

## MINUTES

Tuesday, April 24, 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 11:17 a.m. in the Administration Center Board Room.

### ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Operations and Maintenance Clifford C. Chan (Item 1a), Attorney Derek T. McDonald (Item 1a, 1b, 2a and 2b), Attorney Lourdes Matthew (Item 1a), Assistant General Counsel Xanthe M. Berry (Item 1b, 2a and 2b), Engineering Manager Elizabeth Z. Bialek (Item 1b, 2a, and 2b), Director of Water and Natural Resources Richard G. Sykes (Item 2c), and Assistant General Counsel Fred Etheridge (Item 2c).

### 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 John A. Coleman, Doug Linney, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director Andy Katz arrived at 1:20 p.m.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Acting Secretary of the District Janetta M. Johnson.

## **BOARD OF DIRECTORS**

President McIntosh led the Pledge of Allegiance.

## **ANNOUNCEMENTS FROM CLOSED SESSION**

There were no announcements required from closed session.

## **PUBLIC COMMENT**

There was no public comment.

## **CONSENT CALENDAR**

- Items 8, 10, 16 and 17 were pulled from the Consent Calendar for comment.
  - Motion by Director Young, seconded by Director Linney, to approve the recommended actions for Items 1-7, 9, and 11-15 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 045-18** – Approved the Special and Regular Meeting Minutes of April 10, 2018.
  2. The following correspondence was filed with the Board: **1)** Memorandum dated April 24, 2018, to Board of Directors from Eileen M. White, Director of Wastewater, regarding Wastewater Consent Decree - Demand for Payment of Stipulated Penalties; **2)** Presentation entitled “Mokelumne River Wild and Scenic River Study Report,” dated April 24, 2018; **3)** Presentation entitled “2018 Water Supply Availability & Deficiency Report,” dated April 24, 2018; and **4)** Speakers’ Bureau and Outreach Record CY18, dated April 24, 2018.
  3. **Motion No. 046-18** – Awarded contracts to lowest responsive/responsible bidders Peterson Tractor Co., Pape Machinery, Inc., California Diamond Products, and Edward R. Bacon Company, Inc., for an annual amount of \$2,366,403, after the addition of taxes, for supplying construction equipment for the District Fleet for three years, beginning on or after May 1, 2018 with two options to renew for an additional one-year period in an amount not to exceed \$11,832,015 under Request for Quotation No. 1720.
  4. **Motion No. 047-18** – Awarded a contract to the lowest responsive/responsible bidder, F.D. Thomas, Inc., in the amount of \$3,844,128 for construction of the Main Wastewater Treatment Plant Digester Nos. 10 and 11 Coating Repairs under Specification SD-395.
  5. **Motion No. 048-18** – Awarded a contract to the lowest responsive/responsible bidder, Monterey Mechanical Company, in the amount of \$9,440,000 for construction of the Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation – Phase 5 under Specification SD-396.

6. **Motion No. 049-18** – Awarded a contract to CDW Government, LLC in an amount, after the addition of taxes, not to exceed \$225,000 for supplying Microsoft licensing of Windows server operating system and Exchange email software for District-wide use, beginning on or after April 24, 2018 under State Contract No. ADSPO16-130652.
7. **Motion No. 050-18** – Awarded a contract to IDModeling, Inc., beginning on or after May 1, 2018, in an amount not to exceed \$578,660 for Sedaru software, customization, and training for one year, with four options to renew for an additional one-year period for annual licensing and services at \$266,760 each year, plus optional services not to exceed \$88,200, for a total cost of \$1,733,900.
8. **Motion No. 056-18** – Authorized an agreement with AECOM Technical Services, Inc., in an amount not to exceed \$1,057,403 for the design of retrofits to the Lafayette Reservoir Outlet Tower.
  - Director Coleman pulled Item 8 to request staff provide the Board and public with regular status updates on the outlet tower project.
  - Motion by Director Coleman, seconded by Director Patterson, to approve the recommended action for Item 8, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).
- 9.1-3. **Motion No. 051-18** – Authorized execution of an agreement with Amador Water Agency (AWA) for the provision of wholesale raw water service to provide a water supply for the Camanche North Shore Recreation Area facilities; authorized execution of Amendment Number 2 to the existing Transmission Project Agreement, at the request of AWA, to terminate that agreement on December 31, 2022; and determined that the project is exempt from the requirements of the California Environmental Quality Act.
10. **Motion No. 057-18** – Authorized an agreement with Panorama Environmental, Inc., in an amount not to exceed \$626,079 to prepare the required environmental documentation and related permitting for the Large Scale Photovoltaic Project.
  - Director Coleman pulled Item 8 to request clarification on the potential site locations of the large scale photovoltaic projects.
  - Motion by Director Coleman, seconded by Director Patterson, to approve the recommended action for Item 10, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).
11. **Motion No. 052-18** – Authorized an amendment to the existing agreement with Walls Inspection Company, Inc. to increase the agreement amount by \$700,000 to a total amount not to exceed \$1,160,000 for specialty plant inspection services for various construction projects.

