AGENDA
Tuesday, May 22, 2018

REGULAR CLOSED SESSION
11:00 a.m., Board Room

ROLL CALL:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

ANNOUNCEMENT OF CLOSED SESSION AGENDA:

1. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
   two matters.

(The Board will hold Closed Session in Conference Room 8)

REGULAR BUSINESS MEETING
1:15 p.m., Board Room

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance
- EBMUD’s 95th Anniversary

PRESENTATION:

- Alameda and Contra Costa counties Science/Engineering Fair Awards

ANNOUNCEMENTS FROM CLOSED SESSION:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.
CONSENT CALENDAR: (Single motion and vote approving 12 recommendations including 1 resolution)


2. File correspondence with the Board.

3. Authorize an agreement with Horizon Water and Environment, LLC, in an amount not to exceed $411,720 to prepare required environmental documentation to support routine maintenance of the Mokelumne Aqueducts and watershed lands adjacent to Pardee and Camanche Reservoirs.

4. Authorize an agreement beginning on or after May 22, 2018 with Raftelis Financial Consultants, Inc., in an amount not to exceed $191,000 to conduct a Wastewater Cost of Service Study under the Request for Proposal titled East Bay Municipal Utility District Wastewater Cost of Service Study.

5. Authorize an agreement beginning on or after June 1, 2018 with Valley Temporary Services in an amount not to exceed $35,000 annually for seasonal biological aide temporary employment services for three years, for a total cost of $105,000.

6. Authorize a five-year lease agreement with EZE Properties, LLC at the District’s McMillan property located at 2540 Grant Avenue in San Lorenzo.

7. Authorize the execution of a Cooperating Agreement with the City of Hayward providing for the cooperative development and joint funding of a Groundwater Sustainability Plan for the East Bay Plain Subbasin.

8. Authorize the General Manager to execute Amendment No. 3 to the August 15, 2013 Memorandum of Understanding between Placer County Water Agency and East Bay Municipal Utility District (the District) to increase the District’s share of costs for development of a long-term water transfer by $376,700, from $943,000 to $1,319,700.

9. Authorize actions related to flagging services.

9a. Authorize an amendment to Board Motion No. 174-17 dated October 10, 2017 to increase the estimated agreement amount by $1,000,000 for the rental of Fully Maintained and Operated (FM&O) flagging services beginning on or after May 22, 2018 through the remainder of the agreement period ending February 10, 2020 from the following vendors: Bay Area Traffic Solutions, Inc.; Traffic Management, Inc.; CMC Traffic Control Specialists; TPR Traffic Solutions; Cal Safety, Inc.; Western Traffic Supply, Inc.; Traffic Control Pros; and Yolanda’s Construction Administration & Traffic Control.

9b. Authorize additional agreements for FM&O flagging services with vendors that meet District standards and offer pricing at or below the range in the amended agreements above. These additional agreements may be issued, on an as-needed basis, in order to increase flexibility and ensure availability of FM&O flagging services to the District. The Board of Directors will be notified of additional qualified vendors by means of the General Manager’s monthly report.
CONSENT CALENDAR (Continued):

10. Authorize an amendment to the existing agreement with GEI Consultants, Inc. to increase the amount by $531,000 to an amount not to exceed $1,322,000 for geotechnical investigations for the Oakland Inner Harbor Pipeline Crossing project.

11. Authorize an amendment to the agreement with Honeywell International, Inc. to increase the amount by $232,000, to an amount not to exceed $882,000, for additional engineering services for the Sobrante and Upper San Leandro Water Treatment Plants Control System Improvements Project.

12. Appoint Manager of Employee Relations. (Resolution)

DETERMINATION AND DISCUSSION:

13. Direct the Secretary of the District to schedule August 2018 meetings of the Board of Directors to allow the Board to exercise its Assembly Bill 408 authority within the narrow timeframe set forth in Section 11852.5 of the Municipal Utility District Act for the 2018 general election.

