any resulting towing or impound charges in a timely manner.](#)

Lodging

[Lodging expenses are limited to the GSA per diem rates. The rate may be exceeded if staying at the conference hotel. 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~~[included with](#) 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 [GSA per diem rate](#)~~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.

Government, corporate or conference rates must be requested, when available, 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](#).

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

Other travel websites may also be used. 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 – 1~~8~~⁵ 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 [or rideshare](#) – 10 percent of the cost of taxi [or rideshare](#) 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 channels due to time or the value of the purchase.
-

Unauthorized Expenses

Meals

- Meal allowances are not paid for meals enroute 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

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.

Processing Travel & Expense Authorizations

Director

- [Receives permission from the Board President or designee to attend a conference, seminar, or training course.](#)
- 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 (who currently sits on the Board)

- 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**

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~~ use the most current version of the form in the Forms Shop ~~for the current form. This form is updated to~~ which will 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 ([who currently sits on the Board](#))

- 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 Expenses

~~Directors requesting prepayment of expenses for a business trip are required to 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 by the 10th day of the month but no later than 30 days following the expenditure~~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 or participation in a local event, training, or seminar that does not require airfare or lodging for personal reasons or "good cause" 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 as soon as reasonably possible and copy the Board President.

Good cause shall include, but not be limited to, a director's illness, family emergency, or schedule conflict directly related to the business and interests of the District.

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 prior to the trip 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.

Report to Board

~~At the next Board Meeting, the Director will make an oral or written presentation to the Board 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.~~

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 4.14

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SUPERSEDES 22 NOV 22

REIMBURSEMENT OF DIRECTOR EXPENSES

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT 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, when authorized in advance or subsequently approved by the Board President. Directors will not receive personal gain or incur personal loss for their activities.

Reimbursable Expenses

Directors are eligible for the reimbursement of expenses incurred in connection with attendance as a representative of the District at 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 pre-authorize or 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 who currently sits on the Board may also approve expenses incurred by fellow Directors, including the President and Vice President.
- Any expense that does not meet the criteria for reimbursement 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.
 - Each Director will be reimbursed for attendance at conferences as long as there are funds available in the Director's allotted travel budget for the fiscal year. The Board President has the authority to approve reimbursement for conference expenditures that may exceed the Director's allotted travel budget for the fiscal year, based on factors such as whether the Director has an official role at the conference (e.g., serving as a panelist), the Director's recent and planned budget utilization, and the status of the remaining travel budget for the Board.
 - 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., what was learned at the conference that may be helpful to the Board or the District and what meetings or sessions the Director 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 shall briefly report on the meeting. If multiple Directors attended, a joint report may be made.
-

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33414-04, March 23, 2004
Amended by Resolution No. 33471-05, April 26, 2005
Amended by Resolution No. 33661-08, March 11, 2008
Amended by Resolution No. 33756-10, February 23, 2010
Amended by Resolution No. 33919-13, March 26, 2013
Amended by Resolution No. 33923-13, April 9, 2013

Reimbursement of Director Expenses

NUMBER 4.14

PAGE NO.: 3

EFFECTIVE DATE: 27 MAY 25

Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35168-20, March 24, 2020
Amended by Resolution No. 35325-22, November 22, 2022
Amended by Resolution No. XXXXX-25, May 27, 2025

References

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 6.04 – Ethics of the EBMUD Board of Directors
Resolution No. 35000-16 dated August 9, 2016
Resolution No. 35428-24 dated November 26, 2024
EBMUD District Vehicle Guidelines
EBMUD Board of Directors Governance Manual

GUIDELINES FOR REIMBURSEMENT OF BOARD OF DIRECTOR EXPENSES

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 4.14.

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 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.

Authorization

Reimbursable Expenses That Require Prior Authorization

- Conferences, seminars, or similar training courses requiring either a registration fee or overnight lodging costing \$200 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.
- Use of international data or telecommunications plans while traveling for non-District related purposes to remain in contact and available for District related communications.

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 Directors' authorization requests. In the absence of the President and/or the Vice President, the Immediate Past President who currently sits on the Board 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.

Prior to the beginning of each fiscal year, the Secretary will provide the Board with a draft calendar of conferences and activities for the fiscal year that may require reimbursable lodging, registration or airfare. By June 10 of each year, each Director shall provide the Secretary with a written forecast of the Director's planned event attendance for the fiscal year. The written forecast can include conferences or activities that were not on the draft calendar provided by the Secretary. The Secretary will submit the written forecasts to the Board President for review and approval. During the fiscal year, Directors can submit requests to participate in additional conferences or activities for the Board President's consideration.

Reimbursable Expenses That Do Not Require Prior Authorization

- Conference, seminar or similar training registration fees costing less than \$200.
- 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**

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.
- 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 enroute 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 represents the fare for a direct flight (for in state travel), during normal business hours and must be documented through services such as Expedia, Travelocity and Orbitz or similar travel website. Questions regarding “in lieu” fare levels can be verified with the Secretary of the District in advance of travel.

Use of District Fleet Vehicles

A Director may request use of a District fleet vehicle for travel in connection with attendance as a representative of the District at events. The Director should submit a request to the Office of the Secretary as far in advance as possible but no later than 72 hours before their travel date. The Director will operate the fleet vehicle in accordance with all vehicle laws and District vehicle guidelines. The Director will be responsible for refueling the fleet vehicle in accordance with District vehicle guidelines prior to returning it to the District. The Director will be reimbursed for refueling the fleet vehicle.

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

Lodging

Lodging expenses are limited to the GSA per diem rates. The rate may be exceeded if staying at the conference hotel. Lodging expenses will be reimbursed only when overnight absence from the Director’s home is required. An itemized receipt must be included with 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 GSA per diem rate. The receipt should be annotated to show the “standard single” rate if the cost of the accommodations exceeds that rate.

Government, corporate or conference rates must be requested, when available, 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](#).

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

Other travel websites may also be used. 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 – 18 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 or rideshare – 10 percent of the cost of taxi or rideshare 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 channels due to time or the value of the purchase.
-

**Unauthorized
Expenses**

Meals

- Meal allowances are not paid for meals enroute 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**

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.
-

**Processing Travel
and Expense
Authorizations**

Director

- Receives permission from the Board President or designee to attend a conference, seminar, or training course.
- 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 (who currently sits on the Board)

- 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**

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 use the most current version of the form in the Forms Shop which will 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 (who currently sits on the Board)

- 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 Expenses

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 by the 10th day of the month but no later than 30 days following the expenditure.

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 or participation in a local event, training, or seminar that does not require airfare or lodging for personal reasons or “good cause” 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 as soon as reasonably possible and copy the Board President.

Good cause shall include, but not be limited to, a director's illness, family emergency, or schedule conflict directly related to the business and interests of the District.

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 prior to the trip 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.

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 4.21R

EFFECTIVE [27 MAY 25](#)
[22-MAR-22](#)
SUPERSEDES [22 MAR 22](#)
[26-SEP-17](#)

LAND AND CONSERVATION/MITIGATION CREDIT SALES – USE OF FUNDS

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

Effectively and efficiently manage, control, and dispose of real property in a manner that complies with legal requirements and maximizes benefit to the District. The District will also utilize funds from the sale of watershed land and conservation/mitigation credits to protect of water quality, biological diversity, and to preserve or enhance the environment, open space and recreation.

Disposal of Surplus Real Property In disposing any surplus real property, the District shall comply with the following:

- ~~Offer any~~ Provide notice of the proposed disposal of the surplus real property ~~for sale to other qualified~~ to public agencies and housing sponsors as required by ~~in accordance with State law~~ the California Surplus Land Act.
- ~~In the event no other qualified public agency expresses an interest in the District's surplus real property, n~~ Notify adjacent property owners by certified mail of the District's intent to dispose of ~~the its surplus real~~ property at least thirty days prior to ~~the~~ marketing of that ~~District-owned surplus real~~ property in the event no qualified public agency or housing sponsor has expressed an interest in the property.
- Offer to sell the ~~surplus real~~ property to the public by a method that will generate the highest net revenue to the District.
- ~~Offer the sale of conservation/mitigation credits from the Oursan Ridge Conservation Bank.~~
- ~~Allocate any funds realized from the sale of District-owned surplus real property as follows:~~

Use of Funds from Sales of Watershed Land ~~Sales and Conservation/Mitigation Credits Sales~~

Funds received from the sale of any watershed land included in the 1996 East Bay Watershed Master Plan, adopted by Resolution No. 32979-96 (and subsequently updated by Resolution No. 35089-18), any Mokelumne Area watershed land included in the 2008 Mokelumne Watershed Master Plan, which was adopted by Resolution No. 33668-08, and any conservation/mitigation credits ~~from the Oursan Ridge Conservation Bank, adopted by Resolution No. 35014-16, after the Oursan Ridge Conservation Bank E~~ endowment F fund is fully funded, shall be separately accounted for and used for the sole purpose of acquiring similar watershed land necessary or desirable for the protection of water quality and biological diversity, or the preservation or enhancement of habitat, open space and recreational values.

Use of Funds from Non-Watershed Land Sales

Funds received from the sale of any non-watershed land, not included in the East Bay Watershed Master Plan or the Mokelumne Watershed Master Plan, shall be separately accounted for and deposited into the District's general fund.

**Land and Conservation/Mitigation Credit
Sales – Use of Funds**

NUMBER 4.21

PAGE NO.: 2

EFFECTIVE DATE: [22 APR 25](#)
~~[22 MAR 22](#)~~

Authority

Resolution No. 30773-83, December 13, 1983
Amended by Resolution No. 33116-98, August 11, 1998
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33571-06, December 12, 2006
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35278-22, March 22, 2022
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)
[California Municipal Utility District Act](#)
[California Surplus Land Act](#)



Policy 4.21

EFFECTIVE 27 MAY 25

SUPERSEDES 22 MAR 22

LAND AND CONSERVATION/MITIGATION CREDIT SALES – USE OF FUNDS

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

Effectively and efficiently manage, control, and dispose of real property in a manner that complies with legal requirements and maximizes benefit to the District. The District will also utilize funds from the sale of watershed land and conservation/mitigation credits to protect of water quality, biological diversity, and to preserve or enhance the environment, open space and recreation.

Disposal of Surplus Real Property In disposing any surplus real property, the District shall comply with the following:

- Provide notice of the proposed disposal of the property to public agencies and housing sponsors as required by the California Surplus Land Act.
 - Notify adjacent property owners by certified mail of the District's intent to dispose of the property at least thirty days prior to marketing that property in the event no qualified public agency or housing sponsor has expressed an interest in the property.
 - Offer to sell the property to the public by a method that will generate the highest net revenue to the District.
-

Use of Funds from Sales of Watershed Land and Conservation/Mitigation Credits

Funds received from the sale of any watershed land included in the 1996 East Bay Watershed Master Plan, adopted by Resolution No. 32979-96 (and subsequently updated by Resolution No. 35089-18), any Mokelumne Area watershed land included in the 2008 Mokelumne Watershed Master Plan, which was adopted by Resolution No. 33668-08, and any conservation/mitigation credits after endowment fund is fully funded, shall be separately accounted for and used for the sole purpose of acquiring similar watershed land necessary or desirable for the protection of water quality and biological diversity, or the preservation or enhancement of habitat, open space and recreational values.

Use of Funds from Non-Watershed Land Sales

Funds received from the sale of any non-watershed land, not included in the East Bay Watershed Master Plan or the Mokelumne Watershed Master Plan, shall be separately accounted for and deposited into the District's general fund.

Authority

Resolution No. 30773-83, December 13, 1983
Amended by Resolution No. 33116-98, August 11, 1998
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33571-06, December 12, 2006
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35278-22, March 22, 2022
Amended by Resolution No. XXXXX-25, May 27, 2025
California Municipal Utility District Act
California Surplus Land Act



Policy 6.06^R

EFFECTIVE 27 MAY 25

27-APR-21

SUPERSEDES 27 APR 21

26-FEB-19

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

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

Ensure equal employment opportunity for all persons in all aspects of employment.

Purpose

To provide equal employment opportunity (EEO) for ~~everyone~~all persons on the basis of job-related merit, and ensure fairness in all aspects of the District's employment practices. This policy is implemented in compliance with state and federal laws and is further detailed in District Procedure 614 ~~implements this policy and sets forth the complaint process and complaint mechanisms, in compliance with state and federal law.~~

Scope

This policy prohibits unlawful discrimination, harassment, and retaliation by any ~~supervisor, manager, coworker, and/or District employee~~District employee, including supervisors, managers, coworkers, as well as by any other third party that comes (e.g., applicants, vendors, customers, members of the public, independent contractors) who come into contact with an employee. ~~This policy prohibits EEO. Board members are also prohibited from engaging in~~discrimination against any job applicant, employee or student/trainee by an employee of the District on the basis of a protected group status. Board members will not discriminate against or harass any person, as or harassment as provided in the Policy 6.04, Ethics of the EBMUD Board of Directors (Policy 6.04), and consistent with this policy as prescribed in this policy. ~~Consistent with,~~This policy applies to all aspects of employment, including recruitment, hiring, placement, promotion, transfer, training, discipline, and all other terms and in furtherance of, this policy and conditions of employment.

~~Consistent applicable federal and state laws, t~~The District develops and implements Affirmative Action Programs in a manner that is consistent with applicable federal and state laws. These programs include making inclusive, creative, and comprehensive recruitment, outreach and placement efforts to ensure the Districts workforce reflects the diversity of the labor market, including representation from traditionally marginalized and underrepresented communities.~~The District uses inclusive and creative recruitment, outreach and placement methods that further the District's efforts to achieve a diverse workforce composition reflective of the labor market in regards to gender and race/ethnicity.~~ The District uses good faith outreach efforts that are neutral and do not favor, discriminate against, or disparately impact any group. The District also takes affirmative action to employ and advance ~~in~~ employment of qualified protected veterans and individuals with disabilities.

Definitions

Adverse Impact

When the use of a facially neutral policy or selection procedure disqualifies members of a protected class at a substantially higher rate than others.

Adverse Employment Action

Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.

Applicant

An individual who has completed an employment application for a specific, ~~available~~ position at the District.

Complaint

An oral or written allegation of discrimination, harassment, and/or retaliation.

EEO Discrimination

~~EEO discrimination involves making~~ Discrimination in employment decisions based on ~~the basis of~~ an individual's protected group status, ~~including but not limited to,~~ This includes decisions related to recruitment, hiring, placement, promotion, transfer, training, discipline, working conditions, wage administration, benefits, and policy application. ~~regarding the following aspects of the employment relationship:~~

~~Recruitment~~

~~Hiring~~

~~Placement~~

~~Promotion~~

~~Transfer~~

~~Training~~

~~Working terms and~~

~~Wage and salary~~

~~Employee of policies~~

~~Discrimination includes harassment on the basis of a protected group and~~ Harassment, failure to accommodate ~~a religious practice or provide a reasonable accommodation for a qualified individual with a disability~~ practices, and retaliation, are also considered forms of discrimination.

Employee

An individual selected and/or appointed to a position created and authorized by the Board of Directors and receiving compensation and benefits from the District, including individuals in Board authorized job classifications with the term "intern" in the title.

Independent Contractor

A person that is not an employee of the District and provides goods or services to the District under terms specified in a contract.

Protected Groups

This policy prohibits discrimination or harassment on the basis of race (i.e., racial characteristics including hair style/texture), color, religion, creed, sex, reproductive health decision making, gender, 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/or physical), medical condition (cancer and/or genetic characteristics), genetic information, sexual orientation, military and ~~veterans/or~~ veteran status, family or medical leave status, pregnancy (including childbirth, lactation or related medical condition), pregnancy disability leave status, domestic violence victim status, political affiliation, or any other status protected by federal, state and/or local laws.

Retaliation

~~As used in this policy, retaliation is defined as any~~Any adverse employment action taken against an employee ~~because the employee engaged in an activity protected under this policy. Protected activities may include, but are not limited to, for engaging in a protected activity, such as~~ reporting or assisting in reporting ~~suspected~~violations of this policy ~~and/or cooperating in investigations, or proceedings arising out of a violation of this policy. Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.~~

Examples ~~of retaliation under this policy include, but are not limited to:~~include demotion; suspension; ~~reduction in pay;~~ denial of a merit salary increase; failure to hire or consider for hire; refusing to promote or consider for promotion ~~because of reporting a violation of this policy; harassing another employee for filing a complaint; denying employment opportunities because of making a complaint or for cooperating in an investigation; changing someone's work assignments for identifying, harassment or other forms of discrimination in the workplace; treating people differently such as denying an accommodation; or not talking to an employee when otherwise required by job duties, or otherwise excluding the employee from job-related activities because of engagement in activities protected under this policy, or any action that could deter an employee from engaging in protected activities.~~

Student/Trainee

Any District authorized student or trainee who is not compensated by the District but is either paid by a third party or retained by a third party to work at the District in order to gain job experience or academic credit.

Vendor

An employee, owner, or agent of a company that provides goods or services to the District.

Volunteer

Individuals serving as unpaid helpers for various community events. Individuals who volunteer or donate their services, usually on a limited basis, for public service, religious or humanitarian objectives for non-profit organizations that receive their service.

Workplace

The workplace exists where there is a nexus between the behavior and the EEO rights of employees or others (customers, vendors, members of the public, etc.). The workplace may include District facilities and worksites, or off-site locations, outside of the District's facilities, such as off-site meetings and trainings and social functions involving District employees or related to District activities.

Responsibilities**All District Employees**

All District employees, including members of the Board of Directors, are expected to report to their supervisor and/or manager, or any supervisor or manager at the District, and/or to the Diversity and Inclusion Office (DIO) any EEO discrimination or workplace harassment ~~which~~that they become aware of.

Supervisors/Managers

Supervisors and managers are required to report any apparent or suspected EEO discrimination, harassment, or retaliation to their supervisor/manager and the DIO within two (2) business days of becoming aware of such conduct. They must also pro-actively monitor their work units for discriminatory or harassing behavior and take appropriate steps to correct any violations of this policy. Supervisors and managers are required to enforce this policy and ensure all employees in their unit are informed about and adhere to this policy~~/or managers are held to a higher reporting standard. They must report to their supervisor and/or manager and the DIO any apparent or suspected EEO discrimination, workplace harassment or retaliation. The report should be made within two (2) business days of the supervisor and/or manager becoming aware of the conduct prohibited by this policy.~~

Supervisors and managers at all levels act on behalf of the District. ~~A supervisor's~~A supervisor/manager's duties include monitoring ~~his or her~~their work unit for discriminatory or harassing behavior and taking appropriate steps to stop and correct behavior that violates the District's EEO policy. ~~At the same time, s~~Supervisors/managers must ~~enforce also adhere to~~ this policy ~~as well as adhere to it~~. Each supervisor/manager is expected to familiarize ~~himself or herself~~themselves with the District's policies prohibiting EEO discrimination and harassment, to incorporate them into ~~his or her~~their own workplace conduct, and to inform employees in the work unit to do the same.

Follow-up and Monitoring

Once conduct prohibited by this policy has been reported in a work unit, periodic and regular follow-up by the supervisor/manager or the DIO shall be taken to monitor the workplace for discriminatory or harassing behavior, and to prevent retaliation from occurring. Employees are also responsible for notifying the DIO or supervisors/managers if retaliation occurs.

Remedies

Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. The District will promptly, thoroughly and fairly investigate every issue that is brought to its attention in this area and will take corrective actions~~s~~, as appropriate, up to and including termination of employment. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected.

Authority

Resolution 32952-95, December 12, 1995
As amended by Motion 173-01, October 9, 2001
As amended by Resolution 33438-04, September 14, 2004
Reaffirmed by Motion 195-07, November 13, 2007
As amended by Motion 016-09, February 10, 2009
Reaffirmed by Motion 006-11, January 11, 2011
As amended by Resolution 33864-12, January 24, 2012
Reaffirmed by Motion 026-14, February 11, 2014
As amended by Resolution 35029-17, March 28, 2017
As amended by Resolution 35132-19, February 26, 2019
As amended by Resolution 35221-21, April 27, 2021
As amended by Resolution XXXXX-25, May 27, 2025

Title VII, Civil Rights Act of 1964 as amended (42 U.S.C. §2000e et seq.), including The Pregnancy Discrimination Act; The Equal Pay Act of 1963 (29 U.S.C. §206(d) et seq.); The Age Discrimination in Employment Act of 1967 (29 U. S.C. §621 et seq.); Title I of the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.); The Genetic Information Nondiscrimination Act of 2008; Immigration Reform and Control Act (8 U.S.C. 1101 et seq.); Executive Order 11246; Family and Medical Leave Act ([29 U.S.C. §2601, et seq.](#); Rehabilitation Act of 1973, Section 503; Uniformed Services Employment and Reemployment Rights Act ([38 U.S.C. §§ 4301–4335](#)); Vietnam Era Veterans' Readjustment Assistance Act ([38 U.S.C. § 4212](#)); California Fair Employment and Housing Act (Gov. Code §12900 et seq.), including the California Family Rights Act ([Gov. Code §12945.2](#)).

References

District Affirmative Action Programs
Policy 2.02 – Accommodation for Individuals with Disabilities in the Workplace
Policy 2.05 – Employee Discipline
Policy 6.04 – Ethics of the EBMUD Board of Directors
Policy 6.07 – Prevention of Workplace Harassment
Procedure 201 – Accommodation for Individuals with Disabilities in the Workplace
Procedure 223 – Discipline
Procedure 614 – Equal Employment Opportunity (EEO) Discrimination, Harassment and Retaliation Complaints, Investigations and Appeals



EQUAL EMPLOYMENT OPPORTUNITY (EEO)

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

Ensure equal employment opportunity for all persons in all aspects of employment.

Purpose To provide equal employment opportunity (EEO) for everyone, and ensure fairness in all aspects of the District's employment practices. This policy is implemented in compliance with state and federal laws and is further detailed in District Procedure 614.

Scope This policy prohibits unlawful discrimination, harassment, and retaliation by any District employee, including supervisors, managers, coworkers, as well as by any third party (e.g., applicants, vendors, customers, members of the public, independent contractors) who come into contact with an employee. Board members are also prohibited from engaging in discrimination or harassment as provided in the Policy 6.04, Ethics of the EBMUD Board of Directors, and as prescribed in this policy. This policy applies to all aspects of employment, including recruitment, hiring, placement, promotion, transfer, training, discipline, and all other terms and conditions of employment.

The District develops and implements Affirmative Action Programs in a manner that is consistent with applicable federal and state laws. These programs include making inclusive, creative, and comprehensive recruitment, outreach and placement efforts to ensure the District's workforce reflects the diversity of the labor market, including representation from traditionally marginalized and underrepresented communities. The District uses good faith outreach efforts that are neutral and do not favor, discriminate against, or disparately impact any group. The District also takes affirmative action to employ and advance employment of qualified protected veterans and individuals with disabilities.

Definitions

Adverse Impact

When the use of a facially neutral policy or selection procedure disqualifies members of a protected class at a substantially higher rate than others.

Adverse Employment Action

Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.

Applicant

An individual who has completed an employment application for a specific position at the District.

Complaint

An oral or written allegation of discrimination, harassment, and/or retaliation.

EEO Discrimination

Discrimination in employment decisions based on an individual's protected group status. This includes decisions related to recruitment, hiring, placement, promotion, transfer, training, discipline, working conditions, wage administration, benefits, and policy application.

Harassment, failure to accommodate religious practices, and retaliation, are also considered forms of discrimination.

Employee

An individual selected and/or appointed to a position created and authorized by the Board of Directors and receiving compensation and benefits from the District, including individuals in Board authorized job classifications with the term "intern" in the title.

Independent Contractor

A person that is not an employee of the District and provides goods or services to the District under terms specified in a contract.

Protected Groups

This policy prohibits discrimination or harassment on the basis of race (i.e., racial characteristics including hair style/texture), color, religion, creed, sex, reproductive health decision making, gender, gender identity (including transgender status), gender expression, marital or registered domestic partnership status, age (forty or older), national origin, ancestry, disability (mental or physical), medical condition (cancer or genetic characteristics), genetic information, sexual orientation, military and/or veteran status, family or medical leave status, pregnancy (including childbirth, lactation or related medical condition), pregnancy disability leave status, domestic violence victim status, political affiliation, or any other status protected by federal, state and/or local laws.

Retaliation

Any adverse employment action taken against an employee for engaging in a protected activity, such as reporting or assisting in reporting violations of this policy or cooperating in investigations.

Examples include demotion, suspension, denial of promotion, harassment, or any action that could deter an employee from engaging in protected activities.

Student/Trainee

Any District authorized student or trainee who is not compensated by the District but is either paid by a third party or retained by a third party to work at the District in order to gain job experience or academic credit.

Vendor

An employee, owner, or agent of a company that provides goods or services to the District.

Volunteer

Individuals serving as unpaid helpers for various community events. Individuals who volunteer or donate their services, usually on a limited basis, for public service, religious or humanitarian objectives for non-profit organizations that receive their service.

Workplace

The workplace exists where there is a nexus between the behavior and the EEO rights of employees or others (customers, vendors, members of the public, etc.). The workplace may include District facilities and worksites, or off-site locations, outside of the District's facilities, such as off-site meetings and trainings and social functions involving District employees or related to District activities.

Responsibilities**All District Employees**

All District employees, including members of the Board of Directors, are expected to report to their supervisor and/or manager, or any supervisor or manager at the District, and/or to the Diversity and Inclusion Office (DIO) any EEO discrimination or workplace harassment that they become aware of.

Supervisors/Managers

Supervisors and managers are required to report any apparent or suspected EEO discrimination, harassment, or retaliation to their supervisor/manager and the DIO within two (2) business days of becoming aware of such conduct. They must also pro-actively monitor their work units for discriminatory or harassing behavior and take appropriate steps to correct any violations of this policy. Supervisors and managers are required to enforce this policy and ensure all employees in their unit are informed about and adhere to this policy.

Supervisors and managers act on behalf of the District. A supervisor/manager's duties include monitoring their work unit for discriminatory or harassing behavior and taking appropriate steps to stop and correct behavior that violates the District's EEO policy. Supervisors/managers must also adhere to this policy. Each supervisor/manager is expected to familiarize themselves with the District's policies prohibiting EEO discrimination and harassment, to incorporate them into their own workplace conduct, and to inform employees in the work unit to do the same.

Follow-up and Monitoring

Once conduct prohibited by this policy has been reported in a work unit, periodic and regular follow-up by the supervisor/manager or the DIO shall be taken to monitor the workplace for discriminatory or harassing behavior, and to prevent retaliation from occurring. Employees are also responsible for notifying the DIO or supervisors/managers if retaliation occurs.

Remedies

Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. The District will promptly, thoroughly and fairly investigate every issue that is brought to its attention in this area and will take corrective action, as appropriate, up to and including termination of employment. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected.

Authority

Resolution 32952-95, December 12, 1995
As amended by Motion 173-01, October 9, 2001
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Reaffirmed by Motion 195-07, November 13, 2007
As amended by Motion 016-09, February 10, 2009
Reaffirmed by Motion 006-11, January 11, 2011
As amended by Resolution 33864-12, January 24, 2012
Reaffirmed by Motion 026-14, February 11, 2014
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As amended by Resolution 35221-21, April 27, 2021
As amended by Resolution XXXXX-25, May 27, 2025

Title VII, Civil Rights Act of 1964 as amended (42 U.S.C. §2000e et seq.), including The Pregnancy Discrimination Act; The Equal Pay Act of 1963 (29 U.S.C. §206(d) et seq.); The Age Discrimination in Employment Act of 1967 (29 U. S.C. §621 et seq.); Title I of the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.); The Genetic Information Nondiscrimination Act of 2008; Immigration Reform and Control Act (8 U.S.C. 1101 et seq.); Executive Order 11246; Family and Medical Leave Act ([29 U.S.C. §2601, et seq.](#)); Rehabilitation Act of 1973, Section 503; Uniformed Services Employment and Reemployment Rights Act ([38 U.S.C. §§ 4301–4335](#)); Vietnam Era Veterans' Readjustment Assistance Act ([38 U.S.C. § 4212](#)); California Fair Employment and Housing Act (Gov. Code §12900 et seq.), including the California Family Rights Act ([Gov. Code §12945.2](#)).

