

MINUTES

Tuesday, February 28, 2012

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

Regular Closed Session Meeting

Vice-President Andy Katz called to order the Regular Closed Session Meeting of the Board of Directors at 11:01 a.m. in the Administration Center Board Room.

ROLL CALL

Directors Katy Foulkes, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson, and Vice-President Andy Katz were present at roll call. President John A. Coleman was excused to attend an ACWA Conference in Washington, D.C.

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins, Assistant General Counsel Veronica Y. Fauntleroy (Item 1a), Manager of Wastewater Environmental Services Bennett K. Horenstein (Item 1a), Attorney Xanthe M. Berry (Item 2), and Manager of Wastewater Engineering Edward H. McCormick.

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

Vice-President Andy Katz announced the Closed Session agenda. The Board convened to Conference Room 8A/B for discussion.

Regular Business Meeting

Vice-President Andy Katz called to order the Regular Business Meeting of the Board of Directors at 1:15 p.m. in the Administration Center Board Room.

ROLL CALL

Directors Katy Foulkes, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson, and Vice-President Andy Katz were present at roll call. President John A. Coleman was excused to attend an ACWA Conference in Washington, D.C.

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins and Secretary of the District Lynelle M. Lewis.

BOARD OF DIRECTORS

Vice-President Katz led the Pledge of Allegiance.

PRESENTATIONS:

General Manager Alexander R. Coate announced that the District has received the 2012 National Environmental Achievement Award from the National Association of Clean Water Agencies (NACWA) in the Research and Technology category. He noted that the award recognizes outstanding research contributions to environmental protection and wastewater management. General Manager Coate pointed out that the District won this award in 2003, 2006, 2007, and 2008 making the District the first to win the award a record five times.

District staff invented an innovative new high-feedrate anaerobic digestion process that was approved by the U.S. EPA as a site-specific "process to significantly reduce pathogens" (PSRP) in November 2010, the very first PSRP granted since U.S. EPA's Sewage Sludge Regulations were first promulgated in 1993. The U.S. EPA's approval allows the District to operate its digesters down to a 10-day retention time, replacing the previous 15-day retention time, thus effectively increasing digester capacity by 50%.

Mr. Coate introduced the following key Wastewater Department staff who along with other team members worked to develop this anaerobic digestion process: Senior Civil Engineer Dr. Donald Gray (Principal Investigator), Associate Civil Engineer Dr. Yuyun Shang (Project Manager), team members Wastewater Treatment Superintendent David Freitas and Wastewater Shift Supervisor Linda Winters. On behalf of the Board, Director Linney presented the award and thanked staff for its exemplary work.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

Addressing the Board was Mr. Paul Baldacci, President of Castle Companies, San Ramon, CA who expressed concern over the delay in the District's design of his main extension project and its impact on his employees. Vice-President Katz asked staff to assist Mr. Baldacci and asked for an update on the outcome of staff's review.

CONSENT CALENDAR

- Motion by Director Linney, seconded by Director Patterson, to approve Items 1-5 on the Consent Calendar, carried (6-0) by voice vote. President Coleman was absent (excused).
1. **Motion No. 020-12** -- Approved the Regular Meeting Minutes of February 14, 2012.

2. The following document was filed with the Board: 1) Presentation entitled "Water Supply Board Briefing," Water Supply Engineering, dated February 28, 2012.
3. **Motion No. 021-12** -- Awarded a contract to the lowest responsible/responsive bidder Pacific Office Automation in the estimated annual amount of \$120,325 for supplying District-wide copier servicing and repair for the period beginning April 1, 2012 and ending March 31, 2014 with three options to renew for additional one-year periods for a total estimated cost of \$601,625 under Proposal No. 1211.
4. **Motion No. 022-12** -- Authorized an agreement with Mobley Engineering, Inc. in an amount not to exceed \$530,000 for repair and modification of the underwater oxygen diffuser at Upper San Leandro Reservoir during the period March 1, 2012 to December 31, 2012.
- 5a. **Motion No. 023-12** -- Awarded a contract to the lowest responsive/responsible bidder, Proven Management, Inc., in the amount of \$8,218,000 for construction of the Mokelumne Aqueducts Interconnection Project, and consented to withdrawal of the second low bid of Monterey Mechanical Co. under Specification 2036.
- 5b. **Motion No. 024-12** -- Authorized an agreement with Diversified Contract Management Group in an amount not to exceed \$85,000 for labor compliance program services in association with the construction of the Mokelumne Aqueducts Interconnection Project.