14. Authorize execution of legal documents associated with extending U.S. Bank’s Standby Bond Purchase Agreement for Water Revenue Bonds, Series 2008A-2 and 2008A-3 until January 2022 at a fee of 0.32 percent per annum. (Resolution)

15. Approve actions related to the East Bay Watershed Master Plan Update. (Resolution)

15.1. Adopt the Negative Declaration for the East Bay Watershed Master Plan Update.

15.2. Make findings relating to the California Environmental Quality Act.

15.3. Approve the East Bay Watershed Master Plan Update.


REPORTS AND DIRECTOR COMMENTS:

17. Committee Reports:
   - EBMUD/EBRPD Liaison
   - Planning
   - Legislative/Human Resources

18. Other Items for Future Consideration.

19. Director Comments.
The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, June 12, 2018 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.

Disability Notice
If you require a disability-related modification or accommodation to participate in an EBMUD public meeting please call the Office of the Secretary (510) 287-0404. We will make reasonable arrangements to ensure accessibility. Some special equipment arrangements may require 48 hours advance notice.

Document Availability
Materials related to an item on this Agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours, and can be viewed on our website at www.ebmud.com.
<table>
<thead>
<tr>
<th>Date</th>
<th>Meeting</th>
<th>Time/Location</th>
<th>Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday, May 22</td>
<td>Finance/Administration Committee</td>
<td>9:00 a.m. Training Resource Center</td>
<td>Strategic Plan Update, FY18 &amp; FY19 Mid-Cycle Budget Update, and Non-Proposition 218 Rates &amp; Charges Workshop</td>
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<tr>
<td></td>
<td>Patterson {Chair}; Coleman; Mellon</td>
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<td>Board of Directors</td>
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<td></td>
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<td>11:00 a.m. 1:15 p.m.</td>
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<td>Monday, May 28</td>
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<td>Tuesday, June 12</td>
<td>Planning Committee</td>
<td>9:15 a.m. Training Resource Center</td>
<td>Legislative/Human Resources Committee</td>
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<td></td>
<td>Mellon {Chair}; Linney; Young</td>
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<td>Coleman {Chair}; Patterson; Young</td>
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<tr>
<td>Tuesday, June 26</td>
<td>Finance/Administration Committee</td>
<td>10:00 a.m. Training Resource Center</td>
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<td>Board of Directors</td>
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<tr>
<td>Wednesday, July 4</td>
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<td>Board of Directors</td>
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<tr>
<td>Tuesday, July 10</td>
<td>Planning Committee</td>
<td>9:15 a.m. Training Resource Center</td>
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<td>Legislative/Human Resources Committee</td>
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<td>Coleman {Chair}; Patterson; Young</td>
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MINUTES

Tuesday, May 8, 2018

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

Regular Closed Session Meeting

Vice-President William B. Patterson called to order the Regular Closed Session Meeting of the Board of Directors at 11:09 a.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Frank Mellon, Marguerite Young, and Vice-President William B. Patterson were present at roll call. President Lesa R. McIntosh was absent (excused).

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Attorney Jonathan Salmon (Items 1a and 1b), Director of Wastewater Eileen M. White (Item 1a), Assistant General Counsel Fred S. Etheridge (Item 1b), and Director of Water and Natural Resources Richard G. Sykes (Item 1b).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

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

Regular Business Meeting

Vice-President Patterson called to order the Regular Business Meeting of the Board of Directors at 1:16 p.m. in the Administration Center Board Room.

ROLL CALL

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

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

Vice-President Patterson led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

Vice-President Patterson announced that the Board, in closed session this morning, by a unanimous vote of the Directors attending, authorized the General Counsel to pay a $134,000 demand for stipulated penalties jointly made against the District by the United States Environmental Protection Agency and the California Regional Water Quality Control Board, San Francisco Bay Region. The penalty demand, which was made pursuant to the consent decree in United States of America, et al v. East Bay Municipal Utility District, concerns nine non-permitted wastewater discharges from the District’s wastewater facilities between 2014 and 2017. The District will pay the stipulated penalty in equal shares to the United States Environmental Protection Agency and the California Regional Water Quality Control Board, San Francisco Bay Region.