12. **Motion No. 053-18** – Authorized an amendment to the contracts awarded to various companies in accordance with the timing and pricing specified in the relevant State of California annual vehicle purchase contracts under Board Motion No. 073-15 dated April 28, 2015 for supplying automobile and light trucks for the District’s fleet to increase the amount by \$5,326,000 for a total cost of \$17,981,400 for the remainder of the five-year period ending April 30, 2020.
13. **Motion No. 054-18** – Authorized the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett, LLP, for specialized legal services related to construction, public contracts and procurement, claims, intellectual property and technology matters, tax, public pension law, labor and employment, and litigation matters in an additional amount not to exceed \$100,000.
14. **Motion No. 055-18** – Approved the February and March 2018 Monthly Investment Transactions Reports.
15. **Resolution No. 35083-18** – Adopting Revised Policy 4.07, “Investment Policy.”
16. **Resolution No. 35084-18** – Appointing Michael R. Ambrose As Manager Of Maintenance And Construction/Water Operations (*effective April 30, 2018*).
  - Director Mellon congratulated Mr. Ambrose on his appointment. Mr. Ambrose 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 16, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).
17. **Resolution No. 35085-18** – Appointing Robert L. Hannay As Treasury Manager (*effective April 30, 2018*).
  - Director Mellon congratulated Mr. Hannay on his appointment. Mr. Hannay thanked the Board for the opportunity to serve the District and said he looked forward to supporting the District’s mission.
  - Motion by Director Mellon, seconded by Director Coleman, to approve the recommended action for Item 17, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

#### **DETERMINATION AND DISCUSSION**

18. **Adopt a Resolution of Support for the Mokelumne River Wild and Scenic River Study Report Including its Recommendation for Designation of Approximately 37 Miles of the River Into the California Wild and Scenic Rivers System.**
  - Addressing the Board was Sonia Diermayer, Sierra Club, who encouraged the Board to adopt the resolution and thanked the Board and staff for their efforts to get wild and scenic protection for the Mokelumne River.

- Motion by Director Young, seconded by Director Coleman, to approve the recommended action for Item 18, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

**Resolution No. 35086-18** – Supporting The California Natural Resources Agency’s Mokelumne River Wild And Scenic River Study Report.

**19. Legislative Update.**

Manager of Legislative Affairs Marlaigne Dumaine highlighted the fourth state legislative initiative for 2018 and provided updates on state and federal legislative activities.

- Motion by Director Young, seconded by Director Coleman, to approve the recommended action for Item 19, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 058-18** – Approved the following state legislative initiative for the 2018 Legislative Year:

<b>LEGISLATIVE INITIATIVE</b>	<b>ADDITIONAL 2018 RECOMMENDATIONS</b>
<p>4. Work with stakeholders to identify and advance a legislative vehicle to codify the March 2018 California Natural Resources Agency Report (CNRA) recommendation and five special provisions to add five segments of the Mokelumne River to the Wild and Scenic River System.</p>	<p><u>Proceed</u> – Legislation is needed to codify the CNRA report recommendation and five special provisions, which reflect broad stakeholder input and agreement. Stakeholders, including upstream water users and environmental organizations, are in the process of taking action to express formal support. Broad stakeholder support will be necessary to advance legislation.</p> <p>1. Once stakeholder actions to express formal support have concluded in the coming weeks, staff will work with stakeholders, including water users upstream of Pardee Reservoir and environmental organizations, to identify and advance a legislative vehicle to codify the CNRA Report recommendation and five special provisions.</p>

**20. Consider a Revised Policy on Statewide Retail Water User Surcharges.**

Legislative/Human Resources Committee Chair John A. Coleman reported that the Committee has met and discussed revisions to the policy since January 2018 and unanimously recommended approval of the proposed language presented to the Board today.

