

## MINUTES

Tuesday, July 28, 2020

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

### Regular Closed Session Meeting

President Marguerite Young called to order the Regular Closed Session Meeting of the Board of Directors at 11:08 a.m. She announced that due to COVID-19 and in accordance with the latest Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, this meeting will be conducted via teleconference only. In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

### ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh, Frank Mellon, and President Marguerite Young were present at roll call. Director William B. Patterson joined the meeting at 11:14 a.m. All Directors participated via teleconference.

Staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, Assistant General Counsel Fred S. Etheridge (Item 1a), Attorney Jonathan D. Salmon (Item 1a), Director of Water and Natural Resources Michael T. Tognolini (Item 1a), Engineering Manager Lena L. Tam (Item 1a), Attorney Anna P. Gunderson (Item 2a), Director of Wastewater Eileen M. White (Items 2a and 3), Attorney Lourdes Matthew (Item 3), Acting Director of Operations and Maintenance David A. Briggs (Item 3), and Manager of Human Resources Laura A. Acosta (Item 3).

### PUBLIC COMMENT

- Addressing the Board were the following persons: 1) Eric Larsen, President, AFSCME Local 444 commented on staff use of personal leave due to potential exposure to COVID-19 at work and implementing tasks for staff whose normal work duties cannot be performed while telecommuting; and 2) Joseph Pangelinan, Chief Steward, AFSCME Local 444 commented on premium pay for janitorial staff due to the additional duties they are required to perform in response to the COVID-19 pandemic.

### ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Young announced the closed session agenda. The Board convened for discussion (via teleconference).

### **Regular Business Meeting**

President Young called to order the Regular Business Meeting of the Board of Directors at 1:18 p.m. She announced that due to COVID-19 and in accordance with the latest Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, this meeting will be conducted via teleconference only. In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

### **ROLL CALL**

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson, and President Marguerite Young were present at roll call (all via teleconference). Staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, and Secretary of the District Rischa S. Cole.

### **BOARD OF DIRECTORS**

President Young led the Pledge of Allegiance.

### **ANNOUNCEMENTS FROM CLOSED SESSION**

There were no announcements required from closed session.

### **PRESENTATIONS**

President Young announced that thirty-one high school students from the EBMUD service area recently participated in the District's High School Virtual Internship Program. Due to the COVID-19 pandemic and subsequent Shelter-In-Place Order, the students were unable to participate in the usual onsite, work-based learning experiences. Staff revamped the program to allow students to participate in virtual learning opportunities. With District staff as mentors, the students worked in project teams of two to investigate a water or wastewater problem related to their area of career interest. President Young introduced two interns, Devin Dinh and Mateo Garcia, who provided an overview of their projects and their experience in the program. The Board applauded and thanked the interns for their participation in the program and their feedback.

- President Young left the Regular Meeting at 1:25 p.m. Vice-President Linney began presiding over the Regular Meeting and announced the Consent Calendar. President Young returned and resumed presiding over the Regular Meeting at 1:45 p.m.

### **PUBLIC COMMENT**

There was no public comment.

### **CONSENT CALENDAR**

- Items 9a-9b and 12 were pulled from the Consent Calendar for separate discussion.

- Motion by Director Coleman, seconded by Director Patterson, to approve the recommended actions for Items 1-8 and 10-11 on the Consent Calendar carried (6-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, and Patterson); NOES (None); ABSTAIN (None); ABSENT (Young).