There were no other announcements required from closed session.

PUBLIC COMMENT

- Addressing the Board were the following: 1) Michael M. O’Dorney asked the Board to consider establishing a recycled water fill station for residential use in the Tri-Valley; 2) Ken Minn, EBMUD Asian Pacific Employees Association co-president, read a proclamation in recognition of the Association’s 20th Anniversary and thanked the Board and staff for their continued support; and 3) Devina Ojascastro, EBMUD Asian Pacific Employees Association co-president, commented on the history of the Association and highlighted the 20th Anniversary theme and events.

CONSENT CALENDAR

- Motion by Director Mellon, seconded by Director Linney, to approve the recommended actions for Items 1-6 on the Consent Calendar, carried (5-0) by the following voice vote: AYES (Katz, Linney, Mellon, Young, and Patterson); NOES (None); ABSTAIN (None); ABSENT (Coleman and McIntosh).

1. Motion No. 061-18 – Approved the Regular Meeting Minutes of April 24, 2018.

2. The following correspondence was filed with the Board: 1) Presentation entitled “FY19 Proposed Non-Prop 218 Rates, Charges & Regulations,” dated May 8, 2018; 2) Speakers’ Bureau and Outreach Record CY18, dated May 8, 2018; and 3) a Proclamation by the Board of the Asian Pacific Employees Association (APEA) at East Bay Municipal Utility District (EBMUD), “20th Anniversary Proclamation of the Asian Pacific Employees Association, May 2018.”

3. Motion No. 062-18 – Authorized an agreement beginning on or after May 8, 2018 with West Yost Associates, in an amount not to exceed $1,004,000 for engineering and design services to upgrade Wastewater Pump Station M and make improvements to sewer force main pipes from Wastewater Pump Stations C, G, M, N, and R.
4.1. **Motion No. 063-18** – Authorized an amendment to the agreement with Crop Production Services, Inc., for an additional amount of $180,000, increasing the agreement ceiling to $250,000, for supplying Green Clean algaecide for algae control in San Pablo and Upper San Leandro Reservoirs to improve raw water quality.

4.2. **Motion No. 064-18** – Authorized an amendment to the agreement with Clean Lakes, Inc., for an additional amount of $70,000, increasing the agreement ceiling to $100,000, for applying Green Clean algaecide in San Pablo and Upper San Leandro Reservoirs to improve raw water quality.

5. **Motion No. 065-18** – Authorized the Office of General Counsel to continue the employment of the law firm of Ellison, Schneider, Harris & Donlan, LLP, for specialized legal services related to water and energy law and litigation matters in an additional amount not to exceed $125,000.

6. **Motion No. 066-18** – Authorized the Office of General Counsel to continue the employment of the law firm of Meyers Nave for specialized legal services related to labor and employment matters in an additional amount not to exceed $80,000.

**DETERMINATION AND DISCUSSION**

7. **Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine highlighted two bills in Legislative Report No. 04-18: AB 2072 (Quirk) State Water Resources Control Board: Constituents of Emerging Concern and AB 2371 (Carrillo) Water Use Efficiency. Ms. Dumaine responded to questions regarding the definition of emerging constituents.

- Motion by Director Young, seconded by Director Mellon, to approve the recommended positions in Legislative Report No. 04-18, carried (5-0) by the following voice vote: AYES (Katz, Linney, Mellon, Young, and Patterson); NOES (None); ABSTAIN (None); ABSENT (Coleman and McIntosh).

- **Motion No. 067-18** – Received Legislative Report No. 04-18 and approved positions on the following bills: SUPPORT AB 2072 (Quirk) State Water Resources Control Board: Constituents of Emerging Concern and SUPPORT AB 2371 (Carrillo) Water Use Efficiency.