References

District Affirmative Action Programs
Policy 2.02 – Accommodation for Individuals with Disabilities in the Workplace
Policy 2.05 – Employee Discipline
Policy 6.04 – Ethics of the EBMUD Board of Directors
Policy 6.07 – Prevention of Workplace Harassment
Procedure 201 – Accommodation for Individuals with Disabilities in the Workplace
Procedure 223 – Discipline
Procedure 614 – Equal Employment Opportunity (EEO) Discrimination, Harassment and Retaliation Complaints, Investigations and Appeals



Policy 6.13R

EFFECTIVE [27 MAY 25](#)

~~08-DEC-20~~

SUPERSEDES [08 DEC 20](#)

~~25 JAN-05~~

TRAINING AND DEVELOPMENT

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

~~Provide~~ Foster a culture of continuous learning and development across all levels and departments. ~~Provide a wide range of comprehensive~~ training programs, developmental opportunities, ~~information,~~ and ~~other means for~~ resources that empower employees to ~~improve~~ enhance their competencies, knowledge, skills, abilities, and safety awareness. ~~Support employees' efforts to excel in the performance of their~~ current position, and to support employees' preparation for roles while preparing for career advancement within the District. Encourage and facilitate involvement of long-term employees in mentorship.

This policy applies to all employees, including full-time, part-time, and temporary staff, across all departments and levels within the District.

Authority

Resolution No. 32960, January 23, 1996
As amended by Resolution No. 33458-05, January 25, 2005
As amended by Resolution No. 35209-20, December 8, 2020
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Procedure 616 – Tuition Reimbursement for Employee Education
[Procedure 617 – Performance Plan and Appraisals](#)



Policy 6.13

EFFECTIVE 27 MAY 25

SUPERSEDES 08 DEC 20

TRAINING AND DEVELOPMENT

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

Foster a culture of continuous learning and development across all levels and departments. Provide a wide range of comprehensive training programs, developmental opportunities, and resources that empower employees to enhance their competencies, knowledge, skills, abilities, and safety awareness. Support employees' efforts to excel in their current roles while preparing for career advancement within the District. Encourage and facilitate involvement of long-term employees in mentorship.

This policy applies to all employees, including full-time, part-time, and temporary staff, across all departments and levels within the District.

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Resolution No. 32960, January 23, 1996
As amended by Resolution No. 33458-05, January 25, 2005
As amended by Resolution No. 35209-20, December 8, 2020
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Procedure 616 – Tuition Reimbursement for Employee Education
Procedure 617 – Performance Plan and Appraisals



Policy 7.01R

EFFECTIVE [24 AUG 21](#)
[27 MAY 25](#)
SUPERSEDES ~~[24 SEP 19](#)~~
[24 AUG 21](#)

AQUEDUCT AND DISTRIBUTION PIPELINE RIGHTS-OF-WAY MAINTENANCE

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

Maintain the integrity of the raw water aqueducts and the distribution pipeline rights-of-way (fee-owned and easement established) to ensure:

- Safety and reliability of water supply, and the rights and obligations of the District;
 - Protection against fire;
 - Protection against erosion;
 - Protection against flooding;
 - Protection against trespassing by individuals, unauthorized access by vehicles and equipment, and unauthorized encroachment; and
 - Fast recovery from emergencies.
-

Rights-of-Way Use Restrictions

Protect against trespassing by use of control measures such as gates across rights-of-way to ensure operational capabilities maintained; property requirements are met; and underground and above-ground facilities are protected.

With prior District approval, allow use of the rights-of-way for public trail purposes by public agencies provided such use will lessen maintenance work performed by the District and with due regard for District liability, safety of pipelines, and maintenance of access roads. The use of District aqueduct rights-of-way by public agencies ~~may~~will only be allowed under the terms of a properly authorized written agreement.

Where possible, secure relinquishment of surface rights from their present owners in exchange for other rights requested by those owners where such exchanges are in the best interests of the District.

Prohibit uses incompatible with the District's property rights, operation and maintenance of the aqueducts and distribution pipelines, or that potentially impact the District's assets. These prohibitions generally include but are not limited to:

- Use of District aqueduct or distribution pipeline properties by others as a condition to meet city/county zoning requirements or to obtain any land use permit, approval, or entitlement affecting properties not owned by the District.
 - Third party building or portions of buildings constructed on aqueduct or distribution pipeline property.
 - Unauthorized non-District vehicular parking anywhere on the District rights-of-way. ~~by others over aqueducts or distribution pipelines.~~
 - Interference with gravity drainage of District aqueduct or distribution pipeline property. Drainage facilities shall be provided outside District property to assure adequate drainage is maintained.
-

Aqueduct and Distribution Pipeline Rights-of-Way Maintenance

NUMBER 7.01

PAGE NO.: 2

EFFECTIVE DATE: [22 APR 25](#)
~~24 AUG 21~~

Raw Water Aqueduct Integrity

Plan for and implement the repair, refurbishment, and replacement of the aqueducts including a secure Delta tunnel.

Ensure that all uses of aqueduct rights-of-way accommodate repairs and future construction of replacement aqueducts, additional aqueducts, and potential improvements to the aqueducts.

Ensure construction from any proposed third-party project that passes under, over, or through a fee-owned or easement established aqueduct right-of-way is evaluated in detail for potential impacts, and mitigations are identified and implemented to the level of no significant impact.

Authority

Resolution No. 14,620, January 26, 1951
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33443-04, September 28, 2004
As amended by Resolution No. 33564-06, November 14, 2006
As amended by Resolution No. 33780-10, September 14, 2010
As amended by Resolution No. 33871-12, April 24, 2012
As amended by Resolution No. 34059-15, November 24, 2015
As amended by Resolution No. 35156-19, September 24, 2019
As amended by Resolution No. 35243-21, August 24, 2021
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Policy 9.06 – Bay-Delta Protection
Procedure 718 – Authorized Uses of Pipeline Rights-of-Way



Policy 7.01

EFFECTIVE 27 MAY 25

SUPERSEDES 24 AUG 21

AQUEDUCT AND DISTRIBUTION PIPELINE RIGHTS-OF-WAY MAINTENANCE

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

Maintain the integrity of the raw water aqueducts and the distribution pipeline rights-of-way (fee-owned and easement established) to ensure:

- Safety and reliability of water supply, and the rights and obligations of the District;
- Protection against fire;
- Protection against erosion;
- Protection against flooding;
- Protection against trespassing by individuals, unauthorized access by vehicles and equipment, and unauthorized encroachment; and
- Fast recovery from emergencies.

Rights-of-Way Use Restrictions

Protect against trespassing by use of control measures such as gates across rights-of-way to ensure operational capabilities maintained; property requirements are met; and underground and above-ground facilities are protected.

With prior District approval, allow use of the rights-of-way for public trail purposes by public agencies provided such use will lessen maintenance work performed by the District and with due regard for District liability, safety of pipelines, and maintenance of access roads. The use of District aqueduct rights-of-way by public agencies will only be allowed under the terms of a properly authorized written agreement.

Where possible, secure relinquishment of surface rights from their present owners in exchange for other rights requested by those owners where such exchanges are in the best interests of the District.

Prohibit uses incompatible with the District's property rights, operation and maintenance of the aqueducts and distribution pipelines, or that potentially impact the District's assets. These prohibitions generally include but are not limited to:

- Use of District aqueduct or distribution pipeline properties by others as a condition to meet city/county zoning requirements or to obtain any land use permit, approval, or entitlement affecting properties not owned by the District.
 - Third party building or portions of buildings constructed on aqueduct or distribution pipeline property.
 - Unauthorized non-District vehicular parking anywhere on the District rights-of-way.
 - Interference with gravity drainage of District aqueduct or distribution pipeline property. Drainage facilities shall be provided outside District property to assure adequate drainage is maintained.
-

Aqueduct and Distribution Pipeline Rights-of-Way Maintenance

NUMBER 7.01

PAGE NO.: 2

EFFECTIVE DATE: 22 APR 25

Raw Water Aqueduct Integrity

Plan for and implement the repair, refurbishment, and replacement of the aqueducts including a secure Delta tunnel.

Ensure that all uses of aqueduct rights-of-way accommodate repairs and future construction of replacement aqueducts, additional aqueducts, and potential improvements to the aqueducts.

Ensure construction from any proposed third-party project that passes under, over, or through a fee-owned or easement established aqueduct right-of-way is evaluated in detail for potential impacts, and mitigations are identified and implemented to the level of no significant impact.

Authority

Resolution No. 14,620, January 26, 1951
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33443-04, September 28, 2004
As amended by Resolution No. 33564-06, November 14, 2006
As amended by Resolution No. 33780-10, September 14, 2010
As amended by Resolution No. 33871-12, April 24, 2012
As amended by Resolution No. 34059-15, November 24, 2015
As amended by Resolution No. 35156-19, September 24, 2019
As amended by Resolution No. 35243-21, August 24, 2021
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Policy 9.06 – Bay-Delta Protection
Procedure 718 – Authorized Uses of Pipeline Rights-of-Way



Policy 7.08R

EFFECTIVE [27 MAY 25](#)

~~22 NOV 22~~

SUPERSEDES [22 NOV 22](#)

~~28 OCT 14~~

RESIDENCES – DISTRICT-OWNED

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

Protect District-owned facilities and watershed lands from security threats, fire, hunting, vandalism and other encroachments. The District determined that it is necessary and beneficial to have District employees (“employee-residents”) reside on certain District-owned lands. Such employee-residents shall have duties including, but not limited to, responding to emergencies and requests from the public for assistance, providing security for District-owned facilities and lands including prevention from vandalism, and similar duties.

Residency Program

Employees selected to live on District-owned premises shall be required to live in a District residence on District-owned lands as determined by the District, so as to be available to provide the above-described services day or night. The District has exclusive rights to determine the need for ~~each~~ employee residency on District-owned land [based on operating needs](#) and ~~to determine which assign~~ employees [accordingly](#) ~~shall be selected as employee-residents~~. Employees selected as employee-residents shall execute a tenant agreement containing all terms and conditions of the residency, including reasonable, realistic rent.

Such rent shall be based upon the fair market value of the rent, as well as the size, condition, location of, and access to the residence and other factors that affect rental value such as the availability of potable drinking water, taking into consideration, the value of the resident services provided to the District by the employee-resident.

Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33214-00, July 11, 2000
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 34005-14, October 28, 2014
As amended by Resolution No. 35325-22, November 22, 2022
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)



Policy 7.08

EFFECTIVE 27 MAY 25

SUPERSEDES 22 NOV 22

RESIDENCES – DISTRICT-OWNED

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

Protect District-owned facilities and watershed lands from security threats, fire, hunting, vandalism and other encroachments. The District determined that it is necessary and beneficial to have District employees (“employee-residents”) reside on certain District-owned lands. Such employee-residents shall have duties including, but not limited to, responding to emergencies and requests from the public for assistance, providing security for District-owned facilities and lands including prevention from vandalism, and similar duties.

Residency Program

Employees selected to live on District-owned premises shall be required to live in a District residence on District-owned lands as determined by the District, so as to be available to provide the above-described services day or night. The District has exclusive rights to determine the need for employee residency on District-owned land based on operating needs and assign employees accordingly. Employees selected as employee-residents shall execute a tenant agreement containing all terms and conditions of the residency, including reasonable, realistic rent.

Such rent shall be based upon the fair market value of the rent, as well as the size, condition, location of, and access to the residence and other factors that affect rental value such as the availability of potable drinking water, taking into consideration, the value of the resident services provided to the District by the employee-resident.

Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33214-00, July 11, 2000
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 34005-14, October 28, 2014
As amended by Resolution No. 35325-22, November 22, 2022
As amended by Resolution No. XXXXX-25, May 27, 2025



Policy 7.09R

EFFECTIVE [27 MAY 25](#)
~~26 JUN 18~~

SUPERSEDES [26 JUN 18](#)
~~26 JAN 16~~

WORKPLACE SAFETY AND HEALTH

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

Provide employment and work environments that are safe, secure, and healthy for all employees, regardless of job classification or civil service status, to minimize injury and illness, promote public safety, [prevent workplace violence](#), prevent damage to property, plant, or equipment, and ensure compliance with all pertinent federal, state and local safety regulations. The District will implement the following in support of this policy:

Safe and Healthy Practices

Maintain written Required Safety Practices (RSP's) that document methods for employees to mitigate hazards based on federal or state worker safety orders, industry best management practices, and prior District experience.

[Promptly respond to and document reported incidents of potential workplace violence in accordance with Security Protocol 1.5 - Workplace Violence Prevention and Investigation and RSP 6000 – Workplace Violence Prevention Plan.](#)

Integrate safety and long-term health and wellness into business planning, decision making, and daily activities.

Promote effective employee participation through local safety committees and staff meetings.

Identify opportunities for continuous improvement to reduce hazards, decrease health risks, and minimize injuries.

Ensure ~~all~~ contractors, vendors, and visitors comply and adhere to a safe working environment.

Provide employees with health and wellness opportunities and resources.

Training Programs

Provide training ~~using a variety of media and methods~~ to inform [and instruct](#) employees about the requirements of the District's [health and](#) safety program including injury prevention, [and compliance with](#) applicable laws and regulations, and District safety practices. Training will include instruction on [hazard identification, protective measures, personal protective equipment, workplace violence prevention, evacuation plans, meet-up points,](#) and other safety measures specific to the [hazards of various District operations and facilities](#) ~~work facility (e.g., water treatment plants, hazardous materials evacuation plans, etc.).~~ [Ensure that all training materials and curriculum are inclusive and accessible to all employees, with language assistance and other accommodations provided as needed and content delivered in a culturally competent manner to accommodate diverse learning styles and backgrounds.](#)

Equipment

Identify, provide, and require the use of personal protective equipment applicable to the hazard(s) presented by the task(s) being performed.

Furnish and use equipment, safety devices, and safeguards that are practicable and effective to render District employment safe and healthy. Require periodic evaluation of safety equipment and devices, as appropriate.

**General Safety
Compliance**

Conduct periodic facility audits, job-site inspections, and job hazard analyses to ensure application of safe and healthy practices.

Enforce compliance with regulatory agency safety orders and District policies and practices, including discipline of employees who violate regulatory agency safety orders or District policies or practices in the performance of their work.

[Establish and implement an effective Workplace Violence Prevention Plan in accordance with California Labor Code 6401.9 to mitigate hazards associated with workplace violence and ensure incidents are promptly reported, investigated, and mitigated.](#)

References

Policy 7.05 Sustainability and Resilience
Policy 7.13 Security
District Injury and Illness Prevention Plan
Required Safety Practices
[Security Protocol 1.5 - Workplace Violence Prevention and Investigation](#)

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33027-02, September 24, 2002
Amended by Resolution No. 33443-04, September 28, 2004
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33780-10, September 14, 2010
Amended by Resolution No. 33883-12, June 26, 2012
Amended by Resolution No. 33968-14, March 25, 2014
Amended by Resolution No. 34064-16, January 26, 2016
Amended by Resolution No. 35099-18, June 26, 2018
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)



Policy 7.09

EFFECTIVE 27 MAY 25

SUPERSEDES 26 JUN 18

WORKPLACE SAFETY AND HEALTH

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

Provide employment and work environments that are safe, secure, and healthy for all employees, regardless of job classification or civil service status, to minimize injury and illness, promote public safety, prevent workplace violence, prevent damage to property, plant, or equipment, and ensure compliance with all pertinent federal, state and local safety regulations. The District will implement the following in support of this policy:

Safe and Healthy Practices

Maintain written Required Safety Practices (RSP's) that document methods for employees to mitigate hazards based on federal or state worker safety orders, industry best management practices, and prior District experience.

Promptly respond to and document reported incidents of potential workplace violence in accordance with Security Protocol 1.5 - Workplace Violence Prevention and Investigation and RSP 6000 – Workplace Violence Prevention Plan.

Integrate safety and long-term health and wellness into business planning, decision making, and daily activities.

Promote effective employee participation through local safety committees and staff meetings.

Identify opportunities for continuous improvement to reduce hazards, decrease health risks, and minimize injuries.

Ensure contractors, vendors, and visitors comply and adhere to a safe working environment.

Provide employees with health and wellness opportunities and resources.

Training Programs

Provide training to inform and instruct employees about the requirements of the District's health and safety program including injury prevention, and compliance with applicable laws and regulations, and District safety practices. Training will include instruction on hazard identification, protective measures, personal protective equipment, workplace violence prevention, and other safety measures specific to the hazards of various District operations and facilities. Ensure that all training materials and curriculum are inclusive and accessible to all employees, with language assistance and other accommodations provided as needed and content delivered in a culturally competent manner to accommodate diverse learning styles and backgrounds.

Equipment

Identify, provide, and require the use of personal protective equipment applicable to the hazard(s) presented by the task(s) being performed.

Furnish and use equipment, safety devices, and safeguards that are practicable and effective to render District employment safe and healthy. Require periodic evaluation of safety equipment and devices, as appropriate.

**General Safety
Compliance**

Conduct periodic facility audits, job-site inspections, and job hazard analyses to ensure application of safe and healthy practices.

Enforce compliance with regulatory agency safety orders and District policies and practices, including discipline of employees who violate regulatory agency safety orders or District policies or practices in the performance of their work.

Establish and implement an effective Workplace Violence Prevention Plan in accordance with California Labor Code 6401.9 to mitigate hazards associated with workplace violence and ensure incidents are promptly reported, investigated, and mitigated.

References

Policy 7.05 Sustainability and Resilience
Policy 7.13 Security
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Amended by Resolution No. 33027-02, September 24, 2002
Amended by Resolution No. 33443-04, September 28, 2004
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Amended by Resolution No. 33968-14, March 25, 2014
Amended by Resolution No. 34064-16, January 26, 2016
Amended by Resolution No. 35099-18, June 26, 2018
Amended by Resolution No. XXXXX-25, May 27, 2025



Policy 7.12R

EFFECTIVE [27 MAY 25](#)
~~11 MAR 08~~
SUPERSEDES [11 MAR 08](#)
~~24 SEP 02~~

WEATHER MODIFICATION

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

Cooperate with other agencies interested in investigating the benefits, cost, and impacts of weather modification technologies, including cloud seeding, to increase precipitation and runoff in the Mokelumne Basin.

The District will conduct weather modification activities, either alone or in partnership with other agencies, when potential increases in water supply and power generation have been identified and determined to be cost effective. These efforts will be conducted in accordance with District Policy 7.05 (Sustainability and Resilience) and take into account social, environmental, and economic effects on all communities served~~Develop programs, including cooperative programs with other agencies, to implement weather modification activities when potential increases in water supply and power generation have been identified, and when determined to be cost-effective and consistent with Policy 7.05, Sustainability and Resilience.~~

Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33027-02 September 24, 2002
As amended by Resolution No. 33661-08, March 11, 2008
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Policy 7.05 – Sustainability and Resilience
Policy 3.02 – California Environment Quality Act Implementation



Policy 7.12

EFFECTIVE 27 MAY 25

SUPERSEDES 11 MAR 08

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Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33027-02 September 24, 2002
As amended by Resolution No. 33661-08, March 11, 2008
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Policy 7.05 – Sustainability and Resilience
Policy 3.02 – California Environment Quality Act Implementation



BAY-DELTA PROTECTION

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

Support the protection and enhancement of the Sacramento-San Joaquin Delta, San Francisco Bay Estuary and their tributaries, including ecosystem enhancements, water supply reliability, water quality improvement, and water management optimization; support balanced implementation of efforts to improve and manage Bay-Delta sustainability; ensure sustainability efforts are aligned with disadvantaged communities and tribal interests; support the development of science-based wastewater discharge standards; support the development of [science-based](#) water quality and flood protection standards that place a high priority on protecting the Delta ecosystem and the quality and availability of drinking water supplies, consistent with the District's statutory obligations and responsibilities as well as in accordance with the District's mission 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.

Bay and Delta Natural Resources

San Francisco Bay and the Sacramento-San Joaquin Delta are magnificent and unique natural resources that sustain a diverse mix of plants, fish, and wildlife, and enhance the quality of life in California.

During the last two centuries, human activities have substantially altered the physical, biological, and ecological characteristics of the Sacramento-San Joaquin Delta. Recurrent levee failures in the Sacramento-San Joaquin Delta are expected due to various factors including seismicity, climate change, sea level rise, subsidence, insufficient maintenance, and erosion. Changes in the ecological function of the Sacramento-San Joaquin Delta have led to species decline, establishment of non-native species populations, and a significant reduction in suitable habitat to meet the required biological needs of migrating fish and wildlife species. In response to these trends, [state, federal, and local agencies have undertaken](#) significant efforts ~~have been undertaken~~ in recent decades to minimize or mitigate adverse impacts on the San Francisco Bay and Sacramento-San Joaquin Delta through levee improvements, habitat restoration, and flow management.

The District conveys 90 percent of its water supply for customers from aqueducts that cross the Sacramento-San Joaquin Delta and has stewardship responsibilities within at least three watersheds tributary to the Sacramento-San Joaquin Delta and to the San Francisco Bay. The District is also a partner in the Freeport Regional Water Authority on the Sacramento River, which enables the District to receive supplies from the Central Valley Project and other sources. The District is also a significant landowner in four Reclamation Districts in the Sacramento-San Joaquin Delta and has direct interest in continued protection of Sacramento-San Joaquin Delta levees that support District infrastructure.

The District discharges treated wastewater into the San Francisco Bay. Over the years, the District has made substantial investments in pollution prevention, capital and operational improvements to its wastewater treatment facilities, and participated in many San Francisco Bay stewardship activities. These efforts have contributed significantly to improving water quality in the San Francisco Bay over recent decades.

The Mokelumne River Chinook salmon population is one of the most robust in the Central Valley and provides a significant contribution to commercial and recreational fisheries in California. The continued success of the District's

management of the lower Mokelumne River and its salmon population is dependent on healthy Sacramento-San Joaquin Delta and San Francisco Bay ecosystems, including migratory pathways that allow for salmonids to migrate successfully to the ocean and return to natal rivers.

Disadvantaged communities and tribal interests have often been disconnected from the regulatory and decision-making process for the Bay and Sacramento-San Joaquin Delta ecosystems. For many, their livelihood and culture are integrated into the health of the San Francisco Bay–Sacramento-San Joaquin Delta. Protection and enhancement of the Sacramento-San Joaquin Delta will benefit from an inclusive process that strives for diversity in all processes and decisions and by promoting environmental justice.

The District, therefore, has an interest in protecting the Sacramento-San Joaquin Delta and San Francisco Bay, and restoring the ecological health and water quality of the San Francisco Bay-Sacramento-San Joaquin Delta System. The District believes that all public agencies whose actions impact the San Francisco Bay-Sacramento-San Joaquin Delta environment have a responsibility to address the effects of their decisions on the San Francisco Bay and Sacramento-San Joaquin Delta. It is the policy of the District to:

- Encourage the development of [science-based](#) water flow and water quality standards needed to protect and enhance habitat quantity and quality to improve native biological diversity and abundance of the San Francisco Bay and Sacramento-San Joaquin Delta;
- Support the balanced implementation of legislative and/or administrative efforts to improve and manage multiple uses of the Sacramento-San Joaquin Delta on a sustainable basis, including levees and infrastructure;
- Support engagement and participation of disadvantaged communities, tribal interests and other stakeholders in formulating, developing, and decision-making processes related to San Francisco Bay–Sacramento-San Joaquin Delta issues;
- Protect and enhance the water quality of the San Francisco Bay through advocacy for science-based wastewater discharge regulation, and continue District pollution prevention and San Francisco Bay stewardship activities; and
- [Support and](#) encourage ~~the implementation of~~ legislation, regulations, ~~and specific projects, and initiatives~~ that will lead to improvements in: water quality; water supply reliability; migratory pathways for native salmonids; climate change resiliency, and ecosystem health. This includes efforts sponsored by the District, individually or in cooperation with other organizations, that will ~~result in benefits for the~~ District's customers, ~~and a fair apportionment of~~ [allocates](#) costs [in proportion to the benefit received](#) consistent with a beneficiary pays principle.

Reference

Policy 7.05 – Sustainability and Resilience

Authority

Resolution No. 32191, April 11, 1989
Amended by Resolution No. 32885-94, October 25, 1994
Amended by Resolution No. 33365-03, July 8, 2003
As amended by Resolution No. 33494-05, September 27, 2005
As amended by Resolution No. 33646-07, December 11, 2007
As amended by Resolution No. 33732-09, October 27, 2009
As amended by Resolution No. 33841-11, September 27, 2011
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. 35189-20, June 23, 2020
As amended by Resolution No. 35315-22, September 27, 2022
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)



BAY-DELTA PROTECTION

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- Support and encourage legislation, regulations, projects, and initiatives that will lead to improvements in: water quality; water supply reliability; migratory pathways for native salmonids; climate resiliency, and ecosystem health. This includes efforts sponsored by the District, individually or in cooperation with other organizations, that will benefit District’s customers, and allocates costs in proportion to the benefit received consistent with a beneficiary pays principle.

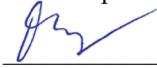
Reference

Policy 7.05 – Sustainability and Resilience

Authority

Resolution No. 32191, April 11, 1989
Amended by Resolution No. 32885-94, October 25, 1994
Amended by Resolution No. 33365-03, July 8, 2003
As amended by Resolution No. 33494-05, September 27, 2005
As amended by Resolution No. 33646-07, December 11, 2007
As amended by Resolution No. 33732-09, October 27, 2009
As amended by Resolution No. 33841-11, September 27, 2011
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. 35189-20, June 23, 2020
As amended by Resolution No. 35315-22, September 27, 2022
As amended by Resolution No. XXXXX-25, May 27, 2025

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RESOLUTION NO. _____

ADOPTING REVISED POLICY 2.05, EMPLOYEE DISCIPLINE; REVISED POLICY 4.05, ESTABLISHING SYSTEM CAPACITY CHARGES; REVISED POLICY 4.12, PURCHASING AND MATERIALS MANAGEMENT; REVISED POLICY 4.14, REIMBURSEMENT OF DIRECTOR EXPENSES; REVISED POLICY 4.21, LAND AND CONSERVATION/MITIGATION CREDIT SALES – USE OF FUNDS; REVISED POLICY 6.06, EQUAL EMPLOYMENT OPPORTUNITY (EEO); REVISED POLICY 6.13, TRAINING AND DEVELOPMENT; REVISED POLICY 7.01, AQUEDUCT AND DISTRIBUTION PIPELINE RIGHTS-OF-WAY MAINTENANCE; REVISED POLICY 7.08, RESIDENCES – DISTRICT-OWNED; REVISED POLICY 7.09, WORKPLACE SAFETY AND HEALTH; REVISED POLICY 7.12, WEATHER MODIFICATION; REVISED POLICY 9.06 – BAY-DELTA PROTECTION; AND REAUTHORIZING POLICY 4.07, INVESTMENTS

Introduced by Director

; Seconded by Director

WHEREAS, it is the desire and intention of the Board of Directors of the East Bay Municipal Utility District (District) to update and revise Policy 2.05, entitled “Employee Discipline”; Policy 4.05, entitled “Financing Facilities to Serve Applicants for New Services”; Policy 4.12, entitled “Purchasing and Materials Management”; Policy 4.14, entitled “Reimbursement of Director Expenses”; Policy 4.21, entitled “Land and Conservation/Mitigation Credit Sales – Use of Funds”; Policy 6.06, entitled “Equal Employment Opportunity (EEO)”; Policy 6.13, entitled “Training”; Policy 7.01, entitled “Aqueduct and Distribution Pipeline Rights-of-Way Maintenance”; Policy 7.08, entitled “Residences – District-Owned”; Policy 7.09, entitled “Workplace Safety and Health”; Policy 7.12, entitled “Weather Modification”; and Policy 9.06, entitled “Bay-Delta Protection”;

WHEREAS, it is the desire and intention of the Board of Directors to reauthorize Policy 4.07, entitled “Investments”;

WHEREAS, Policy 2.05, Policy 4.05, Policy 4.12, Policy 4.14, Policy 4.21, Policy 6.06, Policy 6.13, Policy 7.01, Policy 7.08, Policy 7.09, Policy 7.12, and Policy 9.06 have so been updated and revised, and the revisions are reflected in Exhibits A through L attached hereto; and

WHEREAS, in accordance with California Government Code section 53646, the Board of Directors has conducted an annual review of Policy 4.07, attached hereto as Exhibit M;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that Revised Policy 2.05, Revised Policy 4.05, Revised Policy 4.12, Revised Policy 4.14, Revised Policy 4.21, Revised Policy 6.06, Revised Policy 6.13, Revised Policy 7.01, Revised Policy 7.08, Revised Policy 7.09, Revised Policy 7.12, and Revised Policy 9.06, attached hereto as Exhibits A through L, are hereby adopted.