1. **Motion No. 144-20** – Approved the Regular Meeting Minutes of July 14, 2020.
2. The following correspondence was filed with the Board: **1)** Presentation entitled, “Coronavirus Update,” dated July 28, 2020; **2)** Presentation entitled, “Proposed Fiscal Year 2021 Financing Plan,” dated July 28, 2020; and **3)** Report entitled, “File Report and Recommendation of the General Manager to Transfer Unpaid Liens for Delinquent Charges to Alameda and Contra Costa Counties’ 2020-2021 Property Tax Rolls, Updated July 28, 2020”.
3. **Motion No. 145-20** – Awarded a contract to the lowest responsive/responsible bidder, Integra Construction Services, Inc., in the amount of \$1,375,000 for construction of Sobrante Water Treatment Plant Control Systems Improvements under Specification 2134.
4. **Motion No. 146-20** – Awarded a contract to the lowest responsive/responsible bidder, TCB Industrial, Inc., in the amount of \$1,265,449 for construction of the Demonstration, Recharge, Extraction and Aquifer Management - Mokelumne Aqueduct Tie-In under Specification 2148A.
5. **Motion No. 147-20** – Authorized an agreement beginning on or after July 28, 2020 with Allied Crane, Inc. for an estimated annual amount of \$136,598 for crane certification and minor repairs for three years with two options to renew for additional one-year periods for a total cost of \$682,990 under Request for Proposal No. FMC736-20-04.
6. **Motion No. 148-20** – Authorized an agreement beginning on or after July 28, 2020 with Innovyze, Inc., to upgrade the District’s hydraulic modeling software and to provide one year of software maintenance and support, with four options to renew the software maintenance and support for additional one-year periods in an amount not to exceed \$990,000.
7. **Motion No. 149-20** – Authorized an agreement beginning on or after July 28, 2020 with MoneyGram Payment Systems, Inc., in an amount not to exceed \$250,000 to provide customers with cash payment services for five years.
8. **Motion No. 150-20** – Authorized an agreement beginning on or after July 28, 2020 with Unico Mechanical Corporation in an amount not to exceed \$802,578 for the refurbishment of four 42-inch diameter ball valves for the Main Wastewater Treatment Plant Influent Pump Station.
- 9a-9b. **Motion No. 152-20** – Authorized amendments to agreements awarded under Board Motion No. 021-20 to the following seven vendors and various public agencies in the District’s service area for an additional \$2,750,000, increasing the aggregate amount not to exceed \$4,000,000 for paving, striping, sealing, and other related services at locations throughout the District’s service area through January 29, 2021: American Asphalt Repair & Resurfacing Co., Inc.; Bond Blacktop, Inc.; Bruce Enterprises; Carone & Company, Inc.; J.V. Lucas Paving, Inc.; O.C. Jones & Sons, Inc.; MCK Services, Inc.; and Public Agencies; and authorized additional agreements with vendors that meet District standards to increase flexibility and ensure vendor

availability during peak workload. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.

- Addressing the Board were the following: **1)** Eric Larsen, President, AFSCME Local 444 commented the union opposed amending the agreements and reviewed information on how District crews could complete the work instead of contractors; and **2)** Louis Bell, EBMUD Paving Crew Foreman commented on how District paving assignments are being managed and objected to amending the agreements.

General Manager Clifford C. Chan and Acting Director of Operations and Maintenance David A. Briggs responded to Board questions regarding the urgency of the paving work to be performed by contractors; the funding source for the amended agreements; the status of the recruitment process and current hiring list for vacant paving staff positions; the amount and type of backlog work that needs to be completed before the winter months; and clarification on how much of the requested funding will be spent on paving work that was originally scheduled to be completed by cities in the service area. The Board asked staff to meet with Local 444 representatives to discuss options for completing paving work that had to be postponed due to the COVID-19 pandemic prior to using contractors to complete additional work.

- Motion by President Young, seconded by Director Mellon, to approve the recommended actions for Items 9a-9b carried (7-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

10. **Motion No. 151-20** – Approved the June 2020 Monthly Investment Transactions Report.

11. **Resolution No. 35192-20** – Adopting New Policy 4.27, Debt Management and Adopting Revised Policy 4.02, Cash Reserves.

- President Young left the meeting at 2:03 p.m. Vice-President Linney began presiding over the meeting and introduced Agenda Item 12. President Young returned and resumed presiding over the meeting at 2:05 p.m.

12. **Resolution No. 35193-20** – Appointed Andrea M. Miller as the Controller (*effective August 3, 2020*).

- Director Mellon pulled Item 12 to welcome Ms. Miller and to congratulate her on her appointment. Ms. Miller thanked the Board for the opportunity and said she looked forward to working at the District.
- Motion by Director Mellon, seconded by Director McIntosh, to approve the recommended action for Item 12 carried (7-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

## **PUBLIC HEARING**

**13.1. Conduct a public hearing to consider objections and protests to the General Manager's report to Transfer Delinquent EBMUD Charges to the 2020-2021 Property Tax Rolls.**

President Young opened the public hearing at 2:06 p.m. She announced the hearing is to consider objections and protests to the General Manager's report to Transfer Delinquent EBMUD Charges to the 2020-2021 Property Tax Rolls. She stated staff is available to assist customers on the teleconference line with their accounts. She asked if there was anyone on the teleconference line to lodge an objection or protest to the actions being considered by the Board. There was no one on the teleconference line to lodge an objection or protest. President Young closed the public hearing at 2:10 p.m.