Next, Ms. Dumaine highlighted two bond measures in Legislative Report No. 04-18. Both bonds will be on upcoming California ballots. Proposition 68: The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Park Bond) will be on the June ballot and the Water Supply and Water Quality Bond Act of 2018 (Water Bond) will be on the November ballot. She noted that staff is not recommending a position on the bond measures at this time. She reviewed the funding chapters contained in the $8.9 billion Water Bond and noted the Legislative/Human Resources Committee also received information on both bonds in their meeting this morning and asked staff to bring updates on the Water Bond to the full Board before the November election.
Addressing the Board was Jerry Meral, Natural Heritage Institute, who commented on the funding chapters in the Water Bond that would benefit the District if the bond measure passes, highlighted some of the agencies that have endorsed the bond, and expressed hope that the Board would consider the benefits to the District when determining a position on the bond.

8. **File a report and set a Public Hearing for the Water and Wastewater System Schedule of Rates and Charges, and other fees not subject to Proposition 218, and regulations for Fiscal Year 2019.**

Acting Director of Finance D. Scott Klein presented an overview of the recommended actions for Item 8. As part of the biennial budget process, the General Manager files a report and recommendation on the proposed rate adjustments and detailed budget documents with the Board in May. For FY19, staff is proposing to update the capacity fees and several other fees and charges that are not subject to the requirements of Proposition 218. These include: Account Establishment Charge, Charges for Special Services, Water Service Installation Charges, Private Fire Service Installation Charges, Public Fire Hydrant Installation Charges, Water Main Extension Charges, Real Property Use Application Fees, Water and Wastewater Capacity Related Fees, and Wastewater Resource Recovery. Additionally, staff is proposing updates to Water Service Regulations Sections 1, 2, 3, 29 and 31. The proposed changes will be reviewed during the Strategic Plan Update and Mid-Cycle Budget workshop scheduled for May 22, 2018. The Board will consider adopting the FY19 proposed rates and charges and other fees and regulations on June 12, 2018.

- Motion by Director Mellon, seconded by Director Linney, to approve the recommended actions for Items 8.1 and 8.2, carried (5-0) by the following voice vote: AYES (Katz, Linney, Mellon, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman and McIntosh).

8.1. **Motion No. 068-18** – Filed the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater System Schedule of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218, and Regulations for Fiscal Year 2019.

8.2. **Motion No. 069-18** – Set a Public Hearing on Tuesday, June 12, 2018, during the Board’s regular meeting to consider the Report and Recommendation of the General Manager for Revisions to the Water and Wastewater System Schedule of Rates and Charges, Capacity Charges, and Other Fees Not Subject to Proposition 218, and Regulations for Fiscal Year 2019.

9. **General Manager’s Report.**

General Manager Coate announced that the Monthly Report for May 2018 was provided in the Board’s packets.

- Addressing the Board was Mark Foley, President, AFSCME Local 2019, who thanked the Board and staff for hosting the Take Our Daughters to Work Day event held on April 12 (highlighted in the Monthly Report), and asked the Board to consider adjourning today’s meeting in memory of EBMUD Carpenter Matthew J. Palsa, an active participant in the event who recently passed away.
REPORTS AND DIRECTOR COMMENTS

10. Committee Reports.

- Filed with the Board were the Finance/Administration and Sustainability/Energy Committee Minutes of April 24, 2018.

11. Other Items for Future Consideration.

- None.

12. Director Comments.

- Director Coleman reported attending/participating in the following events: Las Aguilas de Diablo dinner on April 25 in Walnut Creek; Kiwanis Club of San Ramon Valley meeting on April 26 in Danville; Lamorinda Tri-City Council meeting on April 26 in Orinda; UMRWA Board meeting on April 27 in Pardee; Economic Development Alliance for Business Legislative Committee meeting on May 1 in Oakland; Contra Costa Mayors Conference on May 3 in Martinez; Rob Roscoe retirement event on May 4 in Sacramento; and the ACWA Spring Conference on May 8 in Sacramento. He reported on plans to attend/participate in the following upcoming events: Crest Reservoir HOA meeting on May 15 in Alamo; meeting with Walnut Creek Council candidate on May 17 in Walnut Creek; and East Bay Leadership Board meeting on May 18 in Concord.

- Director Katz had no comment.