BE IT FURTHER RESOLVED by the Board of Directors that Policy 4.07, attached hereto as Exhibit M, is reauthorized and is hereby adopted.

ADOPTED this 27th day of May, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

ATTEST:

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel

{00106566}



Policy 2.05R

EFFECTIVE [27 MAY 25](#)
~~28 OCT 14~~

SUPERSEDES [28 OCT 14](#)
~~11 OCT 05~~

EMPLOYEE DISCIPLINE

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

Expect all employees to maintain high standards for job performance, cooperation, efficiency, safety, honesty and integrity in the performance of their work with the District and take disciplinary action up to and including discharge when justified by an employee's job performance or conduct.

Civil Service Employees

All civil service employees may be subject to disciplinary action up to and including discharge from employment for cause and after due process. Each disciplinary case will be considered on an individual basis, taking into account relevant factors including the nature and severity of the offense, the employee's work performance and conduct, length of service with the District and the employee's response to charges.

Civil Service Exempt Employees

Probationary civil service and employees who are exempt from the District's civil service pursuant to the Municipal Utility District Act are "at will" employees, and may be discharged for any [non-discriminatory](#) reason, without prior notice and without the right of appeal. Nothing in this policy is intended to alter the "at will" employment status of the District's probationary and civil service-exempt employees.

Authority

Resolution 20,573, September 8, 1961
As amended by Resolution No. 33498-05, dated October 11, 2005
As amended by Resolution No. 34005-14, dated October 28, 2014
[As amended by Resolution No. XXXXX-25, dated May 27, 2025](#)
Municipal Utility District Act § 12161



Policy 2.05

EFFECTIVE 27 MAY 25

SUPERSEDES 28 OCT 14

EMPLOYEE DISCIPLINE

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Municipal Utility District Act § 12161



Policy 4.05R

EFFECTIVE [27 MAY 25](#)

~~26 SEP 17~~

SUPERSEDES [26 SEP 17](#)

~~14 OCT 08~~

ESTABLISHING SYSTEM CAPACITY CHARGES **FINANCING FACILITIES TO SERVE** **APPLICANTS FOR NEW SERVICES**

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

Establish charges to recover the reasonable and proportional costs to provide capacity in the District's existing and future water system facilities to serve new customers or to serve expanded use by existing customers.

~~Require applicants for new water service to pay their share of the cost of water system facilities, including existing District system-wide and regional system facilities, and an allocation of the capital costs for future water supply projects.~~

Background

The System Capacity Charge (SCC) was established in 1983 to recover the proportional share of the costs of capital facilities necessary to provide capacity for new and expanded water system use. The SCC helps to fund the District's water system capital improvement program, including the payment of debt service and funding for future water supply facilities to meet long-term increases in future use.

System Capacity Charge Basis

The SCC recovers a proportional and reasonable share of the costs of existing facilities and of future water supply facilities needed to serve a premise based on projected average annual water demand for service(s) to that premise. The SCC is collected from all applicants for new water service or when there is a change in use of existing water service at a premise.

The three components of the SCC for potable water service are:

- 1) System-Wide Buy-In: recovers a proportional allocation of District costs for existing water system-wide facilities;
- 2) Regional Buy-In: recovers a proportional allocation of District costs for existing facilities that service specific regions; and
- 3) Future Water Supply: recovers a proportional allocation of District costs for planning and constructing future water supply projects to serve new or upsized connections.

For nonpotable/recycled water service, the only applicable component of the SCC is the Future Water Supply component.

Restrictions

SCCs collected must be expended for the purpose for which the charges are collected and cannot exceed the estimated proportional and reasonable cost of receiving service through the District's existing and future water system facilities.

Establishing System Capacity
Charges~~**Financing Facilities to Serve**~~
~~**Applicants for New Services**~~

NUMBER 4.05

PAGE NO.: 2

EFFECTIVE DATE 27 MAY 25
~~26 SEP 17~~

System Capacity
Credit

Consistent with this policy, a credit may be provided when new services provided to a premise replace one or more existing or prior services provided to that premise. The credit will be based on the SCC previously paid for service at the premise (if any), the historical water usage at the premise, or other standard values as specified in the District's most recent adopted Schedule of Rates, Charges and Fees. The SCC credit cannot be applied to a standby meter, fire service meter, or in the case of a combination standard and fire service meter, the portion of the meter oversized for the private fire protection system. Additional limitations to the application of SCCs credits may be specified in the District's most recent adopted Schedule of Rates, Charges and Fees.

Regulatory Basis

The SCC will be implemented consistent with applicable legal requirements to allow the recovery of proportionate capacity-related costs of new connections to the water system.

Components of
the System
Capacity Charges

~~The District maintains System Capacity Charges (SCC) for new water services in the major SCC regions and the additional SCC subregions.~~

~~Customers must pay their share of the costs to provide water service. The three components of the SCC for standard potable service are:~~

- ~~1) System-Wide Buy-In: existing District system facilities excluding supplemental supplies;~~
- ~~2) Regional Buy-In: existing District regional facilities; and~~
- ~~3) Future Water Supply: an allocation of the capital costs for future water supply projects.~~

Method of
Calculation

~~The District uses two methods to determine the amount to be charged under each of these three components—the “Buy-In” method and the “Incremental Cost” method.~~

Buy-In Method

~~The Buy-In method requires new customers to buy into their share of existing facilities that have been built and sized to accommodate their water demand by paying an amount for the investment made by existing ratepayers in the facilities. The Buy-In method is used to determine the two component costs—System-Wide and Regional Buy-In components of the SCC. Nonpotable/recycled water customers do not pay the System-Wide and Regional Buy-In components of the SCC.~~

System-Wide Buy-In Component

~~The first component of the SCC requires new customers entering into the system pay a share of the investments made by existing ratepayers for the District's system water facilities. By depositing collected revenues for the System-Wide Buy-In component into the District's general fund, existing ratepayers are reimbursed for investments made over time on system-wide facilities, including the payment of debt service and funding of capital projects.~~

Regional Buy-In Component

~~The second component for the SCC requires new customers to pay the share of investments made by existing ratepayers for regional facilities constructed to provide service to each of the SCC regions. Collected revenues provide funding for the regional facilities, including the payment of debt service and funding of capital projects. When the cost to provide service to a new growth area vastly exceeds the regional facility costs of the adjacent SCC region, special SCC additional subregions are created to recover the costs of the regional investments made to extend water service to the new growth area.~~

Incremental Cost Method

~~The incremental cost method is used to determine the amount new customers must pay for future water supply capital projects pursued by the District to specifically accommodate the demands of new water services. The District uses this method to determine the third SCC component, the Future Water Supply Component.~~

Future Water Supply Component

~~New customers for potable and nonpotable/recycled water are required to pay their share of the costs for the future water supply facilities. Initial funding for the future water supply facilities will come from debt financing. Repayment of the debt is to be paid from the Future Water Supply component of the SCC, assessed and collected from new service connection applicants.~~

System Capacity
Charges Program
Management

~~The SCC program will be managed to ensure funds collected under the program are expended for the authorized purpose and do not exceed the cost of providing water service.~~

~~The following five points govern the management of the SCC program:~~

- ~~1) Accounting: SCC revenues and disbursements are to be accounted for in one or more separate accounts apart from other Water System receipts and disbursements.~~
- ~~2) Future Water Supply Disbursements: Disbursements from the Future Water Supply component of the SCC will be limited to the debt service on future water supply projects that have been allocated to serve new connections. During times of development slowdowns, payment for all or a portion of Future Water Supply debt service may be made from Water System reserves. These payments will be repaid from Future Water Supply revenues received from new applicants.~~

Establishing System Capacity
Charges~~Financing Facilities to Serve~~
~~Applicants for New Services~~

NUMBER 4.05

PAGE NO.: 4

EFFECTIVE DATE 27 MAY 25
~~26 SEP 17~~

~~3) System-Wide and Regional Buy-In Disbursements: During any fiscal year, disbursements from the Buy-In components of the SCC account to reimburse the Water System General Fund will be limited to the amount collected from the System-Wide and the Regional Buy-In components of any SCC collected from new connections.~~

~~4) Future Water Supply Projects: During the capital budget review process, an analysis of each SCC-funded future water supply project must be provided to determine whether:~~

- ~~• The facilities are appropriate to meet the expected need;~~
- ~~• There is reasonable confidence that potential hook-ups of new applicants from the proposed facility will realistically occur as planned; and~~
- ~~• The costs of the facilities allocated to new development can be recovered from SCC charges.~~

~~5) System-Wide and Regional Projects: Costs of existing District facilities shall also be updated as part of the biennial budget process to reflect the replacement cost of the existing water system. This update will be the basis of the System-Wide and Regional Buy-In components of the calculation of the SCC.~~

System Capacity
Charge Rate
Setting

~~The costs of the existing water system facilities, the future water supply facilities, and any other costs allocated to new development that will be identified and charged to the SCC must be filed with the Secretary of the District and available to the public ten days prior to any action by the Board of Directors to levy a new or increased SCC.~~

Authority

Motion No. 93-074, May 11, 1993
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Government Code Section 66013 [limitations on capacity fees]
Government Code Section 66324 [accessory dwelling units]
Government Code Section 66338 [junior accessory dwelling units]
Proposition 26 (Cal. Const., art. XIII C, sec. 1(e))
Water and Wastewater System Schedules of Rates and Charges, Capacity Charges, and Other Fees



Policy 4.05

EFFECTIVE 27 MAY 25

SUPERSEDES 26 SEP 17

ESTABLISHING SYSTEM CAPACITY CHARGES

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

Establish charges to recover the reasonable and proportional costs to provide capacity in the District's existing and future water system facilities to serve new customers or to serve expanded use by existing customers.

Background

The System Capacity Charge (SCC) was established in 1983 to recover the proportional share of the costs of capital facilities necessary to provide capacity for new and expanded water system use. The SCC helps to fund the District's water system capital improvement program, including the payment of debt service and funding for future water supply facilities to meet long-term increases in future use.

System Capacity Charge Basis

The SCC recovers a proportional and reasonable share of the costs of existing facilities and of future water supply facilities needed to serve a premise based on projected average annual water demand for service(s) to that premise. The SCC is collected from all applicants for new water service or when there is a change in use of existing water service at a premise.

The three components of the SCC for potable water service are:

- 1) System-Wide Buy-In: recovers a proportional allocation of District costs for existing water system-wide facilities;
- 2) Regional Buy-In: recovers a proportional allocation of District costs for existing facilities that service specific regions; and
- 3) Future Water Supply: recovers a proportional allocation of District costs for planning and constructing future water supply projects to serve new or upsized connections.

For nonpotable/recycled water service, the only applicable component of the SCC is the Future Water Supply component.

Restrictions

SCCs collected must be expended for the purpose for which the charges are collected and cannot exceed the estimated proportional and reasonable cost of receiving service through the District's existing and future water system facilities.

System Capacity Credit

Consistent with this policy, a credit may be provided when new services provided to a premise replace one or more existing or prior services provided to that premise. The credit will be based on the SCC previously paid for service at the premise (if any), the historical water usage at the premise, or other standard values as specified in the District's most recent adopted Schedule of Rates, Charges and Fees. The SCC credit cannot be applied to a standby meter, fire service meter, or in the case of a combination standard and fire service meter, the portion of the meter oversized for the private fire protection system. Additional limitations to the application of SCCs credits may be specified in the District's most recent adopted Schedule of Rates, Charges and Fees.

Establishing System Capacity Charges

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Regulatory Basis The SCC will be implemented consistent with applicable legal requirements to allow the recovery of proportionate capacity-related costs of new connections to the water system.

Authority Motion No. 93-074, May 11, 1993
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. XXXXX-25, May 27, 2025

References Government Code Section 66013 [limitations on capacity fees]
Government Code Section 66324 [accessory dwelling units]
Government Code Section 66338 [junior accessory dwelling units]
Proposition 26 (Cal. Const., art. XIII C, sec. 1(e))
Water and Wastewater System Schedules of Rates and Charges, Capacity Charges, and Other Fees



Policy 4.12R

EFFECTIVE [27 MAY 25](#)
~~24 JAN 23~~

SUPERSEDES [24 JAN 23](#)
~~27 SEP 22~~

PURCHASING AND MATERIALS MANAGEMENT

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

1. Procure all materials, supplies, equipment, and secure general services for the District's use so as to receive maximum value for each dollar expended consistent with ultimate use, product quality, and supplier performance. In doing so, the District shall:
 - a. Provide a fair and impartial competitive environment.
 - b. Provide equal opportunities to all qualified suppliers in accordance with applicable law and District Policy 6.09 (Contractors' Compliance with Equal Employment Opportunity).
 - c. Take proactive action to locate and encourage equitable participation by all businesses in the competitive bidding and contract procurement processes of the District in accordance with District Policy 6.08 (Contract Equity Program).
 - d. Seek the participation of local, diverse and Small Business Enterprises in all District bidding processes.
 - e. Pursue alternative acquisition procedures in situations where competitive bidding would be unavailing ~~or would not produce advantage and advertisement for competitive proposals would thus be undesirable, impractical, or impossible, or not in the best interest of the District and its rate payers,~~ as determined by Purchasing in consultation with the Office of General Counsel.
 - f. Endeavor to adhere to the principles of sustainability in the acquisition of materials and supplies, as prescribed in District Policy 7.05 (Sustainability and Resilience).
 - g. ~~Make every reasonable effort to~~ Not to contract with any suppliers on the Federal State debarment list or Department of the Treasury sanctions list.
 - h. Make efforts to procure materials, equipment, and supplies that have sustainable characteristics such as being sourced locally, made with recycled or renewable materials, being non-polluting, or having a reduced carbon footprint.
 - i. ~~Promote Practice~~ financial stewardship by obtaining materials that are most suited for the intended purpose and do not have unnecessary equipment, properties, or requirements.
2. Balance the need for material availability with the fiscal responsibility to effectively and responsibly manage inventory investment.
3. Dispose, auction, or competitively bid surplus equipment, damaged goods, scrap, excess, and obsolete materials and supplies in a manner that minimizes environmental impacts and ~~will~~ yields the highest monetary return for the District.
4. Provide District-wide supply-chain management support and logistics, including the warehousing and distribution of materials and equipment.
5. Provide uniform methods and procedures for receiving and opening bids for materials, supplies, equipment, services, or construction projects.
6. Place the authority and responsibility with the Manager of Purchasing to administer and coordinate this ~~P~~policy.

Authority

Adopted by Resolution No. 27809, July 27, 1976
Amended by Resolution No. 33178-99, November 23, 1999
Amended by Resolution No. 33523-06, March 28, 2006
Amended by Resolution No. 33941-13, September 24, 2013
Amended by Resolution No. 34052-15, September 22, 2015
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35315-22, September 27, 2022
Amended by Resolution No. 35335-23, January 24, 2023
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Public Utilities Code (Municipal Utility District Act) Section 12752)
Graydon vs Pasadena Redevelopment Agency (1980) 104 Cal.App.3d 631
Policy 6.08 – Contract Equity Program
Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity
Policy 7.05 – Sustainability and Resilience
Procedure 415 – Emergency Purchases
Procedure 425 – Fair Market Price Purchases
Procedure 431 – Purchase of Materials and Supplies Covered by the Municipal
Utility District Act (MUD Act)
Procedure 452 – Supplier Selection For Material and Supplies Purchases



Policy 4.12

EFFECTIVE 27 MAY 25

SUPERSEDES 24 JAN 23

PURCHASING AND MATERIALS MANAGEMENT

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

1. Procure all materials, supplies, equipment, and secure general services for the District's use so as to receive maximum value for each dollar expended consistent with ultimate use, product quality, and supplier performance. In doing so, the District shall:
 - a. Provide a fair and impartial competitive environment.
 - b. Provide equal opportunities to all qualified suppliers in accordance with applicable law and District Policy 6.09 (Contractors' Compliance with Equal Employment Opportunity).
 - c. Take proactive action to locate and encourage equitable participation by all businesses in the competitive bidding and contract procurement processes of the District in accordance with District Policy 6.08 (Contract Equity Program).
 - d. Seek the participation of local, diverse and Small Business Enterprises in all District bidding processes.
 - e. Pursue alternative acquisition procedures in situations where competitive bidding would be unavailing, impossible, or not in the best interest of the District and its rate payers, as determined by Purchasing in consultation with the Office of General Counsel.
 - f. Endeavor to adhere to the principles of sustainability in the acquisition of materials and supplies, as prescribed in District Policy 7.05 (Sustainability and Resilience).
 - g. Not contract with any suppliers on the Federal State debarment list or Department of the Treasury sanctions list.
 - h. Make efforts to procure materials, equipment, and supplies that have sustainable characteristics such as being sourced locally, made with recycled or renewable materials, being non-polluting, or having a reduced carbon footprint.
 - i. Practice financial stewardship by obtaining materials that are most suited for the intended purpose and do not have unnecessary equipment, properties, or requirements.
2. Balance the need for material availability with the fiscal responsibility to effectively and responsibly manage inventory investment.
3. Dispose, auction, or competitively bid surplus equipment, damaged goods, scrap, excess, and obsolete materials and supplies in a manner that minimizes environmental impacts and yields the highest monetary return for the District.
4. Provide District-wide supply-chain management support and logistics, including the warehousing and distribution of materials and equipment.
5. Provide uniform methods and procedures for receiving and opening bids for materials, supplies, equipment, services, or construction projects.
6. Place the authority and responsibility with the Manager of Purchasing to administer and coordinate this policy.

Authority

Adopted by Resolution No. 27809, July 27, 1976
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Public Utilities Code (Municipal Utility District Act) Section 12752)
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Policy 6.09 – Contractors' Compliance with Equal Employment Opportunity
Policy 7.05 – Sustainability and Resilience
Procedure 415 – Emergency Purchases
Procedure 425 – Fair Market Price Purchases
Procedure 431 – Purchase of Materials and Supplies Covered by the Municipal
Utility District Act (MUD Act)
Procedure 452 – Supplier Selection For Material and Supplies Purchases



Policy 4.14R

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[22 NOV 22](#)
SUPERSEDES [22 NOV 22](#)
[24 MAR 20](#)

REIMBURSEMENT OF DIRECTOR EXPENSES

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

Reimburse Directors as provided in the Municipal Utility District ~~(MUD)~~ 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, when authorized in advance or subsequently approved by the Board President. Directors will not receive personal gain or incur personal loss for their activities.](#)

Reimbursable Expenses

[Directors are eligible for the reimbursement of expenses incurred in connection with attendance as a representative of the District at 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 **Authorized Expenses**

[Reimbursement of Director expenses must be approved as follows:](#)

- [The President of the Board of Directors will pre-authorize or approve Reimbursable ~~e~~ Expenses incurred by fellow Directors ~~in connection with attendance as a representative of the District at meetings, associations and other groups and will approve travel and other related expenses incurred in the performance of official District business.~~](#)
- [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 who currently sits on the Board may also approve expenses incurred by fellow Directors, including the President and Vice President. ~~In the absence of the President and/or Vice President, the Immediate Past President may also approve expenses of fellow Directors including the President and Vice President.~~](#)

- Any expense that does not meet the criteria for reimbursement 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. ~~Reimbursable Director expenses will be reasonable, and in accordance with the guidelines attached to this policy.~~

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.
- ~~Each Director may be reimbursed for attendance at only one conference per year, unless the Director's attendance at a conference is necessary because the Director serves on a joint powers authority, regional committee or other body required to meet at the conference.~~
- Each Director will be reimbursed for attendance at conferences as long as there are funds available in the Director's allotted travel budget for the fiscal year. The Board President has the authority to approve reimbursement for conference expenditures that may exceed the Director's allotted travel budget for the fiscal year, based on factors such as whether the Director has an official role at the conference (e.g., serving as a panelist), the Director's recent and planned budget utilization, and the status of the remaining travel budget for the Board.
- 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., what was learned at the conference that may be helpful to the Board or the District and what meetings or sessions the Director 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

Reimbursement of Director Expenses

NUMBER 4.14

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~~22 NOV 22~~

[Director shall briefly report on the meeting. If multiple Directors attended, a joint report may be made.](#)

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33414-04, March 23, 2004
Amended by Resolution No. 33471-05, April 26, 2005
Amended by Resolution No. 33661-08, March 11, 2008
Amended by Resolution No. 33756-10, February 23, 2010
Amended by Resolution No. 33919-13, March 26, 2013
Amended by Resolution No. 33923-13, April 9, 2013
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35168-20, March 24, 2020
Amended by Resolution No. 35325-22, November 22, 2022
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

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 6.04 – Ethics of the EBMUD Board of Directors
[Resolution No. 35000-16 dated August 9, 2016](#)
[Resolution No. 35428-24 dated November 26, 2024](#)

[EBMUD District Vehicle Guidelines](#)
[EBMUD Board of Directors Governance Manual](#)

GUIDELINES FOR REIMBURSEMENT OF BOARD OF DIRECTOR EXPENSES

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 4.14.

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.

Authorization

Reimbursable Expenses That Require Prior Authorization

- Conferences, seminars, or similar training courses requiring either a registration fee or overnight lodging costing ~~\$200~~ ~~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.

- [Use of international data or telecommunications plans while traveling for non-District related purposes to remain in contact and available for District related communications.](#)

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 [who currently sits on the Board](#) 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.

[Prior to the beginning of each fiscal year, the Secretary will provide the Board with a draft calendar of conferences and activities for the fiscal year that may require reimbursable lodging, registration or airfare. By June 10 of each year, each Director shall provide the Secretary with a written forecast of the Director's planned event attendance for the fiscal year. The written forecast can include conferences or activities that were not on the draft calendar provided by the Secretary. The Secretary will submit the written forecasts to the Board President for review and approval. During the fiscal year, Directors can submit requests to participate in additional conferences or activities for the Board President's consideration.](#)

Reimbursable Expenses That Do Not Require Prior Authorization

- Conference, seminar or similar training registration fees costing less than ~~\$200~~[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

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.
- 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 enroute 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 [represents the fare for a direct flight \(for in state travel\), during normal business hours and](#) must be documented through services such as Expedia, Travelocity and Orbitz [or similar travel website](#). Questions regarding “in lieu” fare levels can be verified with the Secretary of the District in advance of travel.

Use of District Fleet Vehicles

[A Director may request use of a District fleet vehicle for travel in connection with attendance as a representative of the District at events. The Director should submit a request to the Office of the Secretary as far in advance as possible but no later than 72 hours before their travel date. The Director will operate the fleet vehicle in accordance with all vehicle laws and District vehicle guidelines. The Director will be responsible for refueling the fleet vehicle in accordance with District vehicle guidelines prior to returning it to the District. The Director will be reimbursed for refueling the fleet vehicle.](#)

[Directors are personally responsible to pay all traffic citations, parking tickets and any resulting towing or impound charges in a timely manner.](#)

Lodging

[Lodging expenses are limited to the GSA per diem rates. The rate may be exceeded if staying at the conference hotel. 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~~[included with](#) 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 [GSA per diem rate](#)~~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.

Government, corporate or conference rates must be requested, when available, 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](#).

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

Other travel websites may also be used. 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 – 1~~8~~5 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 [or rideshare](#) – 10 percent of the cost of taxi [or rideshare](#) 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 channels due to time or the value of the purchase.

Unauthorized Expenses

Meals

- Meal allowances are not paid for meals enroute 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

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.

Processing Travel & Expense Authorizations

Director

- [Receives permission from the Board President or designee to attend a conference, seminar, or training course.](#)
- 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 (who currently sits on the Board)

- 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**

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~~ use the most current version of the form in the Forms Shop ~~for the current form. This form is updated to~~ which will 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 ([who currently sits on the Board](#))

- 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 Expenses

~~Directors requesting prepayment of expenses for a business trip are required to 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 by the 10th day of the month but no later than 30 days following the expenditure~~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 or participation in a local event, training, or seminar that does not require airfare or lodging for personal reasons or "good cause" 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 as soon as reasonably possible and copy the Board President.

Good cause shall include, but not be limited to, a director's illness, family emergency, or schedule conflict directly related to the business and interests of the District.

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 prior to the trip 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.

Report to Board

~~At the next Board Meeting, the Director will make an oral or written presentation to the Board 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.~~

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 4.14

EFFECTIVE 27 MAY 25

REIMBURSEMENT OF DIRECTOR EXPENSES

SUPERSEDES 22 NOV 22

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT 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, when authorized in advance or subsequently approved by the Board President. Directors will not receive personal gain or incur personal loss for their activities.

Reimbursable Expenses

Directors are eligible for the reimbursement of expenses incurred in connection with attendance as a representative of the District at 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 pre-authorize or 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 who currently sits on the Board may also approve expenses incurred by fellow Directors, including the President and Vice President.
- Any expense that does not meet the criteria for reimbursement 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.
 - Each Director will be reimbursed for attendance at conferences as long as there are funds available in the Director's allotted travel budget for the fiscal year. The Board President has the authority to approve reimbursement for conference expenditures that may exceed the Director's allotted travel budget for the fiscal year, based on factors such as whether the Director has an official role at the conference (e.g., serving as a panelist), the Director's recent and planned budget utilization, and the status of the remaining travel budget for the Board.
 - 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., what was learned at the conference that may be helpful to the Board or the District and what meetings or sessions the Director 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 shall briefly report on the meeting. If multiple Directors attended, a joint report may be made.
-

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33414-04, March 23, 2004
Amended by Resolution No. 33471-05, April 26, 2005
Amended by Resolution No. 33661-08, March 11, 2008
Amended by Resolution No. 33756-10, February 23, 2010
Amended by Resolution No. 33919-13, March 26, 2013
Amended by Resolution No. 33923-13, April 9, 2013

Reimbursement of Director Expenses

NUMBER 4.14

PAGE NO.: 3

EFFECTIVE DATE: 27 MAY 25

Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35168-20, March 24, 2020
Amended by Resolution No. 35325-22, November 22, 2022
Amended by Resolution No. XXXXX-25, May 27, 2025

References

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 6.04 – Ethics of the EBMUD Board of Directors
Resolution No. 35000-16 dated August 9, 2016
Resolution No. 35428-24 dated November 26, 2024
EBMUD District Vehicle Guidelines
EBMUD Board of Directors Governance Manual

GUIDELINES FOR REIMBURSEMENT OF BOARD OF DIRECTOR EXPENSES

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 4.14.

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 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.

Authorization

Reimbursable Expenses That Require Prior Authorization

- Conferences, seminars, or similar training courses requiring either a registration fee or overnight lodging costing \$200 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.
- Use of international data or telecommunications plans while traveling for non-District related purposes to remain in contact and available for District related communications.

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 Directors' authorization requests. In the absence of the President and/or the Vice President, the Immediate Past President who currently sits on the Board 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.

Prior to the beginning of each fiscal year, the Secretary will provide the Board with a draft calendar of conferences and activities for the fiscal year that may require reimbursable lodging, registration or airfare. By June 10 of each year, each Director shall provide the Secretary with a written forecast of the Director's planned event attendance for the fiscal year. The written forecast can include conferences or activities that were not on the draft calendar provided by the Secretary. The Secretary will submit the written forecasts to the Board President for review and approval. During the fiscal year, Directors can submit requests to participate in additional conferences or activities for the Board President's consideration.

