

North Richmond Recycled Water Contract Negotiations Update

Board of Directors Meeting

July 25, 2017

Background



- Current agreement with Chevron expires in December 2017
- Recent negotiations meetings: June 22 & July 17
- Chevron presented incremental cost summary for recycled water at 46% to 60% of potable rate
- EBMUD's review:
 - Incremental water use and chemicals: 21% discount
 - Future improvements (water quality, cooling tower O&M optimization) should minimize incremental costs of maintenance and equipment replacement

EBMUD Proposal - Option 1



- Recycled water rate at 65% of potable rate
- Potable water supplement at standard potable rate
- Duration of agreement: 5 years

EBMUD Proposal – Option 2



- Contract water rate is 78% of potable
- Long-term goal is to provide 100% recycled water
 - In event that EBMUD cannot meet this target, EBMUD will augment supply
- Duration of agreement: 10 years

Next Steps



- Next meeting with Chevron: July 28
- Next update to the Board: October 24
- Target finalizing agreement by end of 2017