- Director Linney reported attending/participating in the following events: League of Women Voters luncheon on April 25 in Oakland; West Oakland Liaison Group meeting on April 25 in Oakland; John Muir Land Trust Gala on April 28 in Martinez; and meeting with Congresswoman Barbara Lee regarding recycled water for the Veteran Administration facilities at Alameda Point on May 7 in Oakland.

- Director Mellon reported attending/participating in the following events: Castro Valley/Eden Area Chamber of Commerce 2018 Student of the Year Award event on April 26 in Castro Valley; San Ramon Mayor’s Monthly Breakfast on April 27 in San Ramon; Hayward Area Recreation District Ag Day on May 3 in Castro Valley; and Contra Costa Mayors Conference on May 3 in Martinez.

- Director Patterson had no comment.

- Director Young reported attending/participating in the following events: Orinda City Council meeting on April 17 in Orinda; Rising Sun Energy Center Bright Night event on April 19 in Berkeley; and the League of Women Voters luncheon on April 25 in Oakland.

- President McIntosh had no comment.
ADJOURNMENT

Vice-President Patterson adjourned the meeting at 1:56 p.m. in memory of EBMUD Carpenter Matthew J. Palsa.

SUBMITTED BY:

____________________________________
Rischa S. Cole, Secretary of the District

APPROVED: May 22, 2018

____________________________________
Lesa R. McIntosh, President of the Board
AGENDA NO. 3.
MEETING DATE May 22, 2018

TITLE ENVIRONMENTAL CONSULTANT FOR MOKEUMNE AQUEDUCT ROUTINE MAINTENANCE AGREEMENT

☐ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize an agreement with Horizon Water and Environment, LLC, in an amount not to exceed $411,720 to prepare required environmental documentation to support routine maintenance of the Mokelumne Aqueducts and watershed lands adjacent to Pardee and Camanche Reservoirs.

SUMMARY

The District routinely performs maintenance along the Mokelumne Aqueduct and within the Mokelumne Watershed surrounding Pardee and Camanche Reservoirs. Activities related to streambeds are monitored and permitted by the California Department of Fish and Wildlife (CDFW) through various Routine Maintenance Agreements (RMAs) which are renewed every five years. Pursuant to new CDFW guidelines, RMA renewal now requires a review under the California Environmental Quality Act (CEQA). The consultant will review the District’s maintenance practices associated with the two RMAs on Mokelumne Aqueduct and prepare appropriate CEQA documentation under this contract. Similar analysis for the watershed properties RMA is included as an optional task. The three RMAs are combined into one CEQA study for cost and schedule efficiency.

DISCUSSION

The District performs routine maintenance to protect and maintain operability of the Mokelumne Aqueducts. In the watershed, common District activities include vegetation removal, road maintenance, culvert repair, and fence repair. Any work impacting a streambed requires a Streambed Alteration Agreement which is administered by CDFW through an RMA, pursuant to Fish and Game Code Section 1602. The District presently has two RMAs for the Mokelumne Aqueducts corresponding with the two CDFW regions spanned by the aqueducts. A third RMA is used for watershed properties.

Maintaining District assets and property while complying with applicable permits and CEQA supports the District’s Long-Term Infrastructure Investment and Water Quality and Environmental Protection Strategic Plan goals.

<table>
<thead>
<tr>
<th>Funds Available: FY18/19</th>
<th>Budget Code: Various/Various/5312</th>
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<tbody>
<tr>
<td>DEPARTMENT SUBMITTING</td>
<td>DEPARTMENT MANAGER or DIRECTOR</td>
</tr>
<tr>
<td>Water Operations</td>
<td>David A. Briggs</td>
</tr>
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</table>

Contact the Office of the District Secretary with questions about completing or submitting this form.
CONSULTANT SELECTION

A Request for Proposal was sent to six firms with expertise in CEQA and was also advertised on the District’s website. The District received six proposals and selected three firms to interview based on their qualifications and experience. Horizon Water and Environment, LLC, was selected based on their experience with CDFW RMAs, including similar RMAs with four local public agencies.