Reimbursable Expenses That Do Not Require Prior Authorization

- Conference, seminar or similar training registration fees costing less than \$200.
- 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**

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.
- 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 enroute 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 represents the fare for a direct flight (for in state travel), during normal business hours and must be documented through services such as Expedia, Travelocity and Orbitz or similar travel website. Questions regarding “in lieu” fare levels can be verified with the Secretary of the District in advance of travel.

Use of District Fleet Vehicles

A Director may request use of a District fleet vehicle for travel in connection with attendance as a representative of the District at events. The Director should submit a request to the Office of the Secretary as far in advance as possible but no later than 72 hours before their travel date. The Director will operate the fleet vehicle in accordance with all vehicle laws and District vehicle guidelines. The Director will be responsible for refueling the fleet vehicle in accordance with District vehicle guidelines prior to returning it to the District. The Director will be reimbursed for refueling the fleet vehicle.

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

Lodging

Lodging expenses are limited to the GSA per diem rates. The rate may be exceeded if staying at the conference hotel. Lodging expenses will be reimbursed only when overnight absence from the Director’s home is required. An itemized receipt must be included with 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 GSA per diem rate. The receipt should be annotated to show the “standard single” rate if the cost of the accommodations exceeds that rate.

Government, corporate or conference rates must be requested, when available, 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](#).

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

Other travel websites may also be used. 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 – 18 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 or rideshare – 10 percent of the cost of taxi or rideshare 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 channels due to time or the value of the purchase.
-

**Unauthorized
Expenses**

Meals

- Meal allowances are not paid for meals enroute 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**

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.
-

**Processing Travel
and Expense
Authorizations**

Director

- Receives permission from the Board President or designee to attend a conference, seminar, or training course.
- 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 (who currently sits on the Board)

- 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**

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 use the most current version of the form in the Forms Shop which will 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 (who currently sits on the Board)

- 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 Expenses

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 by the 10th day of the month but no later than 30 days following the expenditure.

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 or participation in a local event, training, or seminar that does not require airfare or lodging for personal reasons or “good cause” 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 as soon as reasonably possible and copy the Board President.

Good cause shall include, but not be limited to, a director's illness, family emergency, or schedule conflict directly related to the business and interests of the District.

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 prior to the trip 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.

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 4.21R

EFFECTIVE [27 MAY 25](#)
[22-MAR-22](#)

SUPERSEDES [22 MAR 22](#)
[26-SEP-17](#)

LAND AND CONSERVATION/MITIGATION CREDIT SALES – USE OF FUNDS

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

Effectively and efficiently manage, control, and dispose of real property in a manner that complies with legal requirements and maximizes benefit to the District. The District will also utilize funds from the sale of watershed land and conservation/mitigation credits to protect of water quality, biological diversity, and to preserve or enhance the environment, open space and recreation.

Disposal of Surplus Real Property In disposing any surplus real property, the District shall comply with the following:

- ~~Offer any~~ Provide notice of the proposed disposal of the surplus real property ~~for sale to other qualified~~ to public agencies and housing sponsors as required by ~~in accordance with State law~~ the California Surplus Land Act.
- ~~In the event no other qualified public agency expresses an interest in the District's surplus real property, n~~ Notify adjacent property owners by certified mail of the District's intent to dispose of ~~the its surplus real~~ property at least thirty days prior to ~~the~~ marketing of that ~~District-owned surplus real~~ property in the event no qualified public agency or housing sponsor has expressed an interest in the property.
- Offer to sell the ~~surplus real~~ property to the public by a method that will generate the highest net revenue to the District.
- ~~Offer the sale of conservation/mitigation credits from the Oursan Ridge Conservation Bank.~~
- ~~Allocate any funds realized from the sale of District-owned surplus real property as follows:~~

Use of Funds from Sales of Watershed Land ~~Sales and Conservation/Mitigation Credits Sales~~

Funds received from the sale of any watershed land included in the 1996 East Bay Watershed Master Plan, adopted by Resolution No. 32979-96 (and subsequently updated by Resolution No. 35089-18), any Mokelumne Area watershed land included in the 2008 Mokelumne Watershed Master Plan, which was adopted by Resolution No. 33668-08, and any conservation/mitigation credits ~~from the Oursan Ridge Conservation Bank, adopted by Resolution No. 35014-16, after the Oursan Ridge Conservation Bank E~~ endowment F fund is fully funded, shall be separately accounted for and used for the sole purpose of acquiring similar watershed land necessary or desirable for the protection of water quality and biological diversity, or the preservation or enhancement of habitat, open space and recreational values.

Use of Funds from Non-Watershed Land Sales

Funds received from the sale of any non-watershed land, not included in the East Bay Watershed Master Plan or the Mokelumne Watershed Master Plan, shall be separately accounted for and deposited into the District's general fund.

**Land and Conservation/Mitigation Credit
Sales – Use of Funds**

NUMBER 4.21

PAGE NO.: 2

EFFECTIVE DATE: [22 APR 25](#)
~~[22 MAR 22](#)~~

Authority

Resolution No. 30773-83, December 13, 1983
Amended by Resolution No. 33116-98, August 11, 1998
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33571-06, December 12, 2006
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35278-22, March 22, 2022
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)
[California Municipal Utility District Act](#)
[California Surplus Land Act](#)



Policy 4.21

EFFECTIVE 27 MAY 25

SUPERSEDES 22 MAR 22

LAND AND CONSERVATION/MITIGATION CREDIT SALES – USE OF FUNDS

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

Effectively and efficiently manage, control, and dispose of real property in a manner that complies with legal requirements and maximizes benefit to the District. The District will also utilize funds from the sale of watershed land and conservation/mitigation credits to protect of water quality, biological diversity, and to preserve or enhance the environment, open space and recreation.

Disposal of Surplus Real Property In disposing any surplus real property, the District shall comply with the following:

- Provide notice of the proposed disposal of the property to public agencies and housing sponsors as required by the California Surplus Land Act.
 - Notify adjacent property owners by certified mail of the District's intent to dispose of the property at least thirty days prior to marketing that property in the event no qualified public agency or housing sponsor has expressed an interest in the property.
 - Offer to sell the property to the public by a method that will generate the highest net revenue to the District.
-

Use of Funds from Sales of Watershed Land and Conservation/Mitigation Credits

Funds received from the sale of any watershed land included in the 1996 East Bay Watershed Master Plan, adopted by Resolution No. 32979-96 (and subsequently updated by Resolution No. 35089-18), any Mokelumne Area watershed land included in the 2008 Mokelumne Watershed Master Plan, which was adopted by Resolution No. 33668-08, and any conservation/mitigation credits after endowment fund is fully funded, shall be separately accounted for and used for the sole purpose of acquiring similar watershed land necessary or desirable for the protection of water quality and biological diversity, or the preservation or enhancement of habitat, open space and recreational values.

Use of Funds from Non-Watershed Land Sales

Funds received from the sale of any non-watershed land, not included in the East Bay Watershed Master Plan or the Mokelumne Watershed Master Plan, shall be separately accounted for and deposited into the District's general fund.

Authority

Resolution No. 30773-83, December 13, 1983
Amended by Resolution No. 33116-98, August 11, 1998
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33571-06, December 12, 2006
Amended by Resolution No. 35061-17, September 26, 2017
Amended by Resolution No. 35278-22, March 22, 2022
Amended by Resolution No. XXXXX-25, May 27, 2025
California Municipal Utility District Act
California Surplus Land Act



Policy 6.06^R

EFFECTIVE 27 MAY 25

27-APR-21

SUPERSEDES 27 APR 21

26-FEB-19

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

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

Ensure equal employment opportunity for all persons in all aspects of employment.

Purpose

To provide equal employment opportunity (EEO) for ~~everyone~~all persons on the basis of job-related merit, and ensure fairness in all aspects of the District's employment practices. This policy is implemented in compliance with state and federal laws and is further detailed in District Procedure 614 ~~implements this policy and sets forth the complaint process and complaint mechanisms, in compliance with state and federal law.~~

Scope

This policy prohibits unlawful discrimination, harassment, and retaliation by any ~~supervisor, manager, coworker, and/or District employee~~District employee, including supervisors, managers, coworkers, as well as by any other third party that comes (e.g., applicants, vendors, customers, members of the public, independent contractors) who come into contact with an employee. ~~This policy prohibits EEO~~Board members are also prohibited from engaging in discrimination ~~against any job applicant, employee or student/trainee by an employee of the District on the basis of a protected group status. Board members will not discriminate against or harass any person, as or harassment as~~ provided in the Policy 6.04, Ethics of the EBMUD Board of Directors (Policy 6.04), and consistent with this policy as prescribed in this policy. ~~Consistent with,~~This policy applies to all aspects of employment, including recruitment, hiring, placement, promotion, transfer, training, discipline, and all other terms and in furtherance of, this policy and conditions of employment.

~~Consistent applicable federal and state laws, t~~The District develops and implements Affirmative Action Programs in a manner that is consistent with applicable federal and state laws. These programs include making inclusive, creative, and comprehensive recruitment, outreach and placement efforts to ensure the Districts workforce reflects the diversity of the labor market, including representation from traditionally marginalized and underrepresented communities~~The District uses inclusive and creative recruitment, outreach and placement methods that further the District's efforts to achieve a diverse workforce composition reflective of the labor market in regards to gender and race/ethnicity.~~ The District uses good faith outreach efforts that are neutral and do not favor, discriminate against, or disparately impact any group. The District also takes affirmative action to employ and advance ~~in~~ employment of qualified protected veterans and individuals with disabilities.

Definitions

Adverse Impact

When the use of a facially neutral policy or selection procedure disqualifies members of a protected class at a substantially higher rate than others.

Adverse Employment Action

Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.

Applicant

An individual who has completed an employment application for a specific, ~~available~~ position at the District.

Complaint

An oral or written allegation of discrimination, harassment, and/or retaliation.

EEO Discrimination

~~EEO discrimination involves making~~ Discrimination in employment decisions based on ~~the basis of~~ an individual's protected group status, ~~including but not limited to,~~ This includes decisions related to recruitment, hiring, placement, promotion, transfer, training, discipline, working conditions, wage administration, benefits, and policy application. ~~regarding the following aspects of the employment relationship:~~

~~Recruitment~~

~~Hiring~~

~~Placement~~

~~Promotion~~

~~Transfer~~

~~Training~~

~~Working terms and~~

~~Wage and salary~~

~~Employee of policies~~

~~Discrimination includes harassment on the basis of a protected group and~~ Harassment, failure to accommodate ~~a religious practice or provide a reasonable accommodation for a qualified individual with a disability~~ practices, and retaliation, are also considered forms of discrimination.

Employee

An individual selected and/or appointed to a position created and authorized by the Board of Directors and receiving compensation and benefits from the District, including individuals in Board authorized job classifications with the term "intern" in the title.

Independent Contractor

A person that is not an employee of the District and provides goods or services to the District under terms specified in a contract.

Protected Groups

This policy prohibits discrimination or harassment on the basis of race (i.e., racial characteristics including hair style/texture), color, religion, creed, sex, reproductive health decision making, gender, 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/or~~ physical), medical condition (cancer ~~and/or~~ genetic characteristics), genetic information, sexual orientation, military and ~~veterans/or~~ veteran status, family or medical leave status, pregnancy (including childbirth, lactation or related medical condition), pregnancy disability leave status, domestic violence victim status, political affiliation, or any other status protected by federal, state and/or local laws.

Retaliation

~~As used in this policy, retaliation is defined as any~~Any adverse employment action taken against an employee ~~because the employee engaged in an activity protected under this policy. Protected activities may include, but are not limited to, for engaging in a protected activity, such as~~ reporting or assisting in reporting ~~suspected~~violations of this policy ~~and/or cooperating in investigations, or proceedings arising out of a violation of this policy. Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.~~

Examples ~~of retaliation under this policy include, but are not limited to:~~include demotion; suspension; ~~reduction in pay;~~ denial of a merit salary increase; failure to hire or consider for hire; refusing to promote or consider for promotion ~~because of reporting a violation of this policy; harassing another employee for filing a complaint; denying employment opportunities because of making a complaint or for cooperating in an investigation; changing someone's work assignments for identifying, harassment or other forms of discrimination in the workplace; treating people differently such as denying an accommodation; or not talking to an employee when otherwise required by job duties, or otherwise excluding the employee from job-related activities because of engagement in activities protected under this policy, or any action that could deter an employee from engaging in protected activities.~~

Student/Trainee

Any District authorized student or trainee who is not compensated by the District but is either paid by a third party or retained by a third party to work at the District in order to gain job experience or academic credit.

Vendor

An employee, owner, or agent of a company that provides goods or services to the District.

Volunteer

Individuals serving as unpaid helpers for various community events. Individuals who volunteer or donate their services, usually on a limited basis, for public service, religious or humanitarian objectives for non-profit organizations that receive their service.

Workplace

The workplace exists where there is a nexus between the behavior and the EEO rights of employees or others (customers, vendors, members of the public, etc.). The workplace may include District facilities and worksites, or off-site locations, outside of the District's facilities, such as off-site meetings and trainings and social functions involving District employees or related to District activities.

Responsibilities**All District Employees**

All District employees, including members of the Board of Directors, are expected to report to their supervisor and/or manager, or any supervisor or manager at the District, and/or to the Diversity and Inclusion Office (DIO) any EEO discrimination or workplace harassment ~~which~~that they become aware of.

Supervisors/Managers

Supervisors and managers are required to report any apparent or suspected EEO discrimination, harassment, or retaliation to their supervisor/manager and the DIO within two (2) business days of becoming aware of such conduct. They must also pro-actively monitor their work units for discriminatory or harassing behavior and take appropriate steps to correct any violations of this policy. Supervisors and managers are required to enforce this policy and ensure all employees in their unit are informed about and adhere to this policy~~/or managers are held to a higher reporting standard. They must report to their supervisor and/or manager and the DIO any apparent or suspected EEO discrimination, workplace harassment or retaliation. The report should be made within two (2) business days of the supervisor and/or manager becoming aware of the conduct prohibited by this policy.~~

Supervisors and managers at all levels act on behalf of the District. ~~A supervisor's~~A supervisor/manager's duties include monitoring ~~his or her~~their work unit for discriminatory or harassing behavior and taking appropriate steps to stop and correct behavior that violates the District's EEO policy. ~~At the same time, s~~Supervisors/managers must ~~enforce also adhere to~~ this policy ~~as well as adhere to it~~. Each supervisor/manager is expected to familiarize ~~himself or herself~~themselves with the District's policies prohibiting EEO discrimination and harassment, to incorporate them into ~~his or her~~their own workplace conduct, and to inform employees in the work unit to do the same.

Follow-up and Monitoring

Once conduct prohibited by this policy has been reported in a work unit, periodic and regular follow-up by the supervisor/manager or the DIO shall be taken to monitor the workplace for discriminatory or harassing behavior, and to prevent retaliation from occurring. Employees are also responsible for notifying the DIO or supervisors/managers if retaliation occurs.

Remedies

Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. The District will promptly, thoroughly and fairly investigate every issue that is brought to its attention in this area and will take corrective actions~~s~~, as appropriate, up to and including termination of employment. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected.

Authority

Resolution 32952-95, December 12, 1995
As amended by Motion 173-01, October 9, 2001
As amended by Resolution 33438-04, September 14, 2004
Reaffirmed by Motion 195-07, November 13, 2007
As amended by Motion 016-09, February 10, 2009
Reaffirmed by Motion 006-11, January 11, 2011
As amended by Resolution 33864-12, January 24, 2012
Reaffirmed by Motion 026-14, February 11, 2014
As amended by Resolution 35029-17, March 28, 2017
As amended by Resolution 35132-19, February 26, 2019
As amended by Resolution 35221-21, April 27, 2021
As amended by Resolution XXXXX-25, May 27, 2025

Title VII, Civil Rights Act of 1964 as amended (42 U.S.C. §2000e et seq.), including The Pregnancy Discrimination Act; The Equal Pay Act of 1963 (29 U.S.C. §206(d) et seq.); The Age Discrimination in Employment Act of 1967 (29 U. S.C. §621 et seq.); Title I of the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.); The Genetic Information Nondiscrimination Act of 2008; Immigration Reform and Control Act (8 U.S.C. 1101 et seq.); Executive Order 11246; Family and Medical Leave Act ([29 U.S.C. §2601, et seq.](#)); Rehabilitation Act of 1973, Section 503; Uniformed Services Employment and Reemployment Rights Act ([38 U.S.C. §§ 4301–4335](#)); Vietnam Era Veterans' Readjustment Assistance Act ([38 U.S.C. § 4212](#)); California Fair Employment and Housing Act (Gov. Code §12900 et seq.), including the California Family Rights Act ([Gov. Code §12945.2](#)).

References

District Affirmative Action Programs
Policy 2.02 – Accommodation for Individuals with Disabilities in the Workplace
Policy 2.05 – Employee Discipline
Policy 6.04 – Ethics of the EBMUD Board of Directors
Policy 6.07 – Prevention of Workplace Harassment
Procedure 201 – Accommodation for Individuals with Disabilities in the Workplace
Procedure 223 – Discipline
Procedure 614 – Equal Employment Opportunity (EEO) Discrimination, Harassment and Retaliation Complaints, Investigations and Appeals



EQUAL EMPLOYMENT OPPORTUNITY (EEO)

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

Ensure equal employment opportunity for all persons in all aspects of employment.

Purpose To provide equal employment opportunity (EEO) for everyone, and ensure fairness in all aspects of the District's employment practices. This policy is implemented in compliance with state and federal laws and is further detailed in District Procedure 614.

Scope This policy prohibits unlawful discrimination, harassment, and retaliation by any District employee, including supervisors, managers, coworkers, as well as by any third party (e.g., applicants, vendors, customers, members of the public, independent contractors) who come into contact with an employee. Board members are also prohibited from engaging in discrimination or harassment as provided in the Policy 6.04, Ethics of the EBMUD Board of Directors, and as prescribed in this policy. This policy applies to all aspects of employment, including recruitment, hiring, placement, promotion, transfer, training, discipline, and all other terms and conditions of employment.

The District develops and implements Affirmative Action Programs in a manner that is consistent with applicable federal and state laws. These programs include making inclusive, creative, and comprehensive recruitment, outreach and placement efforts to ensure the Districts workforce reflects the diversity of the labor market, including representation from traditionally marginalized and underrepresented communities. The District uses good faith outreach efforts that are neutral and do not favor, discriminate against, or disparately impact any group. The District also takes affirmative action to employ and advance employment of qualified protected veterans and individuals with disabilities.

Definitions

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Adverse employment action is conduct or an action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in a protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.

Applicant

An individual who has completed an employment application for a specific position at the District.

Complaint

An oral or written allegation of discrimination, harassment, and/or retaliation.

EEO Discrimination

Discrimination in employment decisions based on an individual's protected group status. This includes decisions related to recruitment, hiring, placement, promotion, transfer, training, discipline, working conditions, wage administration, benefits, and policy application.

Harassment, failure to accommodate religious practices, and retaliation, are also considered forms of discrimination.

Employee

An individual selected and/or appointed to a position created and authorized by the Board of Directors and receiving compensation and benefits from the District, including individuals in Board authorized job classifications with the term "intern" in the title.

Independent Contractor

A person that is not an employee of the District and provides goods or services to the District under terms specified in a contract.

Protected Groups

This policy prohibits discrimination or harassment on the basis of race (i.e., racial characteristics including hair style/texture), color, religion, creed, sex, reproductive health decision making, gender, gender identity (including transgender status), gender expression, marital or registered domestic partnership status, age (forty or older), national origin, ancestry, disability (mental or physical), medical condition (cancer or genetic characteristics), genetic information, sexual orientation, military and/or veteran status, family or medical leave status, pregnancy (including childbirth, lactation or related medical condition), pregnancy disability leave status, domestic violence victim status, political affiliation, or any other status protected by federal, state and/or local laws.

Retaliation

Any adverse employment action taken against an employee for engaging in a protected activity, such as reporting or assisting in reporting violations of this policy or cooperating in investigations.

Examples include demotion, suspension, denial of promotion, harassment, or any action that could deter an employee from engaging in protected activities.

Student/Trainee

Any District authorized student or trainee who is not compensated by the District but is either paid by a third party or retained by a third party to work at the District in order to gain job experience or academic credit.

Vendor

An employee, owner, or agent of a company that provides goods or services to the District.

Volunteer

Individuals serving as unpaid helpers for various community events. Individuals who volunteer or donate their services, usually on a limited basis, for public service, religious or humanitarian objectives for non-profit organizations that receive their service.

Workplace

The workplace exists where there is a nexus between the behavior and the EEO rights of employees or others (customers, vendors, members of the public, etc.). The workplace may include District facilities and worksites, or off-site locations, outside of the District's facilities, such as off-site meetings and trainings and social functions involving District employees or related to District activities.

Responsibilities**All District Employees**

All District employees, including members of the Board of Directors, are expected to report to their supervisor and/or manager, or any supervisor or manager at the District, and/or to the Diversity and Inclusion Office (DIO) any EEO discrimination or workplace harassment that they become aware of.

Supervisors/Managers

Supervisors and managers are required to report any apparent or suspected EEO discrimination, harassment, or retaliation to their supervisor/manager and the DIO within two (2) business days of becoming aware of such conduct. They must also pro-actively monitor their work units for discriminatory or harassing behavior and take appropriate steps to correct any violations of this policy. Supervisors and managers are required to enforce this policy and ensure all employees in their unit are informed about and adhere to this policy.

Supervisors and managers act on behalf of the District. A supervisor/manager's duties include monitoring their work unit for discriminatory or harassing behavior and taking appropriate steps to stop and correct behavior that violates the District's EEO policy. Supervisors/managers must also adhere to this policy. Each supervisor/manager is expected to familiarize themselves with the District's policies prohibiting EEO discrimination and harassment, to incorporate them into their own workplace conduct, and to inform employees in the work unit to do the same.

Follow-up and Monitoring

Once conduct prohibited by this policy has been reported in a work unit, periodic and regular follow-up by the supervisor/manager or the DIO shall be taken to monitor the workplace for discriminatory or harassing behavior, and to prevent retaliation from occurring. Employees are also responsible for notifying the DIO or supervisors/managers if retaliation occurs.

Remedies

Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. The District will promptly, thoroughly and fairly investigate every issue that is brought to its attention in this area and will take corrective action, as appropriate, up to and including termination of employment. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected.

Authority

Resolution 32952-95, December 12, 1995
As amended by Motion 173-01, October 9, 2001
As amended by Resolution 33438-04, September 14, 2004
Reaffirmed by Motion 195-07, November 13, 2007
As amended by Motion 016-09, February 10, 2009
Reaffirmed by Motion 006-11, January 11, 2011
As amended by Resolution 33864-12, January 24, 2012
Reaffirmed by Motion 026-14, February 11, 2014
As amended by Resolution 35029-17, March 28, 2017
As amended by Resolution 35132-19, February 26, 2019
As amended by Resolution 35221-21, April 27, 2021
As amended by Resolution XXXXX-25, May 27, 2025

Title VII, Civil Rights Act of 1964 as amended (42 U.S.C. §2000e et seq.), including The Pregnancy Discrimination Act; The Equal Pay Act of 1963 (29 U.S.C. §206(d) et seq.); The Age Discrimination in Employment Act of 1967 (29 U. S.C. §621 et seq.); Title I of the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.); The Genetic Information Nondiscrimination Act of 2008; Immigration Reform and Control Act (8 U.S.C. 1101 et seq.); Executive Order 11246; Family and Medical Leave Act ([29 U.S.C. §2601, et seq.](#)); Rehabilitation Act of 1973, Section 503; Uniformed Services Employment and Reemployment Rights Act ([38 U.S.C. §§ 4301–4335](#)); Vietnam Era Veterans' Readjustment Assistance Act ([38 U.S.C. § 4212](#)); California Fair Employment and Housing Act (Gov. Code §12900 et seq.), including the California Family Rights Act ([Gov. Code §12945.2](#)).

References

District Affirmative Action Programs
Policy 2.02 – Accommodation for Individuals with Disabilities in the Workplace
Policy 2.05 – Employee Discipline
Policy 6.04 – Ethics of the EBMUD Board of Directors
Policy 6.07 – Prevention of Workplace Harassment
Procedure 201 – Accommodation for Individuals with Disabilities in the Workplace
Procedure 223 – Discipline
Procedure 614 – Equal Employment Opportunity (EEO) Discrimination, Harassment and Retaliation Complaints, Investigations and Appeals



Policy 6.13R

EFFECTIVE [27 MAY 25](#)

~~08 DEC 20~~

SUPERSEDES [08 DEC 20](#)

~~25 JAN 05~~

TRAINING AND DEVELOPMENT

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

~~Provide~~ Foster a culture of continuous learning and development across all levels and departments. ~~Provide a wide range of comprehensive~~ training programs, developmental opportunities, ~~information,~~ and ~~other means for~~ resources that empower employees to ~~improve~~ enhance their competencies, knowledge, skills, abilities, and safety awareness. ~~Support employees' efforts to excel in the performance of their~~ current position, and to support employees' preparation for roles while preparing for career advancement within the District. Encourage and facilitate involvement of long-term employees in mentorship.

This policy applies to all employees, including full-time, part-time, and temporary staff, across all departments and levels within the District.

Authority

Resolution No. 32960, January 23, 1996
As amended by Resolution No. 33458-05, January 25, 2005
As amended by Resolution No. 35209-20, December 8, 2020
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Procedure 616 – Tuition Reimbursement for Employee Education
[Procedure 617 – Performance Plan and Appraisals](#)



Policy 6.13

EFFECTIVE 27 MAY 25

SUPERSEDES 08 DEC 20

TRAINING AND DEVELOPMENT

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

Foster a culture of continuous learning and development across all levels and departments. Provide a wide range of comprehensive training programs, developmental opportunities, and resources that empower employees to enhance their competencies, knowledge, skills, abilities, and safety awareness. Support employees' efforts to excel in their current roles while preparing for career advancement within the District. Encourage and facilitate involvement of long-term employees in mentorship.

This policy applies to all employees, including full-time, part-time, and temporary staff, across all departments and levels within the District.

Authority	Resolution No. 32960, January 23, 1996 As amended by Resolution No. 33458-05, January 25, 2005 As amended by Resolution No. 35209-20, December 8, 2020 As amended by Resolution No. XXXXX-25, May 27, 2025
References	Procedure 616 – Tuition Reimbursement for Employee Education Procedure 617 – Performance Plan and Appraisals



Policy 7.01R

EFFECTIVE [24 AUG 21](#)
[27 MAY 25](#)
SUPERSEDES ~~[24 SEP 19](#)~~
[24 AUG 21](#)

AQUEDUCT AND DISTRIBUTION PIPELINE RIGHTS-OF-WAY MAINTENANCE

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

Maintain the integrity of the raw water aqueducts and the distribution pipeline rights-of-way (fee-owned and easement established) to ensure:

- Safety and reliability of water supply, and the rights and obligations of the District;
- Protection against fire;
- Protection against erosion;
- Protection against flooding;
- Protection against trespassing by individuals, unauthorized access by vehicles and equipment, and unauthorized encroachment; and
- Fast recovery from emergencies.

Rights-of-Way Use Restrictions

Protect against trespassing by use of control measures such as gates across rights-of-way to ensure operational capabilities maintained; property requirements are met; and underground and above-ground facilities are protected.

With prior District approval, allow use of the rights-of-way for public trail purposes by public agencies provided such use will lessen maintenance work performed by the District and with due regard for District liability, safety of pipelines, and maintenance of access roads. The use of District aqueduct rights-of-way by public agencies ~~may~~will only be allowed under the terms of a properly authorized written agreement.

Where possible, secure relinquishment of surface rights from their present owners in exchange for other rights requested by those owners where such exchanges are in the best interests of the District.

Prohibit uses incompatible with the District's property rights, operation and maintenance of the aqueducts and distribution pipelines, or that potentially impact the District's assets. These prohibitions generally include but are not limited to:

- Use of District aqueduct or distribution pipeline properties by others as a condition to meet city/county zoning requirements or to obtain any land use permit, approval, or entitlement affecting properties not owned by the District.
- Third party building or portions of buildings constructed on aqueduct or distribution pipeline property.
- Unauthorized non-District vehicular parking anywhere on the District rights-of-way. ~~by others over aqueducts or distribution pipelines.~~
- Interference with gravity drainage of District aqueduct or distribution pipeline property. Drainage facilities shall be provided outside District property to assure adequate drainage is maintained.

