

MINUTES

Tuesday, February 27, 2018

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

Regular Closed Session Meeting

President Lesa R. McIntosh called to order the Regular Closed Session Meeting of the Board of Directors at 11:00 a.m. in the Administration Center Board Room.

ROLL CALL

Directors Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director John A. Coleman was absent (excused) to attend the ACWA Conference in Washington, D.C.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Attorney Jonathan D. Salmon (Item 1), Director of Wastewater Eileen M. White (Item 1), Attorney Rachel R. Jones (Item 2), Engineering Manager David J. Rehnstrom (Item 2), Director of Finance Sophia D. Skoda (Item 3), Manager of Human Resources Laura A. Brunson (Item 3), Attorney Lourdes Matthew (Item 3), and Industrial Employers Distributors Association representatives Glenn Berkheimer, Bruce Heid, and Gregory Ramirez (Item 3).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President McIntosh announced the closed session agenda. The Board convened to Conference Room 8 for discussion.

Regular Business Meeting

President McIntosh called to order the Regular Business Meeting of the Board of Directors at 1:17 p.m. in the Administration Center Board Room.

ROLL CALL

Directors Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director John A. Coleman was absent (excused) to attend the ACWA Conference in Washington, D.C.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Secretary of the District Rischa S. Cole.

BOARD OF DIRECTORS

President McIntosh led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

- Addressing the Board were the following: 1) Waldon Carlson commented on EBMUD water rates for customers east of hills and the level of rate increases over the last 10 years; and 2) Ivette Rivera, EBMUD Gardener Foreman, commented on equal rights and equal pay for EBMUD Gardeners, employee rights during labor negotiations, and her previous request to the Board for her position to be reclassified as a supervisor.

CONSENT CALENDAR

- Items 9 and 10 were pulled from the Consent Calendar for comment.
 - Motion by Director Linney, seconded by Director Young, to approve the recommended actions for Items 1-8 on the Consent Calendar, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).
1. **Motion No. 021-18** – Approved the Regular Meeting Minutes of February 13, 2018.
 2. The following correspondence was filed with the Board: **1)** Letter to Board of Directors from Ivette Rivera entitled, “Topic #1: On 1/23/18 Juan Valencia petitioned the EBMUD Board of Directors for Equal Rights Equal Treatment Equal Pay for Equal Work”; **2)** Letter to Board of Directors from Ivette Rivera entitled, “Topic #2 On 4/25/17 and 2/15/18, I also petitioned the EBMUD Board of Directors and Managers for Equal Rights Equal Pay during 2017 Negotiations”; **3)** Local 21 Salary Schedule Effective April 17, 2017; **4)** EBMUD Labor Negotiations Update-Talking Points; **5)** Presentation entitled “Water Supply Update,” dated February 27, 2018; **6)** Presentation entitled “2018 Preliminary Water Supply Availability & Deficiency Report,” dated February 27, 2018; **7)** Presentation entitled “Mokelumne River Wild and Scenic River Study Report,” dated February 27, 2018; and **8)** Speakers’ Bureau and Outreach Record CY18, dated February 27, 2018.
 3. **Motion No. 022-18** – Awarded a contract to the lowest responsive/responsible bidder, Mountain Cascade, Inc., in the amount of \$5,335,075 for construction of the North Interceptor Relief Sewer under Specification SD-400.

4. **Motion No. 023-18** – Authorized the Office of General Counsel to enter into an agreement with DHI Water & Environment, Inc., in an amount not to exceed \$600,000 for confidential, technically-specialized professional services in support of the East Bay Regional Wet Weather Consent Decree litigation.
5. **Motion No. 024-18** – Authorized an amendment to an agreement with NRC Environmental Services, Inc., for hazardous waste management services, previously authorized by the Board of Directors on June 25, 2013 under Motion No. 088-13, to increase the maximum authorized contract amount by \$700,000, resulting in a new maximum authorized contract amount of \$3,700,000.
6. **Motion No. 025-18** – Authorized a second amendment to the agreement awarded under Board Motion No. 066-15 with Carollo Engineers, Inc., for an additional amount of \$878,183, increasing the agreement ceiling to an amount not to exceed \$5,109,159, for additional engineering support services during construction for the Sobrante and Upper San Leandro Water Treatment Plants Ozone System Improvements Project.
7. **Motion No. 026-18** – Approved an assignment of a professional services agreement to Rizzo International, Inc., for the Eighth Part 12D Safety Inspection and Evaluation Reports for Pardee and Camanche Dams. This agreement was previously awarded to Rizzo Associates, Inc., under Board Motion No. 139-17 on August 8, 2017.
8. **Motion No. 027-18** – Approved the January 2018 Monthly Investment Transactions Report.
9. **Resolution No. 35072-18** – Appointing Marlaigne K. Dumaine As Special Assistant IV (Manager of Legislative Affairs) (*effective March 5, 2018*).
 - Director Mellon congratulated Ms. Dumaine on her appointment and expressed thanks for her work and contributions to the District.
 - Motion by Director Mellon, seconded by President McIntosh, to approve the recommended action for Item 9, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).
10. **Resolution No. 35073-18** – Appointing Andrew J. Levine As Manager Of Information Systems (*effective March 5, 2018*).
 - Director Mellon congratulated Mr. Levine on his appointment. Mr. Levine thanked the Board for the opportunity and said he looked forward to working with them in his new capacity.
 - Motion by Director Mellon, seconded by Director Patterson, to approve the recommended action for Item 10, on the Consent Calendar, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

