

MINUTES

Tuesday, November 26, 2019

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

Special Meeting

President Marguerite Young called to order the Special Meeting of the Board of Directors at 8:48 a.m. in the Training Resource Center. The Board met in workshop session to receive an update on the District's long-term infrastructure investment.

ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, and President Marguerite Young were present at roll call. Director Lesa R. McIntosh arrived at 9:29 a.m. (excused).

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Engineering and Construction Olujimi O. Yoloye, Director of Operations and Maintenance Clifford C. Chan, Director of Wastewater Eileen M. White, Engineering Manager Carlton D. Chan, Manager of Maintenance and Construction/Water Operations Michael R. Ambrose, Associate Engineer Aaron L. Hope, Senior Civil Engineer Casey J. LeBlanc, Manager of Distribution Maintenance and Construction Antonio Martinez, Senior Civil Engineer Elena Dudek, Special Assistant to the General Manager Kelly A. Zito, and Secretary of the District Rischa S. Cole.

PUBLIC COMMENT

There was no public comment.

DISCUSSION

- Filed with the Board was a presentation entitled "Long-Term Infrastructure Investment Workshop," dated November 26, 2019.

General Manager Alexander R. Coate announced the workshop is an opportunity for staff to provide the Board with an update on long-term infrastructure investment plans and goals.

Director of Engineering and Construction Olujimi O. Yoloye introduced the workshop agenda and explained how the topics align with the District's Long-Term Infrastructure Investment Strategic Plan goal. He discussed the Long-Term Infrastructure Investment strategies and key drivers (safety, water quality, and reliability) noting increased system capacity is not included as it is not a current driver for infrastructure improvements. Between 2015 and 2019 the District spent approximately \$1.05 billion for its Capital Improvement Program (CIP); this amount is projected to increase to approximately \$1.7 billion by 2024. He highlighted the drivers, key performance indicators (KPIs), and accomplishments for the Fiscal Year (FY) 2015-2019 CIP;

the proposed CIP and budget for FY20-24; and the timeline and need to sequence planned construction upgrades to critical treatment and transmission facilities through 2030. Mr. Yoloye reported the District increased its pipe replacement rate from 10 to 15 miles per year with a goal to replace 25 miles per year by FY25.

Associate Engineer Aaron L. Hope reviewed sustainability and resiliency efforts at the District and said staff is continuing to use the Envision rating system to plan and design projects. He explained how sustainability and resiliency practices are being incorporated in the Pipeline Rebuild Program, the Orinda Water Treatment Plant Disinfection Improvements project, and the Central Reservoir Replacement project. He discussed long- and short-term goals of the Pipeline Rebuild Program. One short-term goal is exploring new ways of maximizing resilience in the distribution system with every pipeline replacement project by implementing a resilient grid. The resilient grid will use strategic hardening and valve configuration to help the distribution system tolerate damage and be mostly functional, which will assist staff with restoring service to customers at a faster rate after a disaster. The Orinda Water Treatment Plant disinfection process is being upgraded to increase the plant's resiliency in handling potential water quality impacts from upsets in raw water quality, intense atmospheric rivers and drought. Sustainable measures planned for the Central Reservoir Replacement project include recycling the reservoir's concrete liner for use in the roads and base materials at the site; building a bioretention area to reduce peak discharges to nearby Sausal Creek; and minimizing hauling to and from the construction site to reduce greenhouse gas emissions and impacts to customers. Once built, Mr. Hope reported the project will also increase resiliency between the reservoirs located in the Central Pressure Zone.

Director of Operations and Maintenance Clifford C. Chan and Senior Civil Engineer Casey J. LeBlanc discussed the District's four water loss control strategies to reduce water loss and main break rates. Mr. LeBlanc presented an overview of the District's water loss control program; strategies to address apparent and real water losses, manage pressure and minimize transients in the District's distribution system; SB 555 (Urban retail water suppliers: water loss management) requirements, its rulemaking period and upcoming compliance dates for water agencies; the District's participation in the SB 555 decision making process; and the District's CIP budget for water loss control which includes a water loss control master plan to assist the District with complying with SB 555 requirement deadlines. A consultant contract for the master plan will be presented for Board consideration in February 2020 and the master plan is scheduled for completion by September 2020. He reported the District will learn its performance standards and limits posed by SB 555 by July 1, 2020.

Manager of Distribution Maintenance and Construction Antonio Martinez discussed how main breaks and leak repairs are prioritized; the District's KPIs for responding to main breaks; updates to the Pipeline Training Academy to assist with meeting the KPIs; and how implementing the use of enhanced tools and equipment assist staff with the speed and quality of repairs. He provided an overview of how the Sedaru software assists staff with managing repairs and conducted a demonstration of the software's functions when a pipe is taken out of service for repair.

- Director Frank Mellon left the workshop at 10:12 a.m. and returned at 10:14 a.m.
- Director William B. Patterson left the workshop at 10:21 a.m. and returned at 10:25 a.m.

Engineering Manager Carlton D. Chan reviewed infrastructure management under the Pipeline

Rebuild Program and discussed the District's Corrosion Control Program. He highlighted the miles of pipe replaced since FY16 and said staff is on track to meet the FY19 goal to replace 17.5 miles of pipe. One goal of the Pipeline Rebuild Program is to maximize efficiency and performance. The program is working to achieve that goal by implementing lessons learned from pilots and studies; selecting the right pipe to replace bad pipe in the system; piloting various types of pipe to develop a suite of pipe materials that will meet the long-term needs of the District's diverse service area; and working collaboratively with Cornell University and University of Colorado Boulder on designing pipe materials for resiliency. Mr. Chan concluded with an overview of the Corrosion Control Program and how cathodic protection is employed to protect metallic water mains and copper services to residences.