- Motion by Director Young, seconded by Director Coleman, to approve the recommended action for Item 20, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 059-18** – Adopted a revised policy on statewide retail water user surcharges. *(Rescinded the May 26, 2015 Policy Position on Statewide Retail Water User Fees and adopted the revised April 24, 2018 Policy on Assessing Statewide Retail Water User Surcharge Proposals.)*

21. **File the Water Supply Availability and Deficiency Report in conformance with District Policy 9.03 – Water Supply Availability and Deficiency and declare that the District’s water supply is sufficient for meeting customer demands in 2018.**

Engineering Manager Lena L. Tam presented the Water Supply Availability and Deficiency Report. The 2018 assessment concluded that projected runoff and water storage require designating ‘Below Normal’ year type flows in the lower Mokelumne River under the District’s Joint Settlement Agreement. Based on current 2018 runoff projections assuming median rainfall for the remainder of the year, Woodbridge Irrigation District will receive its full allocation of 60,000 acre-feet (AF); Jackson Valley Irrigation District will receive its maximum entitlement of 3,850 AF; and North San Joaquin Water Conservation District, a joint water right holder, will likely not receive their request for 20,000 AF based on today’s water supply projections. In addition, she noted that flood control releases are currently occurring and are expected to continue until mid-May. She said based off current projections the District will not have surplus water available for the Demonstration Recharge Extraction and Aquifer Management Project and Bayside Groundwater Project.

- Motion by Director Mellon, seconded by Director Patterson, to approve the recommended action for Item 21, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 060-18** – Filed the Water Supply Availability and Deficiency Report in conformance with District Policy 9.03 and declared that the District’s water supply is sufficient for meeting customer demands in 2018.

22. **General Manager’s Report.**

General Manager Alexander R. Coate pointed out the memos at Board places regarding action taken by United States Environmental Protection Agency today related to the District’s wet weather operations and the latest Speakers’ Bureau and Outreach Record.

## **REPORTS AND DIRECTOR COMMENTS**

23. **Committee Reports.**

- Filed with the Board were the Planning and Legislative/Human Resources Committee Minutes of April 10, 2018.

24. **Other Items for Future Consideration.**

- None.

25. **Director Comments.**

- Director Coleman reported attending/participating in the following events: Freeport Regional Water Authority Board meeting and an East Bay Economic Development Alliance reception on April 12 in Oakland; East Bay Leadership Council meeting on April 20 in Lafayette; Central Contra Costa Sanitary District meeting to discuss recycled water on April 23 in Oakland; and a Ramboll-Global Care reception on April 23 in San Francisco. He reported on plans to attend/participate in the following upcoming events: Las Aguilas de Diablo dinner on April 25 in Walnut Creek; Kiwanis Club of San Ramon Valley on April 26 in Danville; Lamorinda Tri-City Council meeting on April 26 in Orinda; UMRWA Board meeting on April 27 in Pardee; Contra Costa County Mayors Conference on May 3 in Martinez; and Rob Rosco retirement party on May 4 in Sacramento.
- Director Katz reported attending the Rising Sun Energy Center "Bright Night" event on April 19 in Berkeley.
- Director Linney had no comment.
- Director Mellon reported attending the J-SEI's annual Flavors of Spring event on April 20 in Berkeley and the Castro Valley Sports Foundation's Hall of Fame Banquet on April 21 in Castro Valley.
- Director Patterson had no comment.
- Director Young had no comment.
- President McIntosh had no comment.

**ADJOURNMENT**

President McIntosh adjourned the meeting at 2:03 p.m.

SUBMITTED BY:

  
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Jahetta M. Johnson, Acting Secretary of the District

APPROVED: May 8, 2018

  
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William B. Patterson, Vice-President of the Board