**13.2. Adopt the General Manager's report (Report) dated June 23, 2020 and authorize the General Manager to exclude from the report any affected parcels or amounts as appropriate, including those that the District receives payment for on or before August 10, 2020, the date in which reports will be sent to Alameda and Contra Costa counties. A summary of the final Report will be included in the August 2020 General Manager's monthly report.**

- Motion by Director McIntosh, seconded by Director Coleman, to approve the recommended actions for Item 13.2, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

**Resolution No. 35194-20** – Approving Transfer of Unpaid Delinquent Charges to Alameda and Contra Costa Counties' 2020-2021 Property Tax Rolls.

## **DETERMINATION AND DISCUSSION**

**14. Approve the proposed financing plan for Fiscal Year 2021.**

Principal Management Analyst Travis J. George presented an overview of the District's proposed plans to issue revenue bonds of up to \$160 million to cover projected debt needs for the Water System and to pursue a State Revolving Fund loan and a federal Water Infrastructure Finance and Innovation Act loan in FY21. He noted that financial impacts resulting from the COVID-19 pandemic will inform the amount of funds needed and the timing to issue bonds. He reviewed the District's debt composition as of the end of FY20, its current credit ratings by S&P, Moody's and Fitch, and FY20 debt activity for the Water and Wastewater Systems. Due in part to recent high capacity charge revenues and corresponding high reserve levels, staff does not anticipate the need to issue new revenue bonds for the Wastewater System. Staff will continue monitoring the market and bring any opportunities to refund or restructure existing debt to the Board for consideration. The Board raised no questions. Finance/Administration Committee Chair William B. Patterson reported the Committee supported the staff recommendations.

- Motion by Director Patterson, seconded by Director McIntosh, to approve the recommended actions for Item 14 carried (7-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 153-20** – Approved the proposed financing plan for Fiscal Year 2021.

15. **General Manager’s Report.**

Acting Director of Operations and Maintenance David A. Briggs presented an update on the District’s response to the Coronavirus (COVID-19). He reviewed the status of customer water service payments; the current number of Customer Assistance Program participants; and water demand data. He highlighted enhanced worksite safety measures; personal protective equipment inventory; preparations to address PG&E public safety power shutoffs; telecommuting; and continued restrictions on staff business-related travel. In conclusion, Mr. Briggs discussed infection management and efforts to develop a program to assist employees with anticipated challenges due to school closures.

**REPORTS AND DIRECTOR COMMENTS**

16. **Committee Reports.**

- Filed with the Board were the July 14, 2020 Planning Committee and Legislative/Human Resources Committee Minutes.
- Sustainability/Energy Committee Chair Doug Linney reported the Committee met earlier in the day (via teleconference) and received an update on: Managing Fleet Emissions; a Main Wastewater Treatment Plant Electric Vehicle Charging Pilot; a Biogas to Hydrogen Grant Funding Opportunity; and an Energy Policy Update.
- Finance/Administration Committee Chair William B. Patterson reported the Committee met earlier in the day (via teleconference) and received an update on: the June 2020 Monthly Investment Transactions Report; the Quarterly Financial Reports; the Annual Internal Audit Report; the Proposed Fiscal Year 2021 Financing Plan; and New Policy 4.27 – Debt Management and Revisions to Policy 4.02 – Cash Reserves.

17. **Other Items for Future Consideration.**

None.

18. **Director Comments.**

- Director Coleman reported he participated in the UMRWA Board meeting (remotely) on July 24. He asked staff to transmit the District’s analysis on legislative bills relevant to UMRWA to UMRWA staff as soon as possible after the information has been presented to the Board.
- Director Mellon requested that the Board adjourn today’s meeting in honor of U.S. Representative John R. Lewis, who passed away on July 17.

- President Young reminded Board members that their Fair Political Practices Commission forms were due on Friday, July 31.
- Directors Katz, Linney, McIntosh, and Patterson had no report.

**ADJOURNMENT**

President Young adjourned the meeting at 2:50 p.m. in honor of U.S. Representative John R. Lewis, who passed away on July 17, 2020.

SUBMITTED BY:

  
\_\_\_\_\_  
Rischa S. Cole, Secretary of the District

APPROVED: August 11, 2020

  
\_\_\_\_\_  
Marguerite Young, President of the Board