- The Board took a break at 10:40 a.m.; the workshop resumed at 10:50 a.m.
- Director Lesa R. McIntosh left the workshop at 10:54 a.m. and returned at 10:55 a.m.

Manager of Maintenance and Construction/Water Operations Michael R. Ambrose reviewed infrastructure staffing for FY18-21. Projected spending on vehicles and equipment to support the additional staff is approximately \$8 million. He explained that hiring additional staff is aimed at reducing the District's use of fully maintained and operated (FM&O) services. He highlighted the types of FM&O services currently used at the District, when they are used and historic spending trends for these services. Staff will use software to track FM&O services use and costs and use this information when developing the FY22-23 budget. Mr. Ambrose said the District recently launched an online customer water service application which will assist staff with improving communications with customers and scheduling work on existing infrastructure and new District and customer projects.

Senior Civil Engineer Elena Dudek presented an overview of plans to redevelop the Oakport facility to accommodate a new service yard, the Pipeline Rebuild Program, and an additional Pipeline Training Academy. She reviewed the locations of the District's five service yards and said redeveloping Oakport to increase pipeline and warehouse storage will help reduce drive time for staff requiring access to materials. The Central service yard in West Oakland will be relocated to a 1.8 acre site located 0.2 miles away on Willow Street. The existing Central service yard will be rehabilitated and repurposed for an alternative use. Ms. Dudek advised staff will be working with the West Oakland Indicators Project on both West Oakland projects.

Director of Engineering and Construction Olujimi O. Yoloye concluded the presentation on Water System infrastructure by reviewing CIP spending by asset class in FY15-19 compared to projected spending in FY20-24; reiterating the importance of sequencing planned construction upgrades to treatment plants and raw water facilities; and plans to develop an overall strategy to address resource considerations for either the planned construction projects or as a part of the FY22-23 budget.

Director of Wastewater Eileen M. White presented an overview of the Wastewater System's infrastructure; FY19 accomplishments; the FY20-24 wastewater CIP; previous focus plans from 1990 through 2019 for the Main Wastewater Treatment Plant (MWWTP); and the key drivers for the work needed at the MWWTP including aging infrastructure, more stringent regulations, climate change, and capacity considerations. She reviewed the timeline for pending regulation requirements that will impact the wastewater system's nutrient watershed and National Pollutant Discharge Elimination System permits, biosolids handling processes, air pollution reduction, and

compliance with the Consent Decree. Ms. White discussed the status and guiding principles of the MWWTP master plan which will provide a roadmap for how the plant functions for the next 30 years; the condition assessment conducted by staff on over 950 wastewater assets and the findings; District seismic efforts from 1989 to date; the results of the current seismic evaluation of 80 plant facilities; and major upcoming seismic code changes that will impact the MWWTP. She reviewed how compliance with the Consent Decree is expected to significantly reduce influent flows to the MWWTP; climate change and its potential impacts to plant operations; an assessment of the Resource Recovery market; the pros and cons of food waste resource recovery; and the long-term goal to leverage the MWWTP as a resource recovery center. Staff will continue providing updates to the Board and will present the MWWTP master plan findings during a workshop and tour of the plant in fall 2020.

Board Discussion

The Board thanked staff and expressed appreciation for the information presented. Staff responded to Board questions regarding the pH level in water delivered to customers; the definition of critical customers mentioned in presentation slide #34; the difference between Automated Metering Infrastructure meters and flumes (a device attached to meters to detect leaks); the data on reported leaks on presentation slide #65; staffing levels required to replace 25 miles of pipe per year; clarification on how land will be used at the redeveloped Oakport facility; accounting for sea level rise during redevelopment of the Oakport facility and work at the MWWTP; how increased capital spending could potentially impact future rate increases; and the District's anticipated target for water loss.

The Board requested the following:

- A breakdown of labor, materials, District forces, contract distribution and lead time for the CIP spending outlined on presentation slide #6.
- A chart showing CIP spending back to 2008 and affirming that projected increases on presentation slide #109 are increased in the FY20-24 rate forecast.
- Confirm the square footage of the new Oakport warehouse.
- A memo that explains the following items will be addressed during the fall 2020 Infrastructure Workshop, when feasible:
 - o How the District is looking at social equity considerations when prioritizing pipeline replacements.
 - o Consider including a map overlay showing disadvantaged communities in the District's service area in future presentations.
 - o Consider if the insurance industry could potentially share the cost of installing Automated Metering Infrastructure because of reductions in property damage claims due to leaks.
 - o Suggestions on ways to encourage cities to replace lower sewer laterals in conjunction with customer upper private sewer laterals.
 - o Consider climate change in master plan decisions on infrastructure replacement plan.
 - o Continue to focus on long-term market growth for the Resource Recovery Program.
 - o Consider concrete companies as a source of wastewater.
 - o Consider intersections of storm water and wastewater collection and treatment including changing water quality characteristics associated with homelessness.

ADJOURNMENT

President Young adjourned the Special Meeting at 11:53 a.m.

SUBMITTED BY:



Rischa S. Cole, Secretary of the District

APPROVED: December 10, 2019



Marguerite Young, President of the Board