Aqueduct and Distribution Pipeline Rights-of-Way Maintenance

NUMBER 7.01

PAGE NO.: 2

EFFECTIVE DATE: [22 APR 25](#)
~~24 AUG 21~~

Raw Water Aqueduct Integrity

Plan for and implement the repair, refurbishment, and replacement of the aqueducts including a secure Delta tunnel.

Ensure that all uses of aqueduct rights-of-way accommodate repairs and future construction of replacement aqueducts, additional aqueducts, and potential improvements to the aqueducts.

Ensure construction from any proposed third-party project that passes under, over, or through a fee-owned or easement established aqueduct right-of-way is evaluated in detail for potential impacts, and mitigations are identified and implemented to the level of no significant impact.

Authority

Resolution No. 14,620, January 26, 1951
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33443-04, September 28, 2004
As amended by Resolution No. 33564-06, November 14, 2006
As amended by Resolution No. 33780-10, September 14, 2010
As amended by Resolution No. 33871-12, April 24, 2012
As amended by Resolution No. 34059-15, November 24, 2015
As amended by Resolution No. 35156-19, September 24, 2019
As amended by Resolution No. 35243-21, August 24, 2021
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Policy 9.06 – Bay-Delta Protection
Procedure 718 – Authorized Uses of Pipeline Rights-of-Way



Policy 7.01

EFFECTIVE 27 MAY 25

SUPERSEDES 24 AUG 21

AQUEDUCT AND DISTRIBUTION PIPELINE RIGHTS-OF-WAY MAINTENANCE

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

Maintain the integrity of the raw water aqueducts and the distribution pipeline rights-of-way (fee-owned and easement established) to ensure:

- Safety and reliability of water supply, and the rights and obligations of the District;
 - Protection against fire;
 - Protection against erosion;
 - Protection against flooding;
 - Protection against trespassing by individuals, unauthorized access by vehicles and equipment, and unauthorized encroachment; and
 - Fast recovery from emergencies.
-

Rights-of-Way Use Restrictions

Protect against trespassing by use of control measures such as gates across rights-of-way to ensure operational capabilities maintained; property requirements are met; and underground and above-ground facilities are protected.

With prior District approval, allow use of the rights-of-way for public trail purposes by public agencies provided such use will lessen maintenance work performed by the District and with due regard for District liability, safety of pipelines, and maintenance of access roads. The use of District aqueduct rights-of-way by public agencies will only be allowed under the terms of a properly authorized written agreement.

Where possible, secure relinquishment of surface rights from their present owners in exchange for other rights requested by those owners where such exchanges are in the best interests of the District.

Prohibit uses incompatible with the District's property rights, operation and maintenance of the aqueducts and distribution pipelines, or that potentially impact the District's assets. These prohibitions generally include but are not limited to:

- Use of District aqueduct or distribution pipeline properties by others as a condition to meet city/county zoning requirements or to obtain any land use permit, approval, or entitlement affecting properties not owned by the District.
 - Third party building or portions of buildings constructed on aqueduct or distribution pipeline property.
 - Unauthorized non-District vehicular parking anywhere on the District rights-of-way.
 - Interference with gravity drainage of District aqueduct or distribution pipeline property. Drainage facilities shall be provided outside District property to assure adequate drainage is maintained.
-

Aqueduct and Distribution Pipeline Rights-of-Way Maintenance

NUMBER 7.01

PAGE NO.: 2

EFFECTIVE DATE: 22 APR 25

Raw Water Aqueduct Integrity

Plan for and implement the repair, refurbishment, and replacement of the aqueducts including a secure Delta tunnel.

Ensure that all uses of aqueduct rights-of-way accommodate repairs and future construction of replacement aqueducts, additional aqueducts, and potential improvements to the aqueducts.

Ensure construction from any proposed third-party project that passes under, over, or through a fee-owned or easement established aqueduct right-of-way is evaluated in detail for potential impacts, and mitigations are identified and implemented to the level of no significant impact.

Authority

Resolution No. 14,620, January 26, 1951
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33443-04, September 28, 2004
As amended by Resolution No. 33564-06, November 14, 2006
As amended by Resolution No. 33780-10, September 14, 2010
As amended by Resolution No. 33871-12, April 24, 2012
As amended by Resolution No. 34059-15, November 24, 2015
As amended by Resolution No. 35156-19, September 24, 2019
As amended by Resolution No. 35243-21, August 24, 2021
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Policy 9.06 – Bay-Delta Protection
Procedure 718 – Authorized Uses of Pipeline Rights-of-Way



Policy 7.08^R

EFFECTIVE [27 MAY 25](#)

~~22 NOV 22~~

SUPERSEDES [22 NOV 22](#)

~~28 OCT 14~~

RESIDENCES – DISTRICT-OWNED

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

Protect District-owned facilities and watershed lands from security threats, fire, hunting, vandalism and other encroachments. The District determined that it is necessary and beneficial to have District employees (“employee-residents”) reside on certain District-owned lands. Such employee-residents shall have duties including, but not limited to, responding to emergencies and requests from the public for assistance, providing security for District-owned facilities and lands including prevention from vandalism, and similar duties.

Residency Program

Employees selected to live on District-owned premises shall be required to live in a District residence on District-owned lands as determined by the District, so as to be available to provide the above-described services day or night. The District has exclusive rights to determine the need for ~~each~~ employee residency on District-owned land [based on operating needs](#) and ~~to determine which assign~~ employees [accordingly](#) ~~shall be selected as employee-residents~~. Employees selected as employee-residents shall execute a tenant agreement containing all terms and conditions of the residency, including reasonable, realistic rent.

Such rent shall be based upon the fair market value of the rent, as well as the size, condition, location of, and access to the residence and other factors that affect rental value such as the availability of potable drinking water, taking into consideration, the value of the resident services provided to the District by the employee-resident.

Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33214-00, July 11, 2000
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 34005-14, October 28, 2014
As amended by Resolution No. 35325-22, November 22, 2022
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)



Policy 7.08

EFFECTIVE 27 MAY 25

SUPERSEDES 22 NOV 22

RESIDENCES – DISTRICT-OWNED

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Such rent shall be based upon the fair market value of the rent, as well as the size, condition, location of, and access to the residence and other factors that affect rental value such as the availability of potable drinking water, taking into consideration, the value of the resident services provided to the District by the employee-resident.

Authority

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As amended by Resolution No. 33214-00, July 11, 2000
As amended by Resolution No. 33027-02, September 24, 2002
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33687-08, October 14, 2008
As amended by Resolution No. 34005-14, October 28, 2014
As amended by Resolution No. 35325-22, November 22, 2022
As amended by Resolution No. XXXXX-25, May 27, 2025



Policy 7.09R

EFFECTIVE [27 MAY 25](#)

~~26 JUN 18~~

SUPERSEDES [26 JUN 18](#)

~~26 JAN 16~~

WORKPLACE SAFETY AND HEALTH

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

Provide employment and work environments that are safe, secure, and healthy for all employees, regardless of job classification or civil service status, to minimize injury and illness, promote public safety, [prevent workplace violence](#), prevent damage to property, plant, or equipment, and ensure compliance with all pertinent federal, state and local safety regulations. The District will implement the following in support of this policy:

Safe and Healthy Practices

Maintain written Required Safety Practices (RSP's) that document methods for employees to mitigate hazards based on federal or state worker safety orders, industry best management practices, and prior District experience.

[Promptly respond to and document reported incidents of potential workplace violence in accordance with Security Protocol 1.5 - Workplace Violence Prevention and Investigation and RSP 6000 – Workplace Violence Prevention Plan.](#)

Integrate safety and long-term health and wellness into business planning, decision making, and daily activities.

Promote effective employee participation through local safety committees and staff meetings.

Identify opportunities for continuous improvement to reduce hazards, decrease health risks, and minimize injuries.

Ensure ~~all~~ contractors, vendors, and visitors comply and adhere to a safe working environment.

Provide employees with health and wellness opportunities and resources.

Training Programs

Provide training ~~using a variety of media and methods~~ to inform [and instruct](#) employees about the requirements of the District's [health and](#) safety program including injury prevention, [and compliance with](#) applicable laws and regulations, and District safety practices. Training will include instruction on [hazard identification, protective measures, personal protective equipment, workplace violence prevention, evacuation plans, meet-up points,](#) and other safety measures specific to the [hazards of various District operations and facilities](#) ~~work facility (e.g., water treatment plants, hazardous materials evacuation plans, etc.).~~ [Ensure that all training materials and curriculum are inclusive and accessible to all employees, with language assistance and other accommodations provided as needed and content delivered in a culturally competent manner to accommodate diverse learning styles and backgrounds.](#)

Equipment

Identify, provide, and require the use of personal protective equipment applicable to the hazard(s) presented by the task(s) being performed.

Furnish and use equipment, safety devices, and safeguards that are practicable and effective to render District employment safe and healthy. Require periodic evaluation of safety equipment and devices, as appropriate.

**General Safety
Compliance**

Conduct periodic facility audits, job-site inspections, and job hazard analyses to ensure application of safe and healthy practices.

Enforce compliance with regulatory agency safety orders and District policies and practices, including discipline of employees who violate regulatory agency safety orders or District policies or practices in the performance of their work.

[Establish and implement an effective Workplace Violence Prevention Plan in accordance with California Labor Code 6401.9 to mitigate hazards associated with workplace violence and ensure incidents are promptly reported, investigated, and mitigated.](#)

References

Policy 7.05 Sustainability and Resilience
Policy 7.13 Security
District Injury and Illness Prevention Plan
Required Safety Practices
[Security Protocol 1.5 - Workplace Violence Prevention and Investigation](#)

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33027-02, September 24, 2002
Amended by Resolution No. 33443-04, September 28, 2004
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33780-10, September 14, 2010
Amended by Resolution No. 33883-12, June 26, 2012
Amended by Resolution No. 33968-14, March 25, 2014
Amended by Resolution No. 34064-16, January 26, 2016
Amended by Resolution No. 35099-18, June 26, 2018
[Amended by Resolution No. XXXXX-25, May 27, 2025](#)



Policy 7.09

EFFECTIVE 27 MAY 25

SUPERSEDES 26 JUN 18

WORKPLACE SAFETY AND HEALTH

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

Provide employment and work environments that are safe, secure, and healthy for all employees, regardless of job classification or civil service status, to minimize injury and illness, promote public safety, prevent workplace violence, prevent damage to property, plant, or equipment, and ensure compliance with all pertinent federal, state and local safety regulations. The District will implement the following in support of this policy:

Safe and Healthy Practices

Maintain written Required Safety Practices (RSP's) that document methods for employees to mitigate hazards based on federal or state worker safety orders, industry best management practices, and prior District experience.

Promptly respond to and document reported incidents of potential workplace violence in accordance with Security Protocol 1.5 - Workplace Violence Prevention and Investigation and RSP 6000 – Workplace Violence Prevention Plan.

Integrate safety and long-term health and wellness into business planning, decision making, and daily activities.

Promote effective employee participation through local safety committees and staff meetings.

Identify opportunities for continuous improvement to reduce hazards, decrease health risks, and minimize injuries.

Ensure contractors, vendors, and visitors comply and adhere to a safe working environment.

Provide employees with health and wellness opportunities and resources.

Training Programs

Provide training to inform and instruct employees about the requirements of the District's health and safety program including injury prevention, and compliance with applicable laws and regulations, and District safety practices. Training will include instruction on hazard identification, protective measures, personal protective equipment, workplace violence prevention, and other safety measures specific to the hazards of various District operations and facilities. Ensure that all training materials and curriculum are inclusive and accessible to all employees, with language assistance and other accommodations provided as needed and content delivered in a culturally competent manner to accommodate diverse learning styles and backgrounds.

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References

Policy 7.05 Sustainability and Resilience
Policy 7.13 Security
District Injury and Illness Prevention Plan
Required Safety Practices
Security Protocol 1.5 - Workplace Violence Prevention and Investigation

Authority

Resolution No. 32874-94, August 9, 1994
Amended by Resolution No. 33027-02, September 24, 2002
Amended by Resolution No. 33443-04, September 28, 2004
Amended by Resolution No. 33564-06, November 14, 2006
Amended by Resolution No. 33780-10, September 14, 2010
Amended by Resolution No. 33883-12, June 26, 2012
Amended by Resolution No. 33968-14, March 25, 2014
Amended by Resolution No. 34064-16, January 26, 2016
Amended by Resolution No. 35099-18, June 26, 2018
Amended by Resolution No. XXXXX-25, May 27, 2025



Policy 7.12R

EFFECTIVE [27 MAY 25](#)
~~11 MAR 08~~
SUPERSEDES [11 MAR 08](#)
~~24 SEP 02~~

WEATHER MODIFICATION

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

Cooperate with other agencies interested in investigating the benefits, cost, and impacts of weather modification technologies, including cloud seeding, to increase precipitation and runoff in the Mokelumne Basin.

The District will conduct weather modification activities, either alone or in partnership with other agencies, when potential increases in water supply and power generation have been identified and determined to be cost effective. These efforts will be conducted in accordance with District Policy 7.05 (Sustainability and Resilience) and take into account social, environmental, and economic effects on all communities served~~Develop programs, including cooperative programs with other agencies, to implement weather modification activities when potential increases in water supply and power generation have been identified, and when determined to be cost-effective and consistent with Policy 7.05, Sustainability and Resilience.~~

Authority

Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33027-02 September 24, 2002
As amended by Resolution No. 33661-08, March 11, 2008
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)

References

Policy 7.05 – Sustainability and Resilience
Policy 3.02 – California Environment Quality Act Implementation



Policy 7.12

EFFECTIVE 27 MAY 25

SUPERSEDES 11 MAR 08

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Resolution No. 32911-95, February 28, 1995
As amended by Resolution No. 33027-02 September 24, 2002
As amended by Resolution No. 33661-08, March 11, 2008
As amended by Resolution No. XXXXX-25, May 27, 2025

References

Policy 7.05 – Sustainability and Resilience
Policy 3.02 – California Environment Quality Act Implementation



BAY-DELTA PROTECTION

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

Support the protection and enhancement of the Sacramento-San Joaquin Delta, San Francisco Bay Estuary and their tributaries, including ecosystem enhancements, water supply reliability, water quality improvement, and water management optimization; support balanced implementation of efforts to improve and manage Bay-Delta sustainability; ensure sustainability efforts are aligned with disadvantaged communities and tribal interests; support the development of science-based wastewater discharge standards; support the development of [science-based](#) water quality and flood protection standards that place a high priority on protecting the Delta ecosystem and the quality and availability of drinking water supplies, consistent with the District's statutory obligations and responsibilities as well as in accordance with the District's mission 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.

Bay and Delta Natural Resources

San Francisco Bay and the Sacramento-San Joaquin Delta are magnificent and unique natural resources that sustain a diverse mix of plants, fish, and wildlife, and enhance the quality of life in California.

During the last two centuries, human activities have substantially altered the physical, biological, and ecological characteristics of the Sacramento-San Joaquin Delta. Recurrent levee failures in the Sacramento-San Joaquin Delta are expected due to various factors including seismicity, climate change, sea level rise, subsidence, insufficient maintenance, and erosion. Changes in the ecological function of the Sacramento-San Joaquin Delta have led to species decline, establishment of non-native species populations, and a significant reduction in suitable habitat to meet the required biological needs of migrating fish and wildlife species. In response to these trends, [state, federal, and local agencies have undertaken](#) significant efforts ~~have been undertaken~~ in recent decades to minimize or mitigate adverse impacts on the San Francisco Bay and Sacramento-San Joaquin Delta through levee improvements, habitat restoration, and flow management.

The District conveys 90 percent of its water supply for customers from aqueducts that cross the Sacramento-San Joaquin Delta and has stewardship responsibilities within at least three watersheds tributary to the Sacramento-San Joaquin Delta and to the San Francisco Bay. The District is also a partner in the Freeport Regional Water Authority on the Sacramento River, which enables the District to receive supplies from the Central Valley Project and other sources. The District is also a significant landowner in four Reclamation Districts in the Sacramento-San Joaquin Delta and has direct interest in continued protection of Sacramento-San Joaquin Delta levees that support District infrastructure.

The District discharges treated wastewater into the San Francisco Bay. Over the years, the District has made substantial investments in pollution prevention, capital and operational improvements to its wastewater treatment facilities, and participated in many San Francisco Bay stewardship activities. These efforts have contributed significantly to improving water quality in the San Francisco Bay over recent decades.

The Mokelumne River Chinook salmon population is one of the most robust in the Central Valley and provides a significant contribution to commercial and recreational fisheries in California. The continued success of the District's

management of the lower Mokelumne River and its salmon population is dependent on healthy Sacramento-San Joaquin Delta and San Francisco Bay ecosystems, including migratory pathways that allow for salmonids to migrate successfully to the ocean and return to natal rivers.

Disadvantaged communities and tribal interests have often been disconnected from the regulatory and decision-making process for the Bay and Sacramento-San Joaquin Delta ecosystems. For many, their livelihood and culture are integrated into the health of the San Francisco Bay–Sacramento-San Joaquin Delta. Protection and enhancement of the Sacramento-San Joaquin Delta will benefit from an inclusive process that strives for diversity in all processes and decisions and by promoting environmental justice.

The District, therefore, has an interest in protecting the Sacramento-San Joaquin Delta and San Francisco Bay, and restoring the ecological health and water quality of the San Francisco Bay-Sacramento-San Joaquin Delta System. The District believes that all public agencies whose actions impact the San Francisco Bay-Sacramento-San Joaquin Delta environment have a responsibility to address the effects of their decisions on the San Francisco Bay and Sacramento-San Joaquin Delta. It is the policy of the District to:

- Encourage the development of [science-based](#) water flow and water quality standards needed to protect and enhance habitat quantity and quality to improve native biological diversity and abundance of the San Francisco Bay and Sacramento-San Joaquin Delta;
- Support the balanced implementation of legislative and/or administrative efforts to improve and manage multiple uses of the Sacramento-San Joaquin Delta on a sustainable basis, including levees and infrastructure;
- Support engagement and participation of disadvantaged communities, tribal interests and other stakeholders in formulating, developing, and decision-making processes related to San Francisco Bay–Sacramento-San Joaquin Delta issues;
- Protect and enhance the water quality of the San Francisco Bay through advocacy for science-based wastewater discharge regulation, and continue District pollution prevention and San Francisco Bay stewardship activities; and
- [Support and](#) encourage ~~the implementation of~~ legislation, regulations, ~~and specific projects, and initiatives~~ that will lead to improvements in: water quality; water supply reliability; migratory pathways for native salmonids; climate change resiliency, and ecosystem health. This includes efforts sponsored by the District, individually or in cooperation with other organizations, that will ~~result in benefits for the~~ District's customers, ~~and a fair apportionment of~~ [allocates](#) costs [in proportion to the benefit received](#) consistent with a beneficiary pays principle.

Reference

Policy 7.05 – Sustainability and Resilience

Authority

Resolution No. 32191, April 11, 1989
Amended by Resolution No. 32885-94, October 25, 1994
Amended by Resolution No. 33365-03, July 8, 2003
As amended by Resolution No. 33494-05, September 27, 2005
As amended by Resolution No. 33646-07, December 11, 2007
As amended by Resolution No. 33732-09, October 27, 2009
As amended by Resolution No. 33841-11, September 27, 2011
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. 35189-20, June 23, 2020
As amended by Resolution No. 35315-22, September 27, 2022
[As amended by Resolution No. XXXXX-25, May 27, 2025](#)



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The District, therefore, has an interest in protecting the Sacramento-San Joaquin Delta and San Francisco Bay, and restoring the ecological health and water quality of the San Francisco Bay-Sacramento-San Joaquin Delta System. The District believes that all public agencies whose actions impact the San Francisco Bay-Sacramento-San Joaquin Delta environment have a responsibility to address the effects of their decisions on the San Francisco Bay and Sacramento-San Joaquin Delta. It is the policy of the District to:

- Encourage the development of science-based water flow and water quality standards needed to protect and enhance habitat quantity and quality to improve native biological diversity and abundance of the San Francisco Bay and Sacramento-San Joaquin Delta;
- Support the balanced implementation of legislative and/or administrative efforts to improve and manage multiple uses of the Sacramento-San Joaquin Delta on a sustainable basis, including levees and infrastructure;
- Support engagement and participation of disadvantaged communities, tribal interests and other stakeholders in formulating, developing, and decision-making processes related to San Francisco Bay–Sacramento-San Joaquin Delta issues;
- Protect and enhance the water quality of the San Francisco Bay through advocacy for science-based wastewater discharge regulation, and continue District pollution prevention and San Francisco Bay stewardship activities; and
- Support and encourage legislation, regulations, projects, and initiatives that will lead to improvements in: water quality; water supply reliability; migratory pathways for native salmonids; climate resiliency, and ecosystem health. This includes efforts sponsored by the District, individually or in cooperation with other organizations, that will benefit District’s customers, and allocates costs in proportion to the benefit received consistent with a beneficiary pays principle.

Reference

Policy 7.05 – Sustainability and Resilience

Authority

Resolution No. 32191, April 11, 1989
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As amended by Resolution No. 33732-09, October 27, 2009
As amended by Resolution No. 33841-11, September 27, 2011
As amended by Resolution No. 35061-17, September 26, 2017
As amended by Resolution No. 35189-20, June 23, 2020
As amended by Resolution No. 35315-22, September 27, 2022
As amended by Resolution No. XXXXX-25, May 27, 2025



Policy 4.07

EFFECTIVE 28 MAY 24

INVESTMENTS

SUPERSEDES 23 MAY 23

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

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPAs) in compliance with investment criteria for safety, liquidity, yield, and diversification as set forth herein. Investments shall be in securities with a range of maturities to provide adequate security and liquidity to pay demands when due while providing a risk-adjusted market rate of return on investments that takes into consideration the cash flow needs of the District and its JPAs.

Authority	Section 53600 et. seq. of the California Government Code (Government Code) and Chapter 6, Article 7 of the Municipal Utility District Act (M.U.D. Act) govern the investment of idle monies of the District. Section 53635 of the Government Code defines how investments are to be handled for Joint Powers Authorities.
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Delegation of Authority	The authority and responsibility to invest idle monies of the District are delegated by the Board to the Director of Finance as the Treasurer. The Director of Finance may designate individual staff to carry out his/her responsibilities under this policy.
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No Bond Proceeds	The investment of bond proceeds is specifically defined in individual bond indenture documents and is not included in this policy. This exemption also applies to funds held at the Trustee in Principal, Interest, Debt Service Reserve, or other accounts for the purpose of servicing the bonds.
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Ethics and Conflicts of Interest	Officers and employees involved in the investment process shall: - refrain from personal business activity that could conflict with proper execution of the District's investment program, or which could impair their ability to make impartial investment decisions on behalf of the District, - disclose any material financial interest in financial institutions that conduct business with the District, - disclose material personal financial/investments that are related to or could reasonably be affected by the performance of the District's investments, - refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District's investments, and - comply with the District's Conflict of Interest Code, Procedure 418 - Gifts, Personal Loans and Personal Benefit Interests, Procedure 601 - Conflict of Interest Disqualification Procedure, and District Procedure 447 - Vendor Interactions and Procurement Integrity
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Investment Criteria and Objectives	Criteria for selecting investments shall: - adhere to the prudent investor standard, described in Section 53600.3 of the Government Code as follows: "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of
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a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency," **and**

- conform with the Government Code and the M.U.D. Act, **and**
- align with District policies, mission and values, **and**
- have the following objectives, in order of priority:

1. *Safety* – The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and to minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.
2. *Liquidity* – The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives.
3. *Yield* – The District's ability to provide a risk-adjusted market rate of return on the District's investments while conforming to the safety and liquidity criteria above.
4. *Diversification* – The District's ability to maintain an investment portfolio that includes a range of security types. In order to accomplish this, each Investment Option shall have defined limits on maximum share of the portfolio, single issuer and single issue holdings; and maturity, rating and other restrictions where applicable.

**Environmental,
Social and
Governance
Factors**

It is the intent of the District to align its investment decisions with its policies, mission, and values. Safety, liquidity, yield and diversification are the District's primary investment objectives. The District will also consider sound Environmental, Social and Governance (ESG) factors and objectives in its investment process, subject to the prudent investor standard.

Maturity

The weighted average maturity of the portfolio shall not exceed 900 days.

**Rating Agencies
and Rating
Requirements**

As outlined below, some Investment Options have rating requirements. In that context, Rating Agencies is defined as:

- Standard & Poor's Financial Services (S&P),
- Moody's Investors Service (Moody's), and
- Fitch Ratings (Fitch), only.

Ratings requirements:

- are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. Rating Agencies scales are included for reference in Exhibit 1,
- apply at the time of purchase only, with subsequent downgrades below requirement levels or the assignment of negative watch or outlook prompting a case-by-case evaluation of the investment, and
- only apply to the Rating Agencies rating the security.

**Investment
Options**

The District is able to purchase investments in the instruments listed in this section as allowed and defined under Section 53600 et. seq. of the Government Code, Chapter 6, Article 7 of the M.U.D. Act, Board Resolutions, and via this policy. Percentage limitations, where indicated, apply at the time of purchase. As used in this section, the term "Portfolio" refers to all investable funds covered by this policy.

1. United States Treasury Obligations

- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

2. United States Government Agencies Obligations

Under this subsection, only obligations issued by the following agencies are permitted:

- o Federal Agricultural Mortgage Corporation (FAMC)
- o Federal Farm Credit Bank (FFCB)
- o Federal Home Loan Bank (FHLB)
- o Federal Home Loan Mortgage Corporation (FHLMC)
- o Federal National Mortgage Association (FNMA)
- Maximum Share of Portfolio: Unlimited
- Maximum Issuer Limit: 40% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: n/a
- Other Restrictions: none

3. State of California, Local Agency Investment Fund (LAIF)

- Maximum Share of Portfolio: as determined by the State Treasurer and in accordance with Section 16429.1 of the Government Code
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: n/a
- Other Restrictions: none

4. Local Government Investment Pools

Under this subsection, only obligations of the following agencies are permitted:

- California Asset Management Program (CAMP)
- Investment Trust of California (CalTRUST)
- Maximum Share of Portfolio: 40% of the Portfolio
- Maximum Issuer Limit: 20% of the Portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: Ratings of AAAm for stable net asset value funds and AA category or higher for floating net asset value funds by at least one Rating Agency
- Other Restrictions: none

The District will review each Pool's disclosure documents annually to assess the suitability of the fund's holdings. These documents, along with the other criteria above, including the rating restriction, will be used to determine the suitability to receive Portfolio funds.

5. Money Market Mutual Funds

Under this subsection, only Money Market Mutual Funds with stable, non-floating net asset value are permitted:

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Fund Limit: 5% of Money Market Mutual Fund's assets
- Maximum Issue Limit: n/a
- Maximum Maturity: n/a
- Minimum Rating: AAAm by at least two Rating Agencies
- Other Restrictions: none

The District will request from each Money Market Mutual Fund, prior to investing and on an annual basis after investing, documents which provide details on the operations of the fund. These documents, along with the other criteria above, including the rating restriction, will be used to determine the suitability to receive Portfolio funds.

6. Certificates of Time Deposit

Under this subsection, only investments in selected depositories, using one or more private sector entity, in compliance with and as authorized under Government Code Section 53601.8 are permitted.

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Negotiable Certificates of Deposit
- Maximum Issuer Limit: applicable maximum FDIC deposit insurance coverage limit
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed one (1) year from the settlement date
- Minimum Rating: AA- by at least one Rating Agency
- Other Restrictions:
 - Investment in local branches within the District, whenever possible.