DETERMINATION AND DISCUSSION

6. **Legislative Update.**

Special Assistant Marlaigne Dumaine provided an update on meetings with members of the congressional delegation and key water committee staff during a trip to Washington, D.C. February 7-8. In an effort to advance EBMUD's federal interests, staff raised questions about federal funding, including EBMUD's appropriation and Water Resource Development Act (WRDA) authorization requests for recycled water projects and regional desalination project funding. She reported that Congressional staff indicated that due to the ongoing budget deficit debate and the status of the earmarks, the prospect of securing budget appropriations or new project funding authorizations remains unlikely.

Regarding infrastructure, Ms. Dumaine reported that congressional staff explained the austere funding climate but indicated their interest in potentially supporting EBMUD's efforts in pursuing funding opportunities, if and when they arise. Ms. Dumaine said that on Delta related issues, discussions centered on the ongoing California water supply reliability debate as well as the Bay Delta Conservation Plan (BDCP). These discussions included a review of the status of the BDCP as well as EBMUD's concerns about federal efforts to redefine water rights and the potential for redirected impacts. She noted that at the March 13th meeting staff would provide a position on H.R. 1837 (Nunes), the Sacramento-San Joaquin Water Supply Reliability Act, that would amend

the 1992 Central Valley Project Improvement Act, limit the ability of California state and federal agencies to protect listed species, allow for accelerated prepayment of Central Valley Project capital obligations, and repeal the San Joaquin River Restoration Settlement Act.

In concluding Ms. Dumaine reported that on the state level, water bond and pension reform discussions are ongoing. The Board urged staff to monitor the pension reform legislation to ensure that it does not impact EBMUD's retirement plan.

7. General Manager's Report.

Operations and Maintenance Department Manager Eileen M. White presented a status update on the state and local water supply. She reported that overall precipitation and snow levels are below average this year. She reported that on March 13 staff will provide a report on the water supply projections and outline steps to plan for a water shortage including possible start up of the Freeport water supply. In concluding, she noted that the Water Supply Deficiency Report will be provided in April.

REPORTS AND DIRECTOR COMMENTS

8. Committee Reports.

- Filed with the Board were the Minutes of the February 14, 2012 Sustainability/Energy, Planning, and Legislative/Human Resources Committees.

11. Director Comments.

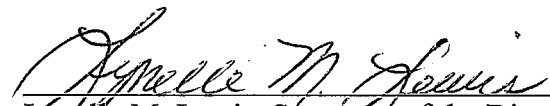
- Director Foulkes reported participating on the Freeport River Water Authority (FRWA) board meeting conference call on February 16; meeting with Matt Wells of Cal Sports regarding possible coordination with the District on February 23; and attending a neighborhood meeting regarding Estates Reservoir on February 23.
- Director Katz had no comment.
- Director Linney had no comment.
- Director McIntosh had no comment.
- Director Mellon had no comment.
- Director Patterson reported representing the District at a Black History program where he was the recipient of an award. He announced that on February 29 the Peralta Community College Foundation would be recognizing his 50 years of service to the District and invited members and staff to attend the event.

- President Coleman reported on his participation on the following: FWRA board meeting conference call on February 16; ACWA board officers' call on February 21; meeting with EBMUD General Manager Coate for agenda review on February 22 in Oakland; and ACWA Conference from February 26 through March 1 in Washington, D.C. He reported the he plans to attend the following upcoming events: ACWA State Legislation Day on March 7 in Sacramento; meeting with EBMUD General Manager Coate for agenda review on March 8 in Oakland; and a Water Policy Talk on March 9 in San Francisco.

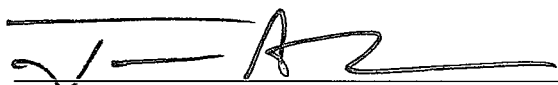
ADJOURNMENT

Vice-President Katz adjourned the meeting at 1:50 p.m.

SUBMITTED BY:


Lynelle M. Lewis, Secretary of the District

APPROVED: March 13, 2012


John A. Coleman, President of the Board