DETERMINATION AND DISCUSSION

11. **Approve the 2017-2021 Memoranda of Understanding (MOU) and other special agreements between the District and American Federation of State, County and Municipal Employees AFL-CIO Locals 444 and 2019 (Locals 444 and 2019), and International Federation of Professional and Technical Engineers Local 21 (Local 21); approve changes in salaries, benefits and working conditions for Managers, Confidentials and Non-represented (part-time and other) employees consistent with those agreed to for Locals 444, 2019 and 21; approve revisions to District salary schedules; amend all existing Civil Service Rules, Policy Statements and Procedures and other pertinent resolutions to conform to revisions contained in the MOUs and in the Resolution; and authorize the General Manager to amend the District's contracts with medical providers to conform to the provisions of the MOUs and the Resolution.**

General Manager Alexander R. Coate reviewed the recommended actions that the Board was being asked to consider under in Items 11 and 11a.

- Motion by Director Mellon, seconded by Director Young, to approve the recommended actions for Item 11, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

While the Board voted to approve the recommended actions for Item 11, General Counsel Craig S. Spencer announced that provisions in the Brown Act, which went into effect January 1, 2017, require an oral report be made prior to the Board taking action on Item 11a. The oral report summarizes changes in salary, salary schedule and benefits being considered under Item 11a for Senior Management Team members including the General Manager and the General Counsel.

President McIntosh provided the following summary: "Pursuant to Section 54953(c)(3) of the Government Code, the Board of Directors provides this oral report prior to taking action on the salary, salary schedule and compensation paid in the form of fringe benefits paid to the members of the Senior Management Team, including the General Manager and the General Counsel. In accordance with the employment agreements with the General Manager and the General Counsel, the Board may authorize the same general salary increases and benefits to the General Manager and the General Counsel as that granted to District employees at the department director level. As such, it is recommended that the General Manager and the General Counsel each receive a 4% increase in their annual salary, commensurate with the 4% increase being granted to all District employees in this action, effective April 17, 2017. The 4% increase consists of a cost-of-living increase of 3.3% based on the Consumer Price Index and an additional 0.7% enhancement. Additionally, it is recommended that the following members of the Senior Management Team also be granted a 4% increase in their current annual salary, commensurate with the increase being granted to all District employees in this action, effective April 17, 2017: Secretary of the District; Manager of Customer and Community Services; Director of Engineering and Construction; Director of Finance; Manager of Human Resources; Director of Operations and Maintenance; Director of Wastewater; Director of Water and Natural Resources; Special Assistant III/IV (Legislative Affairs); and Special Assistant IV (Public Affairs). The current salaries are contained in the

salary schedule authorized by the Board and on file with the Secretary of the District. It is also recommended that the General Manager and General Counsel and the Senior Management Team members receive the same health and fringe benefits as provided to all other District employees in this action, as modified in the MOUs to be approved by this action. Changes to the benefits include changes to the following: medical plan; dental insurance; cash-in-lieu of health benefits; safety shoe allowance; transportation subsidy; special leave/death in employee's family; and holiday."

There were no questions from the Board or comments from the public regarding these actions.

11a. Approve changes in salaries, benefits and working conditions for Senior Management Team Members consistent with those agreed to for Locals 444, 2019 and 21.

- Motion by Director Mellon, seconded by Director Patterson, to approve the recommended actions for Item 11a, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

Resolution No. 35074-18 – Approve Implementation Of The 2017-2021 Memoranda Of Understanding And Other Special Agreements With IFPTE Local 21, AFSCME Locals 2019 and 444; Amend Position Resolution And Revise Salary Ranges, Salaries And Wage Rates And Other Benefits For Employees Represented By IFPTE Local 21, AFSCME Locals 2019 and 444, And For Senior Management Team Members, Managers, Confidential and Non-Represented Employees.

12. Legislative Update.

Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the bills and recommended actions contained in Legislative Report No. 01-18 and provided an update on state and federal legislative activities. She discussed the status of bills introduced in the state legislature, the federal budget and the President's \$1.5 trillion infrastructure plan. Staff will provide an update on the infrastructure plan as it relates to District interests at a later meeting.