7. Negotiable Certificates of Deposit

- Maximum Share of Portfolio: 20% of the Portfolio when added together with Certificates of Time Deposits
- Maximum Issuer Limit: applicable maximum FDIC deposit insurance coverage limit
- Maximum Issue Limit: 10% of issue
- Maximum Maturity: Not to exceed five (5) years from the settlement date
- Minimum Rating: AA- by all Rating Agencies
- Other Restrictions:
 - o Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more.

8. Commercial Paper

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 5% of the portfolio
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: A-1+ from at least one Rating Agency
- Other Restrictions:
 - o Issued by an entity that is, at the time of purchase:
 - organized and operating in the United States as a general corporation, with total assets exceeding \$500,000,000 and debt (other than commercial paper) rated A or better by at least one Rating Agency ; or
 - is organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, and has commercial paper that is rated A-1+ by at least one Rating Agency.

9. Medium Term Corporate Notes

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: 5% of the Portfolio
- Maximum Issue Limit: 5% of original issue amount
- Maximum Maturity: Not to exceed 5 years from the settlement date
- Minimum Rating: AA- from at least one Rating Agency, and not lower than A by any Rating Agency
- Other Restrictions:
 - o Issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

10. Repurchase Agreements

- Maximum Share of Portfolio: 20% of the Portfolio
- Maximum Issuer Limit: n/a
- Maximum Issue Limit: n/a
- Maximum Maturity: Not to exceed 270 days from the settlement date
- Minimum Rating: n/a
- Other Restrictions:
 - o Collateral may only be in any securities authorized in items 1, or 2
 - o A Master Repurchase Agreement must be on file with the District
 - o Security must be marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%

Funds on deposit at the District's commercial bank may be invested in overnight repurchase agreements through a sweep program.

11. Municipal Obligations

Under this subsection, only registered obligations of the following agencies are permitted:

- o The State of California
- o Any local agency within the State of California
- Municipal Bonds:
 - o Maximum Share of Portfolio: 20% of the Portfolio when added together with Municipal Notes
 - o Maximum Issuer Limit: 5% of the Portfolio
 - o Maximum Issue Limit: 10% of original issue amount
 - o Maximum Maturity: Not to exceed five (5) years or with a put provision within five (5) years of settlement date
 - o Minimum Rating: AA- or equivalent by at least one Rating Agency, and not lower than A by any Rating Agency
 - o Other Restrictions: none
- Municipal Notes:
 - o Maximum Share of Portfolio: 20% of the Portfolio together with Municipal Bonds
 - o Maximum Issuer Limit: 5% of the Portfolio
 - o Maximum Issue limit: 10% of original issue amount
 - o Maximum Maturity: n/a
 - o Minimum Rating: Notes maturing within 365 days must have a rating of SP-1+ from at least one Rating Agency
 - o Other Restrictions: none

**Zero or Negative
Market Rates**

As authorized under Section 53601.6 and at the discretion of the Director of Finance or its designees, investments can be made "in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates." Those investment may also then be held until their maturity dates. This provision sunsets January 1, 2026.

**Investment
Placement**

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, for investments purchased or sold in the secondary market, best efforts will be made to obtain at least three quotations from Purchasing Entities (as defined below) or to obtain timely and verifiable third-party market pricing data for the investment in question. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

**Selling Securities
Prior To Maturity**

When selling securities prior to maturity, principal losses are only allowable either:

- if the sale of securities is necessary to meet payment obligations,
 - to comply with this policy, while considering the impact of the sale(s), or
 - if the proposed sale is to be made in conjunction with a purchase and the proposed sale in combination with the subsequent purchase can enhance the Portfolio's yield.
-

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

**Portfolio
Performance**

The Portfolio will seek to attain a risk-adjusted market rate of return that takes into consideration the cash flow needs of the District. As a result, portfolio performance will be measured using common market indicators. Those may include, but are not limited to: the Federal funds rate, short-term government obligations rates, and other market rates that reflect the mix of securities in the Portfolio.

**Purchasing
Entities**

Investments will be purchased from either:

- Primary Dealers as designated by the Federal Reserve Bank of New York,
- National or California State Chartered Banks,
- Federal or California Chartered Savings Institution,
- Broker-Dealers registered with the State of California, **or**
- Issuers of securities eligible for purchase by the District.

In addition, these institutions must:

- be registered by the Securities and Exchange Commission (SEC),
- be members in good standing of the Financial Industry Regulatory Authority (FINRA), **and**
- provide audited financial statements to the District annually.

The District shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized.

Additionally, to be placed on the eligible list, individuals need to certify in writing that they have read, understood, and agree to comply with this policy, where applicable, by completing and filing with the District the 'Certification of Compliance with Investment Policy' included in this policy as Exhibit 2.

Eligibility may be revoked at any time, in the District's sole discretion, for any reason, including but not limited to, failure to meet the above requirements.

**Trade
Confirmations and
Settlements**

The District shall comply with the following:

1. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).
 2. To ensure a high degree of internal control, all trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. Any discrepancies will be brought to the attention of the Treasurer.
-

**Review And
Reporting
Requirements**

On a monthly basis, in accordance with Section 53607 of the Government Code, the Treasurer shall prepare and submit a report listing investment transactions to the General Manager and the Board of Directors.

On a quarterly basis, in accordance with Section 53646 of the Government Code, the Treasurer may prepare and submit a report to the General Manager and the Board of Directors. If rendered, the report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District, and provide an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the Government Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer.

**Performance
Review And
Internal Control**

Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Treasurer has established and maintains an internal control structure designed to ensure that funds covered under this policy are protected from loss, theft, fraud, or misuse.

The Treasurer will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996
Amended by Resolution No. 33134-99 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26, 2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014
Approved by Resolution 34027-15, April 28, 2015
Approved by Resolution 34079-16, April 26, 2016
Approved by Resolution 35033-17, April 25, 2017
Approved by Resolution 35083-18, April 24, 2018
Approved by Resolution 35137-19, April 23, 2019
Approved by Resolution 35174-20, April 28, 2020
Approved by Resolution 35220-21, April 27, 2021
Approved by Resolution 35290-22, May 24, 2022
Approved by Resolution 35346-23, May 23, 2023
Approved by Resolution 35398-24, May 28, 2024

References

EBMUD Conflict of Interest Code
Procedure 418 – Gifts, Personal Loans and Personal Benefit Interests
Procedure 447 – Vendor Interactions and Procurement Integrity
Procedure 601 – Conflict of Interest Disqualification Procedure

EXHIBIT 1 RATING AGENCIES' SCALES

For purposes of Investment Policy 4.07 the term "Rating Agencies" is defined as: Standard & Poor's Financial Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch).

Ratings requirements are provided using the S&P scale and should be read as "or equivalent" to other Rating Agencies scales. The equivalencies are provided in the tables below.

EXAMPLE

Investment Option 6, Certificates of Time Deposits, shows:

"Minimum Rating: AA- by at least one Rating Agency"

This requirement should be read as:

"Minimum Rating: AA- *or equivalent* by at least one Rating Agency."

To determine the equivalent rating in the table below, find the AA- rating under the S&P column and read across the row to find the Moody's equivalent rating of Aa3 and the Fitch equivalent rating of AA-. Accordingly, a Certificate of Time Deposit is equivalent as an investment if it is rated AA- by S&P, Aa3 by Moody's, or AA- by Fitch.

INVESTMENT-GRADE RATING SCALES

LONG-TERM DEBT			
S&P	MOODY'S	FITCH	
AAA	Aaa	AAA	
AA+	Aa1	AA+	
AA	Aa2	AA	
AA-	Aa3	AA-	← Minimum rating required for District investments
A+	A1	A+	
A	A2	A	
A-	A3	A-	
BBB+	Baa1	BBB+	
BBB	Baa2	BBB	
BBB-	Baa3	BBB-	

SHORT-TERM DEBT			
S&P	MOODY'S	FITCH	
A-1+	P-1	F1+	← Minimum rating required for District investments
A-1	-	F1	
A-2	P-2	F2	
A-3	P-3	F3	

MONEY MARKET FUNDS			
S&P	MOODY'S	FITCH	
AAAm	Aaa-mf	AAAf	← Minimum rating required for District investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

STABLE NAV LGIPs			
S&P	MOODY'S	FITCH	
AAAm	Aaa-mf	AAAf	←Minimum rating required for District investments
AAm	Aa-mf	AAf	
Am	A-mf	Af	
BBBm	Baa-mf	BBBf	

FLOATING NAV LGIPs			
S&P	MOODY'S	FITCH	
AAAf	Aaa-mf	AAAf	
AAf	Aa-mf	AAf	←Minimum rating required for District investments
Af	A-mf	Af	
BBBf	Baa-mf	BBBf	

EXHIBIT 2
East Bay Municipal Utility District
Certification of Compliance with Investment Policy

The East Bay Municipal Utility District (the District), under Policy 4.07 (the Investment Policy), requires that securities trading and placement of funds be conducted only with eligible Purchasing Entities. The Investment Policy also specifies that the District must obtain written certification that eligible Purchasing Entities have read, understood, and agree to comply with the Investment Policy, where applicable. This certification is necessary to be included on an approved list of Purchasing Entities that are eligible to conduct investment transactions with the District. The District has no obligation to enter into securities trading and/or placement of funds transactions with any or all Purchasing Entities on the list. The District retains the sole and exclusive discretion to determine with which of the Purchasing Entities, if any, to engage in individual investment transactions. Eligibility may be revoked at any time, at the District's sole discretion, for any reason, including but not limited to, failure to meet the requirements of the policy and this exhibit.

Please complete the sections below, sign and return this completed form if you wish to be considered for inclusion on the approved list of Purchasing Entities eligible to conduct investment transactions with the District. Please send completed form:

via mail, to:
Steven Goodman-Leibof
East Bay Municipal Utility District
375 11th Street, MS809
Oakland, CA 94607

and electronically, to:
steven.goodman-leibof@ebmud.com

A. Entity Name _____

B. My entity is a: (choose all that apply, **at least one must be checked for eligibility)**

- ☐ Primary Dealer as designated by the Federal Reserve Bank of New York
- ☐ National or California State Chartered Bank
- ☐ Federal or California Chartered Savings Institution
- ☐ Broker-Dealer registered with the State of California

AND

I certify that my entity is: (**both must be checked for eligibility**)

- ☐ registered by the Securities and Exchange Commission (SEC)
- ☐ a member in good standing of the Financial Industry Regulatory Authority (FINRA)

C. My entity is an:

- ☐ issuer of securities eligible for purchase by the District

D. My entity:

- ☐ participates in the District's Contract Equity Program

E. I have provided:

- ☐ Audited Financial Statements

I certify that I have read, understood, and agree to comply where applicable with the District's Investment Policy.

Print Name _____

Sign Name _____

Title _____

Date _____

EXHIBIT 3
East Bay Municipal Utility District
Investment Policy Quick Reference Table

The following is a summary of Investment Options and a few of their requirements. Full details on each Investment Option can be found in the main body of the Investment Policy on pages 2 through 5.

Investment Option	Maximum Share of Portfolio	Minimum Rating at purchase	Maximum Maturity at settlement	Additional Limitations
United States Treasury Obligations	100%	n/a	5 years	see page 2, Item 1
United States Government Agencies Obligations	100%	n/a	5 years	see page 3, Item 2
State of California, Local Agency Investment Fund	per Government Code	n/a	n/a	see page 3, Item 3
Local Government Investment Pools - Stable Net Asset Value	40%	AAAm	n/a	see page 4, Item 4
Local Government Investment Pools - Floating Net Asset Value		AA-f		
Money Market Mutual Funds	20%	AAAm	n/a	see page 3, Item 5
Certificates of Time Deposit	20%	AA-	1 year	see page 3-4, Item 6
Negotiable Certificates of Deposit		AA-	5 years	see page 4, Item 7
Commercial Paper	20%	A-1+	270 days	see page 4, Item 9
Medium Term Corporate Notes	20%	AA-	5 years	see page 4, Item 9
Repurchase Agreements	20%	n/a	270 days	see page 5, Item 10
Municipal Obligations	20%	AA-	5 years	see page 5, Item 11

EXHIBIT 4

Glossary of Investment Terms Used in the Policy

This Glossary is for informational purposes only and is not intended to modify any of the terms of this Investment Policy, the Government Code, or the M.U.D. Act.

AVERAGE MATURITY	A calculation that expresses the average maturity of an investment portfolio using each investment's maturity weighted by the size of that investment in the portfolio.
BROKER	A broker brings buyers and sellers together and is compensated for his/her service.
CERTIFICATE OF DEPOSIT (CD)	A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.
COLLATERAL	Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
COMMERCIAL PAPER (CP)	Short-term unsecured promissory notes.
CUSTODIAN	A bank or other financial institution that keeps custody of stock certificates and other assets.
DEALER	A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
DELIVERY VS. PAYMENT (DVP)	Delivery of securities with a simultaneous exchange of money for the securities.
DIVERSIFICATION	An investment principle designed to spread the risk in a portfolio by dividing investments among different sectors, industries and companies.
GOVERNMENT SECURITIES	Obligations of the U.S. Government and its agencies and instrumentalities.
INTEREST	The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.
LIQUIDITY	The speed and ease with which an investment can be converted to cash.
MATURITY	The date upon which the principal or stated value of an investment becomes due and payable.
MEDIUM TERM NOTES (MTN)	Debt securities issued by a corporation or depository institution with a remaining maturity ranging from nine months to five years.
MONEY MARKET MUTUAL FUNDS	An investment company that pools money from investors and invest in a variety of short-term money market instruments.
NET ASSET VALUE (NAV)	A per-share valuation of a mutual fund based on total assets minus total liabilities.
PRIMARY DEALER	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight.
PRINCIPAL	The face value or par value of an investment.
RATE OF RETURN	The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.
RISK (INVESTMENT RISK)	The probability that an actual investment return outcome will differ from an expected return outcome.
RISK-ADJUSTED RETURN	The return on investment relative to the amount of risk taken over a given period of time (e.g. if two or more investments have the same return over a given time period, the one that has the lowest risk will

	have the better risk-adjusted return).
REPURCHASE AGREEMENT	The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities back at a later date at a specified price that includes interest for the buyer's holding period.
SAFEKEEPING	Storage and protection of a customer's financial assets, valuables, or documents, provided as a service by an institution serving as Agent or Custodian and, where control is delegated by the customer.
SECONDARY MARKET	A market made for the purchase and sale of outstanding issues following the initial distribution.
SETTLEMENT DATE	The date when the security is delivered in exchange for the corresponding payment.
TREASURY BILLS	A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.
TREASURY BONDS	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years from date of issue.
TREASURY NOTES	Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years from date of issue.
U. S. GOVERNMENT AGENCY SECURITIES	Debt securities issued by U.S. Government sponsored enterprises and federally related institutions.
U.S. TREASURY SECURITIES	Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States.
YIELD	The annual rate of return on a debt investment expressed as a percentage.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: May 27, 2025

MEMO TO: Board of Directors

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

FROM: Kathy Viatella, Manager of Legislative Affairs *KV*

SUBJECT: Legislative Report No. 05-25

The following issues are being referred to the Board of Directors for action, as appropriate, on May 27, 2025.

RECOMMENDED ACTION

Approve positions on the following bills: 1) Support AB 532 (Ransom) Water rate assistance program; and 2) Support and Amend SB 350 (Durazo) Water Rate Assistance Program.

STATE LEGISLATION

RECOMMENDED POSITION

**AB 532
(Ransom)** **WATER RATE ASSISTANCE
PROGRAM**

SUPPORT

AB 532 (Ransom) is sponsored by the California Municipal Utilities Association (CMUA). AB 532, as amended May 5, 2025, would make changes to existing law as outlined below.

Grants Express Authority to Establish Local Low-Income Rate Assistance Programs

- AB 532 grants express authority for public urban retail water suppliers (water suppliers) to establish and fund low-income water rate assistance programs for residential ratepayers and gives maximum flexibility in how those programs can be structured, as follows:
 - Programs may include rate assistance, arrearage assistance, and crisis assistance for drinking water customers.
 - The bill, for determination of assistance, uses an annual household income of at or below 200% of federal poverty level (FPL) for water rate assistance, or to residential ratepayers with an arrearage or those likely to have an arrearage without assistance, or to other ratepayers if a water supplier determines that offering assistance would allow it to better meet its community's needs, better administer or provide for a more sustainable program, or better balance competing policy objectives, such as water quality, water efficiency, and water affordability.

- Funding for rate assistance may include “any funding [a water supplier] has available to provide water rate assistance to its ratepayers provided it does not use any funding derived from a fee or charge levied pursuant to Article XIII D of the California Constitution.” [Article XIII D specifies requirements for local agencies in levying assessments and imposing new, or increasing existing property-related fees and charges, and limits the use of these collected revenues].
- Water suppliers may also seek and use voluntary contributions of funds from ratepayers and other sources to support a water rate assistance program.
- Approval by a supplier’s governing body is required for both non-Article XIII D funding and voluntary contributions, as is the requirement to hold a public meeting consistent with the Ralph M. Brown Act for a water supplier to establish a water rate assistance program pursuant to the bill’s provisions.

Enhanced Reporting to the State Water Resources Control Board (SWRCB) about Local Water Rate Assistance Programs and Barriers to Establishing Local Programs

- AB 532 requires, by January 1, 2028, and annually thereafter, enhanced reporting by water suppliers as part of the electronic Annual Report (eAR) submitted to the SWRCB, including:
 - Whether the water supplier provides water rate assistance to its customers.
 - The amount of funding used to provide any water rate assistance during the previous reporting period.
 - If the supplier did not provide water rate assistance, an explanation of any progress made toward implementation of a program, or information about the barriers encountered that prevented water rate assistance.
 - Whether the supplier has sought any voluntary contributions to fund its program, including the total amount collected.
 - The total number of eligible households that were provided with water rate assistance.
- AB 532 requires the SWRCB, by July 1, 2026, to conduct a voluntary survey of water suppliers as to whether the supplier provides water rate assistance to its customers.

Establishes a Revised State Program for Smaller Systems or Systems Serving Predominantly Disadvantaged Communities

- AB 532 repeals a prior statute enacted as part of the Fiscal Year (FY) 2021-2022 State Budget, which required the Department of Community Services and Development (CSD) to implement and administer the Low-Income Household Water Assistance Program (Program), funded through federal COVID-19 relief funds. Instead, AB 532 specifies the Legislature’s intent to create a revised Program, as follows:
 - The Program would be administered by CSD, in consultation with the SWRCB and the Public Utilities Commission.
 - The Program would focus on publicly or privately owned water systems that provide retail water service to 3,000 or less end users or that serve 3,000 or less acre-feet of

- potable water annually, as well as any urban retail water supplier with a service area that is made up of at least 50 percent disadvantaged communities, as measured by population.
- CSD would develop a state plan for the Program including guidelines to address the following: household eligibility requirements; prioritization criteria (including whether an urban retail water supplier has established a program pursuant to the bill's provisions); program design and implementation; funding source and allocation; structure of financial water assistance payments; state oversight and program integrity; public participation; data collection and reporting; limits on reasonable administrative costs; process for disbursing program funds; and, enrollment process for eligible ratepayers through local service providers.
 - CSD must use local service providers, following the model of the original program.
 - This section of the bill is contingent upon appropriation by the legislature. No funding source is specified.

Other Provisions of Interest

- AB 532 contains legislative findings and declarations regarding the need to expand water rate assistance to low-income residential ratepayers by giving urban retail water suppliers express authority to establish and fund local water rate assistance programs that are designed to meet each community's specific needs and to ensure that existing programs can continue to provide water rate assistance.

EBMUD's Customer Assistance Program and AB 532

EBMUD established its generous Customer Assistance Program (CAP) in 1986 through legislation to amend the Municipal Utility District Act (MUD Act) to help with water and wastewater bills for eligible customers. CAP is funded through non-rate revenue sources due to constitutional prohibitions from imposing water rates on non-eligible customers that exceed the cost of serving those customers (Proposition 218). CAP provides assistance to customers who receive a direct water bill.

AB 532 does not require modification of EBMUD's CAP. Instead, it reaffirms what EBMUD is already doing to provide rate assistance for water customers. An added statewide benefit is leveling the playing field for other urban retail water suppliers to have a similar opportunity to establish their own rate assistance programs that fit their community's unique needs, whether through rate assistance, crisis assistance, or arrearage assistance.

AB 532 allows voluntary contributions as a potential funding source for a local water rate assistance program. Should EBMUD seek voluntary contributions in the future, the bill would pave the way through statute. Voluntary contributions and establishment of a rate assistance program through the bill's provisions would require approval by the water supplier's governing body at a public meeting.

Although EBMUD already has the statutory authority in the MUD Act to provide benefits to low-income customers through its CAP, this bill acknowledges the Legislature's intent for other public water suppliers to do the same. AB 532 gives clarity on voluntary contributions as a funding source. There may be minor costs to EBMUD to submit additional information to the SWRCB through the eAR, and potential costs for EBMUD to move forward with seeking a voluntary contribution. AB 532, however, does not require EBMUD to implement voluntary contributions.

The official support and opposition list to AB 532 is shown below.

Support

Association of California Water Agencies
Burbank Water and Power
Ca-NV American Water Works Association
California Council for Environmental &
Economic Balance (CCEEB)
California Municipal Utilities Association
California Special Districts Association
California Water Association
City of Roseville
City of Sacramento
City of Thousand Oaks
Contra Costa Water District
Desert Water Agency
East Valley Water District
Eastern Municipal Water District

Support continued

El Dorado Irrigation District
Elsinore Valley Municipal Water District
Inland Empire Utilities Agency
Irvine Ranch Water District
Las Virgenes Municipal Water District
Metropolitan Water District of Southern
California
Mission Springs Water District
Palmdale Water District
Placer County Water Agency
Rancho California Water District
Regional Water Authority
Santa Rosa; City of
West Valley Water District
Western Municipal Water District

Opposition

None on file

**SB 350
(Durazo)**

**WATER RATE ASSISTANCE
PROGRAM**

**SUPPORT
AND AMEND**

SB 350 is sponsored by three environmental justice groups: Clean Water Action, Community Water Center, and Leadership Counsel for Justice and Accountability. SB 350, as amended May 7, 2025, is similar in concept to SB 222 (Dodd) from 2022, with meaningful revisions. The bill's main provisions are summarized below.

Water Rate Assistance Fund – State Program

- SB 350 establishes a Water Rater Assistance Fund (Fund) in the State Treasury to provide water affordability assistance for both drinking water and wastewater services to low-income residential ratepayers (meaning a resident of a single-family or multifamily residence who receives a bill for residential water or wastewater).
- Moneys in the Fund shall be available to the State Water Resources Control Board (SWRCB) to provide direct water bill assistance to low-income ratepayers served by eligible systems (State Program). Eligible systems include a community water system, wastewater system, or participating tribal water or wastewater system.
- The SWRCB may use various revenue sources for the Fund, including federal or state funding, voluntary contributions, gifts, grants or bequests, and may enter into funding agreements with the federal government, local or state agencies, private entities, or nonprofit organizations.
- Moneys in the Fund shall be available to the SWRCB upon appropriation by the legislature. No funding source has been identified in the bill.

Administration of the Fund

- SB 350 requires the SWRCB to administer the Fund, as follows:
 - Tracking and managing revenues in the Fund.
 - Developing and implementing a process for the SWRCB to disburse State Program funds to eligible systems for “direct application to the system’s low-income residential ratepayer accounts, including controls to prevent fraud, waste and abuse.”
 - Expending moneys in the Fund for grants, contracts, or services to provide benefits to eligible residential ratepayers, including:
 - Allowing technical assistance to eligible systems serving fewer than 3,300 connections to administer the application of State Program funds to low-income residential ratepayer accounts, including initial startup costs.
 - Requiring the SWRCB to identify and contract with one or more third-party providers. The scope of work for third-party providers shall include, but not be limited to, the receipt of California Alternate Rates for Energy (CARE) enrollment data, the receipt of information from eligible systems, the creation of eligible customer lists to be provided to eligible systems, call center services, internet-based enrollments, document intake and processing, and provision of notices to eligible customers of enrollment into the Program and an opportunity to opt out.
 - Establishing a process for contracted third-party providers or other entities responsible for enrollment to regularly confirm the eligibility of recipients.

SWRCB Adoption of Guidelines for State Program Implementation

- SB 350 requires the SWRCB, in consultation with relevant agencies and after a public hearing, to adopt guidelines for State Program implementation, as follows:
 - SB 350 requires the guidelines, at a minimum, to include all of the following:
 - Direction to eligible systems to automatically enroll households in the program if they satisfy at least one of the following circumstances:
 - Available information shows that any member of the residential ratepayer's household is a current enrollee in or recipient of various specified assistance programs; or,
 - The residential ratepayer's household is a utility customer enrolled in the CARE program.
 - Minimum requirements for eligible systems, including:
 - Participation in the State Program.
 - A process for enrollment in the State Program for households that meet specified eligibility criteria.
 - The ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury.
 - A process, at their sole discretion, to elect whether and the extent to which the eligible system will rely on third-party providers for the services within the scope of work (specified above) or instead elect to perform one or more of the services in house.
 - A process to share information with third-party providers, to the extent necessary.
 - A process for the SWRCB to provide funding to eligible systems for application to eligible low-income residential ratepayer accounts. SB 350 provides that funding shall be provided to eligible systems on an annual basis, at a minimum.
 - Guidance to eligible systems regarding payment of reasonable costs for administration of the program, consistent with Article XIII D of the California Constitution.
 - A process for eligible systems to provide a bill credit to residential ratepayers of no less than 20 percent of the total water charges, and, if present on the bill, wastewater charges, as specified.
 - A process for determining how implementation will be prioritized among eligible systems, in the event that full funding is not immediately available. SB 350 specifies that this process shall prioritize eligible systems that have historically been overburdened by pollution and industrial development or faced other environmental justice hurdles. SB 350 specifies that prioritization may be based on a data-driven index that considers these factors, including but not limited to, vulnerability indices measuring exposure to drinking water contaminants, poverty prevalence, housing burden, or groundwater threats.
- SB 350 requires the SWRCB to hold at least three public workshops around the state on the draft guidelines, and the SWRCB must provide at least 45 days for public comment on the draft.

SWRCB Annual Report

- SB 350 requires the SWRCB to adopt an annual report identifying how the Fund has performed, how many households were served, number of eligible households, and an estimate of anticipated funding needs for the next fiscal year, among other information, to be posted on their website.

Mechanism for Data-Sharing

- SB 350 requires the California Public Utilities Commission to establish a mechanism for electrical and gas corporations to regularly share data including customer names and account addresses with the third-party providers for CARE customers.

Other Provisions of Interest

- SB 350 provides that funding shall be provided to eligible systems on, at minimum, an annual basis, but provides for funding prioritization, if full funding is not immediately available, as mentioned above. The bill allows for advance payments to eligible systems if certain requirements are met.
- Additionally, SB 350 allows up to five percent of program funding to establish pilot projects that improve water or wastewater affordability for low-income residential households through installation of water efficiency measures or assistance programs that otherwise improve residential household water or wastewater affordability in mobilehome parks, multifamily housing, or other households that do not directly pay a water or wastewater bill.
- SB 350 provides a timeline for the SWRCB to meet the requirements above, as well as specified dates by which eligible systems must begin providing assistance.

Attorney General Enforcement

- SB 350 allows the Attorney General (AG) to bring an action in state court to restrain, by temporary or permanent injunction, the use of any method, act, or practice declared in this chapter to be unlawful, including nonparticipation by a public water system in the program. SB 350 provides that the SWRCB shall not request an action nor shall the AG bring an action against an eligible systems for failing to meet requirements in the bill as long as the system makes a good faith effort.

Existing Local Water Rate Assistance Programs (Local Programs)

- SB 350 contains language specifying that the bill's provisions do not prohibit an eligible system from administering a local program that is in addition to, or on top of, or different from, the assistance provided through the State Program. SB 350 provides that these local programs are administered independently and separately from the State Program without oversight from the SWRCB. The bill also clarifies that a system exceeding the State

Program's requirements will still receive funds for the eligible portion of the assistance provided. This section of the bill builds upon amendments originally sought by EBMUD in SB 222 (Dodd) to recognize EBMUD's Customer Assistance Program (CAP).