- Motion by Director Young, seconded by Director Linney, to approve the recommended positions in Legislative Report No. 01-18, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

Motion No. 028-18 – Received Legislative Report No. 01-18 and approved positions on the following bills: SUPPORT AB 2053 (Quirk) Harmful Algal Bloom Task Force and SUPPORT AB 2379 (Bloom) Waste Management: Polyester Microfiber.

13. **General Manager's Report.**

Manager of Maintenance and Construction David A. Briggs presented the Water Supply Update. He reviewed the District's current water supply and precipitation in the Mokelumne and East Bay areas, the Caples Lake snow depth and runoff projections as of February 26, 2018. As of February 26, total system storage was 614,410 acre feet or 105 percent of average while total system capacity was 80 percent.

Director of Water and Natural Resources Richard G. Sykes presented the Preliminary Water Supply Availability and Deficiency Report. The report provides preliminary information on the current water supply status and rainfall projections, similar to that provided in the Water Supply Update; potential availability of supplemental water supplies; the current applicable state regulations related to drought; and the recommended Board actions related to supplemental supply. The District's projected total system storage at the end of the current water year under average rainfall conditions in March and April is 570,000 acre feet. He noted that while this projected storage level does not represent a full system it is above the 500,000 acre foot level that triggers drought response actions in the District's Drought Management Program (DMP). He reviewed the DMP guidelines and said based on current storage projections it is unlikely that the District will need to obtain supplemental supplies from the Central Valley Project or purchase transfer water from Placer County Water Agency. Staff will present the final Water Supply Availability and Deficiency Report to the Board on April 24.

Next, Mr. Sykes presented an overview of the Mokelumne Wild and Scenic River Study Report prepared by the California Natural Resources Agency (CNRA). The study was performed as required in Assembly Bill 142 (Wild and Scenic Rivers). The report was presented at public meetings on February 15 at Mokelumne Hill and on February 26 at EBMUD and on February 23 at a special Upper Mokelumne River Watershed Authority meeting. He discussed comments received during the meetings and reviewed key aspects of the report including the study methods used and eligibility and classification results for the five segments of the Mokelumne River. He highlighted potential future water supply impacts and the study recommendations. The District will provide written comments on the report to CNRA by the March 8 deadline. CNRA is scheduled to submit a final report to the Governor and Legislature for consideration by March 31. The Board thanked staff for their work and requested a copy of the District's written comments to CNRA.

- Addressing the Board were the following: 1) Heinrich Albert, Sierra Club, thanked the Board for their work and support on this effort; and 2) Spreck Rosencran, encouraged the Board to continue its support of wild and scenic status for the Mokelumne River.

General Manager Coate pointed out the Board had received talking points for agenda items 11-11a and the most recent Speakers' Bureau and Outreach Record at their places. He also reminded them that Nick Irias, retiring Manager of Information Systems, would be recognized at an event immediately following the Board meeting.

REPORTS AND DIRECTOR COMMENTS

14. Committee Reports.

- Filed with the Board were the Planning and Legislative/Human Resources Committee Minutes of February 13, 2018.

Director Young requested amendments to the Legislative/Human Resources Committee Minutes to reflect comments she made during the meeting. The amended minutes will be filed during the March 13, 2018 Board meeting.

15. Other Items for Future Consideration.

None.

16. Director Comments.

- Director Coleman reported attending a Wild and Scenic River public meeting on February 15 in Mokelumne Hill and a special UMRWA Board meeting on February 23 in Pardee. He reported on plans to attend/participate in the following events: CASA and ACWA meetings February 26 through March 1 in Washington D.C.; meeting with a constituent regarding water rates on March 6 in Walnut Creek; meeting with Tassajara Valley customers on March 7 in Oakland; meeting with Cindy Darling on March 8 in Walnut Creek; and a memorial service for Edmund Regalia on March 11 in Walnut Creek.
- Director Katz had no comment.
- Director Linney had no comment.
- Director Mellon reported attending/participating in the following events: ACWA Region 5 meeting on January 24 in Santa Clara; DERWA meeting on February 5 in Dublin; AMTAC/Jon Fawkes Apprenticeship Program on February 9 in Oakland; Eden Area Chamber of Commerce Community Recognition Awards on February 10 in Castro Valley; and the San Ramon Mayor's Breakfast on February 23 in San Ramon.
- Director Patterson had no comment.
- Director Young had no comment.
- President McIntosh had no comment.

ADJOURNMENT

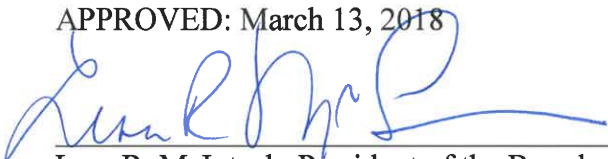
President McIntosh adjourned the meeting at 2:10 p.m.

SUBMITTED BY:



Rischa S. Cole, Secretary of the District

APPROVED: March 13, 2018



Lesla R. McIntosh, President of the Board