- SB 350 allows an eligible system with a local program to request that the SWRCB allocate funds from the State Program to an existing local program by entering into a Memorandum of Understanding (MOU) with the SWRCB that describes the parameters, eligibility criteria, and enrollment of the local program.

Previous Legislation

In previous legislative efforts to establish a statewide low-income water rate assistance program, EBMUD has expressed concerns regarding program funding and potential issues with Proposition 218 and Proposition 26 requirements for water systems. EBMUD has sought greater clarity on the state's role and obligations versus those of the water system and sought protection of its existing long-standing CAP.

EBMUD had a "Support if Amended" position on SB 1255 (Durazo) which failed to advance out of the legislature in 2024. SB 222 (Dodd), which had a similar framework to SB 350, was vetoed by Governor Newsom in 2022 for lack of identified funding source. EBMUD had a "Support if Amended" position on the final version of SB 222 that was sent to the Governor.

EBMUD's Customer Assistance Program and SB 350

EBMUD established its generous CAP in 1986 through legislation to amend the Municipal Utility District Act (MUD Act) to help with water and wastewater bills for eligible customers. CAP is funded through non-rate revenue sources due to constitutional prohibitions from imposing water rates on non-eligible customers that exceed the cost of serving those customers (Proposition 218). CAP provides assistance to customers who receive a direct water bill.

The May 7, 2025 version of SB 350 contains a new section on local water rate assistance programs. This language would give EBMUD several options:

1. Two Different Programs. EBMUD could continue to administer CAP as-is with no oversight from the SWRCB. EBMUD would also be required to administer bill credits, funded by the SWRCB, to a list of eligible customers generated by a third-party contractor through the State Program. Under this scenario, a customer could be eligible for the State Program and EBMUD's CAP and thus receive both benefits.

This section also clarifies that a system would be eligible for State Program funds to be used to cover the 20% bill credit required by the bill.

2. One Program: MOU with the SWRCB. EBMUD could request that the SWRCB allocate funds from the State Program to CAP by entering into an MOU with the SWRCB that describes the parameters, eligibility criteria, and enrollment of CAP.

This means that EBMUD could continue to administer CAP, and use any funding from the State Program to supplement CAP. This section grants EBMUD flexibility to work with the SWRCB on administering one program.

Funding for the State Program

A funding source for the program is unspecified in SB 350. The bill contains language that requires the SWRCB to establish a process for determining how implementation of the State Program will be prioritized among eligible systems, in the event that full funding is not immediately available. The bill also requires guidelines to address prioritization of systems that have historically been overburdened by pollution and industrial development or faced other environmental justice hurdles. The funding and prioritization language introduces uncertainty and could ultimately mean no funding for EBMUD from the State Program.

While the bill's provisions are contingent upon appropriation by the legislature, a fluctuating funding source from year to year, or no funding in a future year for the State Program could be problematic for EBMUD and other eligible systems.

Other Impacts to EBMUD

There are other impacts to EBMUD from the bill to be considered. For example, receiving and sorting through CARE customer data provided by the third-party provider and matching to EBMUD customer accounts is likely to be time-consuming. Staff resources may be necessary to provide complex updates to EBMUD's customer bill and billing system to accommodate a bill credit, develop and implement bill credits, and administer the State Program on an ongoing basis.

Bill Position Recommendation and Further Amendments Needed

The staff recommendation of "Support and Amend" recognizes support for the bill's State Program framework, and the collaboration of the author and sponsors with water systems in further addressing roles and responsibilities and existing local programs in the bill. However, amendments are needed to the bill in the following areas:

- Further refinement and clarification of funding prioritization language mentioned above.
- Clarification of auto-enrollment of CARE customers in the State Program and how customers on other assistance programs could apply for the State Program through the third-party contractor.
- Add language to ensure an eligible system that has an existing water rate assistance program can develop an MOU with the SWRCB to permit customization of the local program in

different ways than are specified in the guidelines adopted pursuant to the bill's provisions so long as comparable benefits will be offered to low-income customers by the system.

- Ensure consistency throughout the bill with terminology and program structure.

*The official support and opposition list to SB 350 is shown below.

Support

Clean Water Action (Co-Sponsor)
Community Water Center (Co-Sponsor)
Leadership Counsel for Justice &
Accountability (Co-Sponsor)
Alianza Coachella Valley
Allensworth Progressive Association
Alliance of Californians for Community
Empowerment Action
California Coastkeeper Alliance
California Environmental Justice Alliance
Action
California Environmental Voters
Carbon Cycle Institute
Center on Race, Poverty & the Environment
Central California Environmental Justice
Network
Cleaneearth4kids.org
Coalition for Economic Survival
Community Water Center
Courage California
Defenders of Wildlife
Disability Rights California
Environmental Defense Fund
Fairmead Community & Friends
Friends Committee on Legislation of
California
Friends of The River
Greenfield Walking Group
Initiate Justice
Los Angeles Alliance for A New Economy
Los Angeles Waterkeeper
Mothers Helping Mothers
Nourish California
People's Collective for Environmental
Justice

Physicians for Social Responsibility - Los
Angeles

Planning and Conservation League
Sierra Club California
TODEC Legal Center
Union of Concerned Scientists
Western Center on Law & Poverty

Opposition

Association of California Water Agencies
Bella Vista Water District
Bellflower Somerset Mutual Water
Company
Camrosa Water District
City of Fairfield
Contra Costa Water District
Crestline-Lake Arrowhead Water Agency
Cucamonga Valley Water District
Desert Water Agency
East Valley Water District
Eastern Municipal Water District
El Dorado Irrigation District
Fallbrook Public Utilities District
Helix Water District
Hidden Valley Lake Community Services
District
LA Habra Heights County Water District
Lake Arrowhead Community Services
District
Mckinleyville Community Services District
Mesa Water District
Monte Vista Water District
Monterey Peninsula Water Management
District
Olivenhain Municipal Water District

Palmdale Water District
Puente Basin Water Agency
Rowland Water District
San Gabriel County Water District
San Gabriel Valley Water Association
San Juan Water District
Santa Clarita Valley Water Agency
Santa Margarita Water District
Scotts Valley Water District

South Tahoe Public Utility District
Three Valleys Municipal Water District
Tuolumne Utilities District
Upper San Gabriel Valley Municipal Water
District
Utica Water and Power Authority
Walnut Valley Water District
Western Municipal Water District

CCC:KCV:DM

Attachments

I:\Sec\2025 Board Related Items\052725 Board Agenda Items\Regular Mtg\OGM - Legislative Report No. 05-25.docx

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AMENDED IN ASSEMBLY MAY 5, 2025

AMENDED IN ASSEMBLY APRIL 22, 2025

AMENDED IN ASSEMBLY APRIL 1, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 532

**Introduced by Assembly Member Ransom
(Coauthor: Assembly Member Rogers)**

February 11, 2025

An act to repeal and add Section 12087.2 of the Government Code, and to add Chapter 6.5 6.6 (commencing with Section 116950) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 532, as amended, Ransom. Water rate assistance program.

(1) Existing federal law, the Consolidated Appropriations Act, 2021, among other things, requires the federal Department of Health and Human Services to carry out a Low-Income Household Drinking Water and Wastewater Emergency Assistance Program, which is also known as the Low Income Household Water Assistance Program, for making grants to states and Indian tribes to assist low-income households that pay a high proportion of household income for drinking water and wastewater services, as provided. Existing law requires the Department of Community Services and Development to administer the Low Income Household Water Assistance Program in this state, and to receive and expend moneys appropriated and allocated to the state for purposes of that program, pursuant to the above-described federal law. The Low Income Household Water Assistance Program was only operative until March 31, 2024.

This bill would repeal the above-described requirements related to the Low Income Household Water Assistance Program. The bill would instead require, upon appropriation by the Legislature, the Department of Community Services and Development to establish and administer the California Low Income Household Water Assistance Program to provide water rate assistance to residential ratepayers of covered water systems, and urban retail water suppliers with a service area that is made up of at least 50% disadvantaged communities, as measured by population, as specified.

(2) Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

Existing law requires the state board, by January 1, 2018, to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program, as prescribed. Existing law requires the state board, by February 1, 2018, to report to the Legislature on its findings regarding the feasibility, financial stability, and desired structure of the program, including any recommendations for legislative action that may need to be taken. Existing law requires a public water system to submit a technical report to the state board as part of the permit application or when otherwise required by the state board.

This bill would authorize ~~an~~ *a public* urban retail water supplier to provide water rate assistance to its ratepayers, as specified, and would define the term “water rate assistance” to mean any offset of the cost of drinking water service provided through a low-income water rate assistance program, including, but not limited to, a reduction in a water bill, a percentage reduction of a water utility bill, a water account credit, or crisis assistance used to reduce or eliminate a water bill arrearage or potential arrearage. The bill would authorize the water rate assistance to be provided to specified eligible ratepayers, including, among others, residential ratepayers with an annual household income at or below 200 percent of the federal poverty guideline level. The bill would authorize ~~an~~ *a public* urban retail water supplier to use any funding it has available to provide water rate assistance to its ratepayers, as specified, including voluntary contributions sought from other ratepayers. The bill would require ~~an~~ *a public* urban retail water supplier to, beginning January 1, 2028, include in the technical report to the state board specified

information regarding its water rate assistance program. The bill would require the state board to conduct a voluntary survey of *public* urban retail water suppliers, as provided, by July 1, 2026.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) Urban retail water suppliers serve over 92 percent of the
4 state's population, while community water systems with under
5 3,000 connections serve the remaining 8 percent.

6 (2) It is important to efficiently and cost-effectively expand
7 water rate assistance to a greater number of low-income residential
8 water ratepayers in California.

9 (3) After two decades of policy discussions and debate on
10 establishing and funding a sweeping statewide low-income water
11 rate assistance program to no avail, and in recognition of the
12 diversity of water suppliers and community water rate assistance
13 needs in California, communities' varying levels of needs, the
14 level of sustainable water rate assistance a community can support,
15 the proportion of a community's ratepayers needing assistance as
16 a percent of the overall rate base, and how that assistance can most
17 efficiently and cost-effectively be provided to low-income
18 residential water ratepayers, California should focus on expanding
19 water rate assistance to low-income residential water ratepayers
20 by doing all of the following:

21 (A) Giving urban retail water suppliers express authority to
22 establish and fund local water rate assistance programs that are
23 designed to meet each community's specific needs and would be
24 administrated efficiently and transparently without violating
25 Proposition 218.

26 (B) Ensuring that existing programs can continue to provide
27 water rate assistance.

28 (C) Clarifying that locally derived funding that supports a local
29 program shall stay within the water system's service area to support
30 its program.

31 (D) Creating a targeted state program to directly assist
32 low-income residential ratepayers with their water bills served by

1 community water systems with under 3,000 connections or water
2 systems serving predominantly disadvantaged communities.

3 (4) Granting urban retail water suppliers express authority to
4 provide a local water rate assistance program to its residential
5 ratepayers will give statutory certainty to suppliers that establish
6 and fund a water rate assistance program, thereby expanding access
7 to water rate assistance across California while protecting existing
8 programs that are currently providing that assistance.

9 (5) To track the progress California is making to expand
10 low-income water rate assistance for residential ratepayers, water
11 systems should report summary information through the electronic
12 annual report administered by the State Water Resources Control
13 Board about the types of programs suppliers are able to provide
14 in helping to meet the affordability elements of the human right
15 to water.

16 (b) It is the intent of the Legislature that an entity eligible for
17 any state or federal funding authorized or appropriated in
18 furtherance of providing water rate assistance to low-income
19 residential ratepayers shall include an urban retail water supplier
20 with an existing water rate assistance program and an urban retail
21 water supplier with a water rate assistance program established by
22 the authority granted in this measure.

23 SEC. 2. Section 12087.2 of the Government Code is repealed.

24 SEC. 3. Section 12087.2 is added to the Government Code, to
25 read:

26 12087.2. (a) It is the intent of the Legislature to establish the
27 California Low Income Household Water Assistance Program to
28 administer water rate assistance, which shall be administered by
29 the Department of Community Services and Development in
30 consultation with the State Water Resources Control ~~Board~~. *Board*
31 *and the Public Utilities Commission.*

32 (b) Upon appropriation by the Legislature, the department shall
33 establish and administer the California Low Income Household
34 Water Assistance Program to provide water rate assistance to
35 residential ratepayers of covered water systems, and urban retail
36 water suppliers with a service area that is made up of at least 50
37 percent disadvantaged communities, as measured by population.

38 (c) Notwithstanding Chapter 3.5 (commencing with Section
39 11340) of Part 1, the department shall develop a state plan for the
40 California Low Income Household Water Assistance Program

1 described in subdivision (b), including requirements and guidelines
2 for the program described in this section. The department shall
3 post a draft state plan to its internet website and hold a public
4 meeting before the finalization of the state plan to allow for public
5 comment. The final plan shall also be posted to the department's
6 internet website.

7 (d) The California Low Income Household Water Assistance
8 Program guidelines shall include, but not be limited to, the
9 following:

- 10 (1) Household eligibility requirements.
- 11 (2) Prioritization criteria, including whether an urban retail water
12 supplier has established a program pursuant to Section 116950 of
13 the Health and Safety Code.
- 14 (3) Program design and implementation.
- 15 (4) Funding source and allocation.
- 16 (5) Structure of financial water assistance payments.
- 17 (6) State oversight and program integrity.
- 18 (7) Public participation.
- 19 (8) Data collection and reporting.
- 20 (9) Limits on reasonable administrative costs for the department
21 and local service providers for implementing the program.
- 22 (10) Process for disbursing program funds.
- 23 (11) Enrollment process for eligible ratepayers through local
24 service providers.

25 (e) (1) The department shall contract with and use local service
26 providers to help administer the program. The contract provisions
27 shall include monitoring by the department, accountability and
28 oversight of the local service providers' role in administering the
29 program, and confidentiality provisions to protect consumer data.

30 (2) The department shall post on its internet website the
31 eligibility requirements of the program, local service provider area,
32 local service provider contact information, and total annual
33 assistance available during the current fiscal year.

34 (3) The department shall oversee the local service providers to
35 ensure compliance with this section.

36 (f) (1) Notwithstanding Section 10231.5, beginning the first
37 fiscal year after the California Low Income Household Water
38 Assistance Program has been established, and each year thereafter,
39 the department shall provide a report to the Legislature that
40 includes the total amount of assistance provided, total

1 administrative cost of the program, an estimate of the number of
2 households eligible for assistance, a description of methods
3 employed to include public participation and encourage enrollment
4 in the program, an estimate of the funding available for the next
5 fiscal year, and total number of households served by the program
6 during the previous fiscal year.

7 (2) A report to be submitted pursuant to this subdivision shall
8 be submitted in compliance with Section 9795.

9 (g) For purposes of this section, the following definitions apply:

10 (1) "Covered water systems" means publicly and privately
11 owned water systems that provide retail water service to 3,000 or
12 less end users or that serve 3,000 or less acre-feet of potable water
13 annually.

14 (2) "Disadvantaged communities" means both disadvantaged
15 communities as defined in Section 79505.5 of the Water Code,
16 and a low-income community, as defined in Section 39713 of the
17 Health and Safety Code.

18 (3) "Local service providers" has the same meaning as used in
19 Section 16367.5.

20 (4) "Urban retail water supplier" means the same as defined in
21 Section 10608.12 of the Water Code.

22 (5) "Water rate assistance" means any offset of the cost of
23 drinking water service provided through a low-income water rate
24 assistance program, including, but not limited to, a reduction in a
25 water bill, a percentage reduction of a water utility bill, a water
26 account credit, or crisis assistance used to reduce or eliminate a
27 water bill arrearage or potential arrearage.

28 (h) This section does not prohibit an eligible system from
29 offering assistance to ratepayers that is in addition to, or on top
30 of, the assistance provided through the program.

31 ~~SEC. 4. Chapter 6.5 (commencing with Section 116950) is~~
32 ~~added to Part 12 of Division 104 of the Health and Safety Code,~~
33 ~~to read:~~

34 *SEC. 4. Chapter 6.6 (commencing with Section 116950) is*
35 *added to Part 12 of Division 104 of the Health and Safety Code,*
36 *to read:*

CHAPTER 6.5-6.6. WATER RATE ASSISTANCE PROGRAM

116950. For the purposes of this chapter, the following definitions apply:

(a) ~~“Urban”~~ *“Public urban retail water supplier” has the same meaning as defined in Section 10608.12 of the Water Code. means a public water supplier that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes. Public urban retail water suppliers are not water corporations pursuant to Section 241 of the Public Utilities Code that are subject to regulation by the Public Utilities Commission.*

(b) *“Water rate assistance” means any offset of the cost of drinking water service provided through a low-income water rate assistance program, including, but not limited to, a reduction in a water bill, a percentage reduction of a water utility bill, a water account credit, or crisis assistance used to reduce or eliminate a water bill arrearage or potential arrearage.*

116951. (a) ~~An~~ *A public urban retail water supplier may provide water rate assistance to its ratepayers in furtherance of the state water policy described in Section 106.3 of the Water Code in any manner it determines will best sustainably meet its community’s needs while permitting the efficient administration and distribution of any assistance provided. This includes a supplier having the option of using third parties to administer or provide that assistance.*

(b) ~~In~~ *In providing the assistance authorized by this section, an a public urban retail water supplier may provide water rate assistance to its residential ratepayers with an annual household income at or below 200 percent of the federal poverty guideline level, residential ratepayers with an arrearage or those likely to have an arrearage without assistance, or to other ratepayers if a supplier determines that offering assistance would allow it to better meet its community’s needs, better administer or provide for a more sustainable program, or better balance competing policy objectives, such as water quality, water efficiency, and water affordability.*

(c) ~~An~~ *A public urban retail water supplier, at its sole discretion, upon approval by the supplier’s governing body, may use any funding it has available to provide water rate assistance to its ratepayers provided it does not use any funding derived from a fee*

1 or charge levied pursuant to Article XIII D of the California
2 Constitution.

3 (d) ~~An~~ *A public* urban retail water supplier, ~~at its sole discretion,~~
4 *upon approval by the supplier's governing body*, may seek and
5 use voluntary contributions of funds from its ratepayers and others
6 to support a water rate assistance program for ratepayers. Voluntary
7 contributions may be sought on a water bill or through any other
8 legal means. Any voluntary contributions of funds a supplier
9 receives shall not be considered public funds.

10 (e) To establish a water rate assistance program pursuant to this
11 chapter, ~~an~~ *a public* urban retail water supplier shall hold a public
12 meeting consistent with Chapter 9 (commencing with Section
13 54950) of Part 1 of Division 2 of Title 5 of the Government Code.

14 116952. (a) Beginning January 1, 2028, and annually
15 thereafter, ~~an~~ *a public* urban retail water supplier shall include in
16 the technical report required by the state board pursuant to Section
17 116530 all of the following regarding voluntary contributions and
18 water rate assistance:

19 (1) Whether the supplier provides water rate assistance to its
20 customers.

21 (2) The amount of funding used to provide any water rate
22 assistance during the previous reporting period.

23 (3) If the supplier did not provide water rate assistance during
24 the reporting period, an explanation as to any progress made
25 towards implementation of a water rate assistance program, or
26 information about the barriers encountered that prevented providing
27 water rate assistance.

28 (4) Whether the supplier has sought any voluntary contributions
29 to fund its water rate assistance program. If so, the total amount
30 of voluntary contributions collected to fund its water rate assistance
31 program.

32 (5) The total number of eligible households that were provided
33 with water rate assistance.

34 (b) The state board shall, by July 1, 2026, conduct a voluntary
35 survey of *public* urban retail water suppliers relating to paragraph
36 (1) of subdivision (a).

AMENDED IN SENATE MAY 7, 2025
AMENDED IN SENATE APRIL 24, 2025
AMENDED IN SENATE APRIL 10, 2025
AMENDED IN SENATE MARCH 25, 2025

SENATE BILL

No. 350

Introduced by Senator Durazo
(Coauthors: Senators *Becker, Gonzalez, Grayson, Laird, McNerney,*
and *Weber Pierson*)
(Coauthor: Assembly Member Arambula)

February 12, 2025

An act to add Chapter ~~6.5~~ 6.4 (commencing with Section 116930) to Part 12 of Division 104 of the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL'S DIGEST

SB 350, as amended, Durazo. Water Rate Assistance Program.

Existing law requires the State Water Resources Control Board to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program. Existing law requires the plan to include, among other things, a description of the method for collecting moneys to support and implement the program and a description of the method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program.

This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the Legislature, to provide water affordability assistance, for both residential water and wastewater services, to low-income residential ratepayers, as specified.

The bill would require the state board to take various actions in administering the fund, including, among other things, tracking and managing revenue in the fund separately from all other revenue. The bill would require the state board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and to adopt an annual report to be posted on the state board's internet website identifying how the fund has performed, as specified. The bill would require the guidelines to include minimum requirements for eligible systems, including the ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would require the state board to take various actions in administering the program, including, but not limited to, providing guidance, oversight, and funding for low-income rate assistance for residential ratepayers of eligible systems. The bill would authorize the Attorney General, at the request of the state board, to bring an action in state court to restrain the use of any method, act, or practice in violation of these provisions, except as provided. The bill would make the implementation of all of these provisions contingent upon an appropriation by the Legislature.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 6.56.4 (commencing with Section
2 116930) is added to Part 12 of Division 104 of the Health and
3 Safety Code, to read:

4

5 CHAPTER 6.5.6.4. WATER RATE ASSISTANCE PROGRAM

6

7 116930. The Legislature finds and declares all of the following:

8 (a) Existing state law declares that it is the established policy
9 of the state that every human being has the right to safe, clean,

1 affordable, and accessible water adequate for human consumption,
2 cooking, and sanitary purposes.

3 (b) In 2015, the Legislature passed Assembly Bill 401 (Chapter
4 662 of the Statutes of 2015) that required the State Water Resources
5 Control Board to develop a plan, informed by the public and the
6 State Board of Equalization, for a statewide low-income rate
7 assistance for water.

8 (c) In 2020, the state board released a report pursuant to
9 Assembly Bill 401 (Chapter 662 of the Statutes of 2015), which
10 is entitled “Recommendations for Implementation of a Statewide
11 Low-Income Water Rate Assistance Program,” that found that it
12 would take over one hundred forty million dollars (\$140,000,000)
13 annually to create a low-income water rate assistance program.

14 (d) The cost of water has continued to rise, outpacing the rate
15 of inflation and putting too many California families at risk of
16 water shutoffs.

17 (e) Climate change adds additional cost pressure to water and
18 sewer systems, which increasingly must invest in climate resilience.

19 (f) While many public water systems offer some form of bill
20 assistance to a limited number of customers, Proposition 218, as
21 approved by the voters at the November 5, 1996, statewide general
22 election, limits their ability to fully fund those programs.

23 (g) California must continue to lead the nation by establishing
24 statewide low-income rate assistance for water and sewer and, by
25 doing so, help to ensure universal access to essential services.

26 116931. For purposes of this chapter, the following definitions
27 apply:

28 (a) “Community water system” has the same meaning as defined
29 in Section 116275.

30 (b) “Effective date” means the effective date of the appropriation
31 described in Section 116941.

32 (c) “Eligible system” means a community water system,
33 wastewater system, or a participating tribal water or wastewater
34 system.

35 (d) “Fund” means the Water Rate Assistance Fund created
36 pursuant to Section ~~116932~~. 116942.

37 (e) *“Local water rate assistance program” means a drinking*
38 *water low-income rate assistance program that is established,*
39 *funded, and administered by a community water system to provide*
40 *water rate assistance to its eligible low-income ratepayers. Local*

1 *water rate assistance programs may be funded through any funding*
2 *a community water system has available to provide water rate*
3 *assistance to its ratepayers, provided it does not use any funding*
4 *derived from a fee or charge levied pursuant to Article XIII D of*
5 *the California Constitution.*

6 ~~(e)~~

7 (f) “Low-income” means an annual household income that is
8 no greater than 200 percent of the federal poverty guideline level
9 and consistent with the guidelines established for the California
10 Alternative Rates for Energy (CARE) program pursuant to
11 subdivision (a) of Section 739.1 of the Public Utilities Code.

12 ~~(f)~~

13 (g) “Program” means the Water Rate Assistance Program
14 established pursuant to this chapter.

15 ~~(g)~~

16 (h) “Relevant agencies” means those agencies that have a role,
17 through data collection, regulation, or enforcement, in providing
18 services, oversight, and assistance to public water systems and
19 low-income ratepayers.

20 ~~(h)~~

21 (i) “Residential ratepayer” means a resident of a single-family
22 or multifamily residence who receives a bill for residential water
23 or wastewater.

24 ~~(i)~~

25 (j) “State board” means the State Water Resources Control
26 Board.

27 ~~(j)~~

28 (k) “Wastewater system” means a city, county, special district,
29 joint powers authority, or tribal or investor-owned utility that
30 provides wastewater collection, treatment, or disposal service.

31 116932. (a) The Water Rate Assistance Fund is hereby
32 established in the State Treasury to provide water affordability
33 assistance, for both residential water and wastewater services, to
34 low-income residential ratepayers. Moneys in the fund shall be
35 available upon appropriation by the Legislature to the state board
36 to provide, in consultation with relevant agencies, direct water bill
37 assistance to low-income residential ratepayers served by eligible
38 systems.

39 (b) The program shall be entirely funded by the fund or other
40 available state or federal funding.

1 (c) (1) The state board shall, upon appropriation by the
2 Legislature, expend moneys from the fund for reasonable costs
3 associated with the administration of this chapter.

4 (2) Commencing 365 days after the effective date, funds for the
5 reasonable costs associated with the administration of this chapter
6 shall not exceed 10 percent of the average annual deposits into the
7 fund. “Reasonable costs associated with the administration of this
8 chapter” includes relevant agencies’ administrative costs associated
9 with this chapter. The state board shall reimburse eligible systems
10 for reasonable costs associated with the administration of this
11 chapter, which shall not count toward the 10-percent limitation.

12 (3) Commencing 450 days after the effective date, a minimum
13 of 80 percent of total expenditures from the fund shall be directly
14 applied to residential ratepayer accounts.

15 (d) The state board may undertake any of the following actions
16 to implement this chapter:

17 (1) Provide for the deposit of any of the following moneys into
18 the fund:

19 (A) Federal or state funding.

20 (B) Voluntary contributions, including, but not limited to, gifts,
21 grants, or bequests.

22 (C) Any previously distributed funds returned to the fund
23 pursuant to a process developed pursuant to paragraph(9) (10) of
24 subdivision (b) of Section 116934.

25 (2) Enter into funding agreements with the federal government,
26 local or state agencies, private entities, or nonprofit organizations.

27 (3) Take additional action as necessary and appropriate for
28 adequate administration and operation of the fund and provision
29 of direct residential water and wastewater bill assistance.

30 116933. The state board shall do all of the following in
31 administering the fund:

32 (a) Track and manage revenue in the fund separately from all
33 other revenue.

34 (b) Develop and implement a process for the state board, or a
35 ~~third-party provider contracted by the state board;~~ *board* to disburse
36 program funds to eligible systems, ~~contract operators, or third-party~~
37 ~~providers~~ *systems* for direct application to the system’s low-income
38 residential ratepayer accounts, including controls to prevent fraud,
39 waste, and abuse.

1 (c) Manage and maintain fund balances in conjunction with the
2 Controller, the Treasurer, the California State Auditor's Office,
3 and the Department of Finance, as appropriate.

4 (d) (1) Expend, upon appropriation by the Legislature, moneys
5 in the fund for grants, contracts, or services to provide benefits to
6 eligible residential ratepayers.

7 (2) Services may include technical assistance to eligible systems
8 serving fewer than 3,300 connections to administer the application
9 of funds to low-income residential ratepayer accounts, including
10 initial startup costs.

11 (3) The state board shall identify and contract with one or more
12 third-party providers. The scope of work for a third-party provider
13 ~~shall include eligibility determinations, and may include~~ *include,*
14 *but not be limited to, the receipt of California Alternate Rates for*
15 *Energy (CARE) enrollment data pursuant to the mechanism*
16 *established pursuant to subdivision (a) of Section 116936, the*
17 *receipt of information from eligible systems, the creation of eligible*
18 *customer lists to be provided to eligible systems, call center*
19 *services, internet-based enrollments, document intake and*
20 *processing, and distribution of funds to eligible systems for*
21 *application to qualified residential ratepayer accounts; and*
22 *provision of notices to eligible customers of enrollment into the*
23 *program and an opportunity for a customer to opt out of the*
24 *program.*

25 ~~(4) Provide funds to eligible systems for reasonable costs for~~
26 ~~administration of the program, not to exceed the greater of 5~~
27 ~~percent of the total funds for residential water and wastewater bill~~
28 ~~assistance or five thousand dollars (\$5,000).~~

29 ~~(5) The state board shall establish a process by which the~~
30 ~~reimbursement limit established in paragraph (4) may be increased~~
31 ~~for an eligible system that demonstrates to the state board that it~~
32 ~~is unable to comply with this chapter without exceeding the limit.~~

33 Establish

34 (e) *Establish* a process for contracted third-party providers or
35 other entities responsible for enrollment to regularly confirm the
36 eligibility of recipients, based upon income eligibility pursuant to
37 subdivision ~~(e)~~ (f) of Section 116931.

38 116934. (a) Within 270 days of the effective date, the state
39 board, in consultation with relevant agencies and after a public
40 hearing, shall adopt guidelines for implementation of the program.

(b) The guidelines shall include, at minimum, all of the following:

(1) Direction to eligible systems to automatically enroll households in the program if they satisfy at least one of the following circumstances:

(A) Available information shows that any member of the residential ratepayer's household is a current enrollee in, or recipient of, CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income or the State Supplementary Payment Program, or the California Special Supplemental Nutrition Program for Women, Infants, and Children.

(B) The residential ratepayer's household is a utility customer enrolled in the California Alternate Rates for Energy (CARE) program established pursuant to Section 739.1 of the Public Utilities Code.

(2) Eligibility criteria for enrollment into the program for customers not automatically enrolled shall ensure customers satisfy the definition of low-income.

(3) Minimum requirements for eligible systems, including all of the following:

(A) Participation in the statewide program.

(B) A process for enrollment into the program for households that meet the eligibility criteria pursuant to paragraph (2).

(C) The ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury.

(D) A process for eligible systems, at their sole discretion, to elect whether and the extent to which they will rely on third-party providers for the services within the scope of work set forth in paragraph (3) of subdivision (d) of Section 116932, or instead elect to perform one or more of these services itself.

(E) A process for eligible systems to share information with third-party providers, to the extent necessary for third-party providers to provide the services elected by the eligible system pursuant to subparagraph (D).

(4) A process for the state board ~~or third-party providers~~ to provide funding to eligible systems for application to eligible low-income residential ratepayer accounts. Funding shall be provided to eligible systems on, at minimum, an annual basis.

1 (5) *Consistent with Article XIII D of the California Constitution,*
2 *guidance to eligible systems regarding payment of reasonable*
3 *costs for administration of the program.*

4 ~~(5)~~

5 (6) A process for eligible systems to provide a bill credit to
6 low-income residential ratepayers of no less than 20 percent of the
7 total water charges, and, if present on the bill, wastewater charges,
8 for a volume of water similar to that identified in Section 10609.4
9 of the Water Code, ~~or if the residential ratepayer uses less, the~~
10 ~~actual volume used.~~ *Code.*

11 ~~(6)~~

12 (7) A provision to audit eligible systems receiving funds under
13 this chapter regarding the receipt and distribution of those funds.

14 ~~(7)~~

15 (8) Parameters and options for providing funding to eligible
16 systems that bill exclusively or partially on the property tax roll.

17 ~~(8)~~

18 (9) A process for exemption of eligible systems from providing
19 low-income rate assistance upon determination by the state board
20 that the system does not have eligible residential ratepayers.
21 Exemptions shall be reviewed periodically to determine whether
22 any residential ratepayers of the eligible system have become
23 eligible for assistance.

24 ~~(9)~~

25 (10) A process for eligible systems to return funds to the state
26 if needed.

27 ~~(10)~~

28 (11) In the event that full funding is not immediately available,
29 a process for determining how implementation will be prioritized
30 among eligible systems. The process shall prioritize eligible
31 systems that have historically been overburdened by pollution and
32 industrial development or faced other environmental justice
33 hurdles. Prioritization of eligible systems may be based on a
34 data-driven index that considers these factors, including, but not
35 limited to, vulnerability indices measuring exposure to drinking
36 water contaminants, poverty prevalence, housing burden, or
37 groundwater threats.

38 (c) The state board shall hold at least three public workshops
39 throughout the state on the draft guidelines, and shall provide at
40 least 45 days for public comment on the draft.

1 116935. (a) The state board shall, in consultation with relevant
2 agencies and after a public hearing, adopt an annual report to be
3 posted on the state board's internet website identifying how the
4 fund has performed.

5 (b) The annual report shall contain all of the following:

6 (1) A report of expenditures from the fund for the prior fiscal
7 year, including how many households were served, and estimated
8 expenditures for the current fiscal year.

9 (2) An estimate of the number of households eligible for
10 assistance. The estimate shall not be based on a
11 household-by-household evaluation.

12 (3) An evaluation of available relevant information regarding
13 any household-level water affordability issues that remain after
14 application of bill assistance.

15 (4) A description of methods to include public participation and
16 efforts to encourage enrollment in the program.

17 (5) An estimate of the anticipated funding needs for the next
18 fiscal year.

19 116936. (a) Within 365 days of the effective date, the Public
20 Utilities Commission shall establish a mechanism for electrical
21 corporations and gas corporations to regularly share data *that*
22 *includes customer names and account addresses* with the ~~state~~
23 ~~board or relevant~~ third-party providers regarding the utility
24 customers enrolled in, or eligible to be enrolled in, the California
25 Alternate Rates for Energy (CARE) program established pursuant
26 to Section 739.1 of the Public Utilities Code and the Family
27 Electric Rate Assistance program established pursuant to Section
28 739.12 of the Public Utilities Code. *Code*. Electrical corporations
29 and gas corporations shall regularly share that data with the ~~state~~
30 ~~board third-party providers~~ through the mechanism.

31 (b) (1) The state board and third-party providers may enter into
32 agreements with local publicly owned electric utilities and local
33 publicly owned gas utilities, including, but not limited to, municipal
34 utility districts and irrigation districts, for the purpose of regularly
35 sharing data *that includes customer names and account addresses*
36 with the ~~state board or~~ third-party provider regarding utility
37 customers enrolled in, or eligible to be enrolled in, affordability
38 programs benefiting low-income residential ratepayers.

39 (2) The agreements may authorize the ~~state board third-party~~
40 ~~providers~~ to provide data pursuant to this subdivision to ~~third-party~~

1 ~~providers or~~ eligible systems for the sole purpose of assisting with
2 the administration of the program.

3 (c) Data shared pursuant to subdivision (a) or (b) is subject to
4 Section 7927.410 of the Government Code and the Information
5 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)
6 of Title 1.8 of Part 4 of Division 3 of the Civil Code).

7 (d) Data shared pursuant to subdivision (a) or (b) shall not be
8 considered a disclosure under Section 1798.83 of the Civil Code.

9 116937. (a) Chapter 3.5 (commencing with Section 11340)
10 of Part 1 of Division 3 of Title 2 of the Government Code does
11 not apply to any guidelines developed by the state board pursuant
12 to this chapter.

13 (b) (1) Notwithstanding Section 11019 of the Government
14 Code, the state board, ~~or a third-party provider contracted by the~~
15 ~~state board,~~ board shall, to the extent permissible, make advance
16 payments to eligible systems for direct residential water and
17 wastewater bill assistance, for related administrative costs, and to
18 implement the purposes of this chapter.

19 (2) Before distribution of an advance payment, eligible systems
20 shall provide to the state board an estimate of the number of
21 households enrolled in the program and their expected bill credits.

22 (3) The state board shall have discretion regarding the terms
23 and conditions that apply to advance payment.

24 (c) An eligible system shall provide a full accounting of its
25 expenditures on an annual basis and as requested by the state board.

26 (d) The state board, in consultation with the Public Utilities
27 Commission, may authorize up to 5 percent of program funding
28 to establish pilot projects that include expenditures that improve
29 residential water or wastewater affordability for low-income
30 residential households through installation of water efficiency
31 measures or assistance programs that otherwise improve residential
32 water or wastewater affordability in mobilehome parks, multifamily
33 housing, or other households that do not directly pay a residential
34 water or wastewater bill.

35 116938. ~~(a)~~ The state board shall do all of the following in
36 administering the program:

37 ~~(1)~~

38 (a) Provide guidance, oversight, and funding for low-income
39 rate assistance for residential ratepayers of eligible systems.

40 ~~(2)~~

(b) Coordinate with the Public Utilities Commission, to the extent reasonable and consistent with this chapter and related policy goals, to align criteria between all existing water rate assistance programs offered by investor-owned utilities, and to ensure timely processing of payments to investor-owned utilities.

~~(3)~~

(c) For an eligible system that is not regulated by the Public Utilities Commission, consult with relevant agencies on options to provide oversight of the eligible system's application of program funds to the system's low-income residential ratepayer accounts pursuant to this chapter to ensure effectiveness and prevent fraud, waste, and abuse.

~~(4)~~

(d) Coordinate with other relevant state agencies and resolve disputes as necessary.

~~(5)~~

(e) Consider identifying alternative entities to distribute and track benefits if the state board determines that an eligible system is incapable of applying program funds to residential ratepayers of the system pursuant to this chapter.

~~(b) This chapter does not prohibit an eligible system from offering assistance to ratepayers that is in addition to, or on top of, the assistance provided through the program.~~

~~(c) An eligible system that offers assistance that is in addition to the assistance provided through the program to the same ratepayers served by the program shall still receive funds from the program for the eligible portion of the assistance.~~

116939. (a) *This chapter does not prohibit an eligible system from administering a local water rate assistance program that is in addition to, or on top of, or different from, the assistance provided through the program. Local water rate assistance programs are administered independently and separately from the program without oversight from the state board.*

(b) (1) *An eligible system that offers assistance through a local water rate assistance program that is in addition to the assistance provided through the program to the qualifying ratepayers served by the program shall still receive funds from the program for the eligible portion of the assistance.*

(2) *An eligible system with a local water rate assistance program may request that the state board allocate the funds from the*

1 *program to an existing local water rate assistance program by*
2 *entering into a memorandum of understanding with the state board*
3 *that describes the parameters, eligibility criteria, and enrollment*
4 *of the local water rate assistance program.*

5 ~~116939.~~

6 *116940.* (a) Within 450 days of the effective date, or by any
7 other date set by the state board based on a process for prioritization
8 among eligible systems established pursuant to paragraph ~~(10)~~
9 *(11)* of subdivision (b) of Section 116934, all nontribal community
10 water systems and wastewater systems shall begin providing water
11 rate assistance to residential ratepayers in compliance with the
12 minimum requirements specified in subdivision (c) of Section
13 116932. A tribal water or wastewater system may offer water rate
14 assistance. Eligible systems shall continue to provide water rate
15 assistance to low-income residential ratepayers as long as there is
16 sufficient state or federal funding available to provide water rate
17 assistance and fund eligible systems for reasonable costs for
18 administration of the program.

19 (b) If the state board has not met the deadline in subdivision (a)
20 of Section 116934 for the adoption of program implementation
21 guidelines within 270 days of the effective date, the deadline in
22 subdivision (a) of this section shall be delayed by the total number
23 of additional days the state board takes to adopt program
24 implementation guidelines to the first date that is the beginning of
25 an eligible system's billing cycle.

26 ~~116940.~~

27 *116941.* (a) The Attorney General, at the request of the state
28 board, may bring an action in state court to restrain, by temporary
29 or permanent injunction, the use of any method, act, or practice
30 declared in this chapter to be unlawful, including nonparticipation
31 by a public water system within the program.

32 (b) The state board shall not request an action nor shall the
33 Attorney General bring an action against an eligible system for
34 failing to meet the requirements of Sections 116938 and ~~116939,~~
35 *116940*, as long as the qualified system makes a good faith effort
36 to implement this chapter.

37 ~~116941.~~

38 *116942.* Implementation of this chapter is contingent upon an
39 appropriation by the Legislature for its purposes.

1 SEC. 2. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: May 27, 2025

MEMO TO: Board of Directors

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

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

SUBJECT: Wildfire Preparedness and Response

SUMMARY

Preparing for and responding to wildfires are well-established practices at the District. The District's comprehensive approach encompasses active vegetation management, infrastructure investment, emergency preparedness training, mutual assistance agreements, community coordination, and research. These activities enable the District to operate a resilient water system, meet fire code, and safeguard the public and employees. An update on the District's wildfire preparedness and response will be provided at the May 27, 2025 Board meeting.

DISCUSSION

The District's service area includes over 400 distribution and treatment facilities, and approximately 27,000 acres of watershed that are bordered by residential communities. Most of these wildland-urban interfaces (WUIs) are in the hills and are designated as "very high" severity zones by CAL FIRE. In 1991, the East Bay experienced a devastating wildfire in the Oakland and Berkeley hills. This experience, PG&E Public Safety Power Shutoffs (PSPS), and ongoing interest in wildfire in WUIs, have shaped the District's preparedness. Additionally, this memorandum outlines the extensive public outreach by the District in response to the Southern California wildfires in January 2025.

Prevention*Vegetation Management*

The District manages nearly 60,000 acres in the East Bay and Sierra Nevada Foothills. Year-round vegetation management includes construction of fuel breaks, cattle and goat grazing, removal of dead or dying trees, maintenance of fire roads, and use of prescribed fire to treat the land. In the East Bay, the District invests approximately \$2.5 million annually on these activities. Vegetation management is performed on a schedule dictated by local fire code and is usually completed by July before wildfire risk is highest.

In the Mokelumne watershed, which comprises 578 square miles above Pardee Reservoir, the District coordinates forest restoration with the Upper Mokelumne River Watershed Authority

(UMRWA), a joint powers authority¹. The District is restoring 26,000 acres on U.S. Forest Service (USFS) lands in the El Dorado and Stanislaus national forests under a Master Stewardship Agreement between the USFS and UMRWA. Restoration of an additional 225,000 acres of El Dorado and Stanislaus national forests is planned. These restoration activities will lessen the intensity and severity of wildfires in the watershed.

Hydrant Readiness

The District rehabilitates and replaces its infrastructure to store and convey water to hydrants for firefighting. Hydrants are designed to combat single-structure fires. The District's water distribution system, like other municipal systems, is not designed to maintain flow and pressure when too many hydrants are in use at the same time.

The water distribution system includes about 31,000 public fire hydrants within the 332-square-mile service area. The District repairs or replaces these hydrants as necessary. During Fiscal Year 2025 about 1,000 hydrants will be serviced. Next fiscal year, staff expect to service about 2,500 hydrants. All repairs are coordinated with local fire agencies. Additionally, staff inspects hydrants in high-risk fire zones and reports any access issues to the local fire department and landowners.

Flow tests completed on District hydrants are maintained in a database and shared with local fire agencies. Flow tests may also be performed by local fire agencies who share results with the District for inclusion in the database. Estimated flow rates at specific hydrants can be made with engineering calculations and provided to customers or developers for a fee.

The operational status of hydrants is provided to firefighting personnel through an on-line database. This database shows which hydrants are active and which are out of service due to maintenance. At any given time, fewer than 30 hydrants are out of service. Additionally, fire agencies are notified when reservoirs are out of service during the winter for water quality purposes or during planned outages during construction.

Emergency Coordination

Following the 1991 Oakland Hills Fire, the District helped establish the Hills Emergency Forum². Fire agencies and land managers use the forum to collaborate on wildfire mitigation and response. One of its accomplishments was the standardization of hydrant fittings for mutual aid access. Separately, the District hosts an annual Fire Forum to coordinate with fire agencies throughout the service area. The Fire Forum meetings typically span a wider range of topics.

The District also participates in the East Bay Wildfire Coalition as a technical advisor along with the East Bay Regional Park District. This coalition was formed in 2024 to enhance cross-agency

¹ Member agencies of UMRWA include Alpine County Water Agency, Amador Water Agency, Calaveras County Water District, Calaveras Public Utilities District, Jackson Valley Irrigation District, the counties of Amador, Calaveras and Alpine, and EBMUD.

² Includes EBMUD, East Bay Regional Park District, University of California, Moraga-Orinda Fire District, Lawrence Berkeley National Laboratory, California Department of Forestry and Fire Protection, and the cities of Oakland, El Cerrito, and Berkeley

cooperation related to wildfire prevention in the East Bay Hills. Members consist of elected officials from local government entities³.

Response

Operations

Recommendations following the 1991 Oakland Hills Fire led to improvements in electrical power service at pumping plants. These efforts were enhanced in 2019 when the District made additional improvements in response to PG&E PSPS events. Many critical pumping plants now have on-site back-up electrical generators. At other sites, electrical connections have been added to facilitate conversion from line power (PG&E) to a mobile electrical generator when needed.

In the last 20 years the District purchased and actively maintains 37 mobile generators and pumps. Seasonal rental units supplement this equipment. Between 20 and 30 mobile generators and/or pumps are installed seasonally to coincide with PSPS events (typically August to November). This mobile emergency equipment is regularly tested and re-fueled.

Red flag events are declared by the National Weather Service when strong winds, low humidity, and warm temperatures occur simultaneously in our service area. When these events occur, reservoirs are filled to maximize water availability for firefighting. Additional watershed patrols are deployed for early detection and quick response to wildfires. Recreational access and certain uses are also restricted including trail closures.

District staff and firefighting personnel remain in constant contact. Fire agencies regularly and directly contact the District's Dispatch Center when their operations require District support. Staff also deploy to the scene of a fire to increase water pressure and available supply, if possible and as directed by fire personnel. On the watershed, District rangers are trained wildland firefighters and assist in fire suppression.

The District's five local raw water reservoirs are available to CAL FIRE for supply of aerial firefighting resources. During the Keller Fire in October 2024, which impacted residential neighborhoods and District facilities, Upper San Leandro Reservoir was used to supply CAL FIRE resources and contributed to the rapid containment of the fire.

With lower demand in the service area, and the need to preserve water quality⁴, the District has removed approximately 280 million gallons (MG) of treated water storage over the last 20 years. An additional nine MG is seasonally removed each winter and returned in the spring. Storage

³ Alameda County (Supervisor Nikki Fortunato-Bas), Contra Costa County (Supervisor John Gioia, Chair), City of Berkeley (Councilmember Shoshana O'Keefe), City of El Cerrito (Councilmember Lisa Motoyama), City of Hercules (Councilmember Alex Walker-Griffin), City of Oakland (Councilmember Janani Ramachandran), City of Pinole (Councilmember Maureen Toms), City of Richmond (Councilmember Soheila Bana), and Rodeo-Hercules Fire Protection District (Board Vice Chair Marie Bowman)

⁴ Water quality generally degrades over time while stored in treated water reservoirs. Disinfectant concentration can decay which increases the risk of microbiological contamination, additional disinfection by-products are formed with higher water age, and taste and odor issues generally worsen.

levels meet fire code requirements at all times. During the summer, approximately 610 MG of storage is available in the service area.

Mutual Assistance

The District is part of a statewide mutual assistance network and is connected with the California Governor's Office of Emergency Services to provide assistance following natural disasters and other emergencies. This includes mobilizing personnel, equipment, and expertise needed for emergency response and recovery. During the recent fires in Southern California, the District communicated its readiness and willingness to assist utilities.

Water System Recovery Expertise

Water systems are prone to contamination during a wildfire when components are damaged or when pipelines de-pressurize. Contamination with organic and inorganic compounds can be difficult to remove, even with comprehensive flushing. Re-establishing potable water service following wildfire is often limited by the utility's ability to prevent and remove this contamination from water pipelines. District staff have gained experience from responding to the Camp Fire in Paradise in 2018 and studying other recent urban fires in the western United States. District staff documented these findings in a Water Research Foundation publication: *Post-Wildfire Distribution System Water Quality Impacts and Potential Responses*.

Public Outreach

Staff have conducted numerous briefings with elected officials, fire agency personnel, and the public this year (see attachment). These briefings are additional to other meetings the District routinely conducts with fire agencies. During these briefings, staff shared information about the water system's operations and capacities, hydrant functions, vegetation management, mutual assistance, and ongoing communications and coordination with local fire agencies. Staff also communicated the limits of the District's water system, noting that a wind-driven fire the size of the ones in Southern California would stress any distribution system and a coordinated effort would be needed to prevent and respond. The District also responded to numerous customer inquiries regarding individual reservoirs and hydrants.

NEXT STEPS

Staff will continue to meet with communities as requested and will begin to prepare for the upcoming fire season. This outreach includes attendance at community wildfire and safety fairs to talk to the public about wildfire safety and watershed protection. Staff is also monitoring potential legislation or changes in regulations that could impact the District, including changes to applicable building code or fire code.

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Attachment: EBMUD Fire Preparedness Outreach Meetings

EBMUD Fire Preparedness Outreach Meetings

Date	Meeting
January 14, 2025	San Ramon Valley Fire Protection District
January 22, 2025	Contra Costa County John Gioia's Office (District 1)
January 23, 2025	Oakland Fire Department
February 21, 2025	Town of Moraga
February 24, 2025	Contra Costa County Fire Protection District
February 27, 2025	East Bay Wildfire Coalition of Governments (including Alameda County, Contra Costa County, City of Berkeley, City of El Cerrito, City of Hercules, City of Oakland, City of Pinole, City of Richmond, Rodeo-Hercules Fire Protection District)
February 27, 2025	California State Senator Tim Grayson's Office (District 9)
March 12, 2025	Contra Costa County Executive Fire Chiefs (including Contra Costa County Fire Protection District, Crockett-Carquinez Fire Department, Moraga-Orinda Fire District, Richmond Fire Department, Rodeo-Hercules Fire Protection District, San Ramon Valley Fire Protection District)
March 14, 2025	California Assemblymember Buffy Wicks Office (District 14)
March 19, 2025	EBMUD Water Wednesday webinar – Wildfire Ready: Building Resilience and Community Safety
April 16, 2025	Alameda County Fire Chiefs (representing the cities of Oakland, Alameda, Albany, Berkeley, El Cerrito, Hayward and Piedmont and Alameda County)
May 5, 2025	City of Lafayette, Emergency Preparedness Commission
May 20, 2025	East Bay Leadership Council
June 9, 2025	San Ramon Valley Fire Protection District Board

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: May 27, 2025

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager CCC

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

SUBJECT: District Art Committee Update

SUMMARY

The District Art Committee (Art Committee) was formed in 1993 and coordinates the exhibition of local artists at the District's art gallery located on the 2nd floor of the Administration Building. The Art Committee typically sponsors six to eight exhibitions each year and often coordinates with other District affinity groups to promote connection between art and Hispanic heritage, Black history, Asian American heritage, and disability awareness. Additionally, the Art Committee sponsors the Employee Arts and Crafts Fair which highlights crafts produced by District employees. The committee is presently focused on increasing visibility and promotion of District-sponsored artists and the District art gallery. Following a request from the Board, an update on the Art Committee activities will be provided at its May 27, 2025 meeting.

DISCUSSION

The Art Committee remains active with various outreach efforts and planned events. Staff promotes Art Committee events with exhibition announcements and invitations to artist receptions via email to all employees (including the Board). Prior to the opening of an exhibit, staff send artist reception announcements via paper and digital postcards, and post on the District's website and social media outlets. A podium on the 2nd floor near the exhibit displays artist statements, contact information, and artwork prices.

Staff actively build partnerships with District affinity groups, local arts organizations, schools, nonprofits, and other aligned public agencies (e.g., Art Murmur, Museum of Children's Art, Creative Mornings, Laney College, BART, African American Quilter's Guild, Creative Growth, and others). Attached is a summary of exhibitions in 2023 and 2024. Exhibits were limited in the immediate prior years due to the pandemic. To date, there have been two exhibits in 2025.

NEXT STEPS

To enhance promotion and visibility, several new activities will be initiated as outlined below. The Art Committee will announce upcoming exhibits at Board meetings. The District is also exploring the following to enhance support and visibility for the Art Committee and the artist community:

- Offsetting some costs incurred by artists associated with preparing, installing, and de-installing their artwork.
- Providing parking passes for the Administration Building garage for scheduled visitors (including artists).
- Adding permanent signage in the first-floor window of the Administration Building highlighting and directing the public to the second-floor art gallery. Adding additional interior signage near elevators and other high-traffic spaces.
- Including articles in *Splashes* about upcoming exhibits.
- Regular social media posts and stories on Instagram.
- Continuing to explore ways to expand the District's outreach to local art communities.
- Expanding accessibility within the Administration Building gallery and other art adjacent programming.

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Attachment: Recent District Sponsored Art Exhibits

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Recent District Sponsored Art Exhibits

2023 (Centennial Celebration Exhibits)

July 10 to August 24: Local Oakland photographer, Bobby Deetz's exhibition, "Water Works Below," featured a collection of 20 plus photographs of District gate valve pots and hydrants throughout the District's service area. The images included painted and decades-old infrastructure as well as infrastructure framed by greenery. The exhibit was curated by Charmin Baaqee.

September 1 to October 25: Local artists Cleo Vilett's and Lisa Rigby's exhibition, "Watershed Field Notes," presented a colorful and immersive collection of paintings that celebrated the District's watershed, walking trails, and the ecology that surrounds us. Although Vilett and Rigby had not shown their work together before, the synergy and common themes between their work was evident. The exhibit was curated by Zoe Lake.

December 13 to January 24: The District's Public Information Office, Graphics Department, Records Management and Carpentry Shop staff exhibition, "The EBMUD Truck Posters Project," displayed a collection of the District's vintage work truck posters. The prints on display represent community outreach campaigns spanning a period of 16 years in the 1960s and 1970s. Carpentry staff designed and built frames and mounting accessories for the exhibited works. The exhibit was curated by Andrea Pook and Rischa Cole.

2024

February 1 to March 13: Oakland mixed-media artist, Shomari Smith's exhibition, "Inspiration in Black" featured a collection of portraits of thought leaders of the African Diaspora, including individuals with Bay Area roots. Director William Patterson was one of 18 individuals included in this body of work. This exhibit was curated by Charmin Baaqee in partnership with the Black Employee Network.

March 18 to April 24: In an exhibit entitled, "Sky Blue", Creative Growth artists displayed a diverse collection of artworks including, paintings, embroidered textiles, sculpture, and ink drawings. Creative Growth Art Center is located in Uptown Oakland and provides art instruction, gallery representation, and artist-first centered community building programming for artists with disabilities. Many of the artists included in the EBMUD show created works that are part of large museum collections, including most recently, the San Francisco Museum of Modern Art. This exhibit was curated by Charmin Baaqee.

May 31 to July 9: Local artist and grandmother of EBMUD employee Stella Tan, Ruby Feng's exhibition, "Blessings in Symbolism," showcased her practice of paper cutting, poetry, and calligraphy in seal script. Common flowers, animals, and characters are used in Chinese culture to symbolize blessings and were beautifully represented in Feng's striking red images. The exhibit was curated by Anya Kamenskaya.

October 15 to November 20: Oakland-based youth arts organization, Museum of Children's Art (MOCHA), exhibited photographs taken by summer youth campers using disposable 35mm film cameras – documenting their art, environment, and experiences. MOCHA offers year-long art programming for youth, including afterschool classes, art camps during school breaks, and local school partnerships. With support and sponsorship from EBMUD and other donors, MOCHA participated in the District's outdoor environmental justice camp this past July. This exhibit was curated by Andrea Pook in partnership with MOCHA.

December 2 to January 3: The biennial Employee Art Show exhibit showcased a mixture of mediums with sensitive and thought-provoking perspectives. Artworks included photographs, paintings, poetry, and a range of craft handiwork. The wide range of content and art practices exemplified the talents of EBMUD employees. The call for artist and selection process and curatorial direction was facilitated by committee members, Anya Kamenskaya and Cade Comer, and Friends of the Art Committee member, Thai Hill.