SUSTAINABILITY

Economic

Funding for this item is included in the FY18 and FY19 budget.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Local 2019 and Local 21 were notified of the CEQA contract for the RMAs on May 7, 2018. Neither union raised any specific issues.

Environmental

Performing CEQA review for District routine maintenance helps ensure that activities do not impact environmental resources.

ALTERNATIVES

Do not perform the work. This alternative is not recommended because CEQA documentation is required to renew RMAs. Routine maintenance of District assets and property cannot be conducted without an RMA. Operating with an expired RMA is risky because the District would be vulnerable to significant regulatory enforcement if District activities impacted any endangered species.

Perform the work with District forces. This alternative is not recommended because District staff does not have the resources to complete the work within the renewal timeframe.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\Sec2018 Board Related Items\052218\Board Agenda Items\OMD\OMD – Environmental Consultant for Mokelumne Aqueduct RMA.docx
CONTRACT EQUITY PROGRAM SUMMARY (P-035)
This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

**Title:** Professional Services Agreement - Engineering Consultant Roster
**Mokelumne Aqueduct Routine Maintenance Agreement Renewal CEQA Study**

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>Percentage of Contract Dollars</th>
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<tr>
<td>Horizon Water and Environment, LLC Oakland, CA 94610</td>
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<tr>
<th>Bid/Proposer's Price:</th>
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<tr>
<td>$411,720 *</td>
<td>White Men 25%</td>
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<tr>
<td></td>
<td>Ethnicity Gender</td>
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**Contract Equity Participation**

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<tr>
<td>Prime: Horizon Water and Environment, LLC</td>
<td>$411,720</td>
<td>White</td>
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| SUBS: None | |

**Total:** $411,720 100.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%

**Contractor's Workforce Profile (From P-025 Form):**

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<th>White Men</th>
<th>White Women</th>
<th>Ethnic Minorities</th>
<th>Total Employees</th>
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<tr>
<td>No. of Employees: 8</td>
<td>11</td>
<td>3</td>
<td>22</td>
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<tr>
<td>Percent of Total Employees: 36.4%</td>
<td>50.0%</td>
<td>13.6%</td>
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<tr>
<td>MSA Labor Market %: 30.8%</td>
<td>25.1%</td>
<td>44.0%</td>
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**MSA Labor Market Location:** Oakland

**Comments:**

*Total not to exceed: $411,720*

Contract Equity Participation - 100.0% White Men participation.

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<tr>
<th>Workforce Profile &amp; Statement of Nondiscrimination Submitted</th>
<th>Good Faith Outreach Efforts Requirement Satisfied</th>
<th>Award Approval Recommended</th>
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<tr>
<td>NA</td>
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(P-025 - 7/11)
**Title:** Mokelumne Aqueduct Routine Maintenance Agreement Renewal CEQA Study

**Ethnic Minority Percentages From U.S. Census Data**

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<th>H</th>
<th>A/PI</th>
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<td>National</td>
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**Professional Services Agreement**

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<tbody>
<tr>
<td></td>
<td>Horizon Water and Environment, LLC</td>
<td>Kenneth Schwarz</td>
<td>Manager/Prof: 0 0 2 0 2</td>
<td>9.1% 47.8%</td>
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<td></td>
<td>266 Grand Avenue, Suite 210</td>
<td>Oakland, CA 94610</td>
<td>Technical/Sales: 0 0 1 0 1</td>
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<td>Clerical/Skilled: 0 0 0 0 0</td>
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<td>Semi/Unskilled: 0 0 0 0 0</td>
<td>0.0%</td>
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<td>Bay Area:</td>
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</tr>
<tr>
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<td></td>
<td>Total USA:</td>
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<tr>
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<td></td>
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<tr>
<td></td>
<td>WM: LBE</td>
<td>Environmental Science Associates</td>
<td>Manager/Prof: 9 39 45 0 93</td>
<td>18.5% 0.0%</td>
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<tr>
<td></td>
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<td></td>
<td>Technical/Sales: 5 28 29 1 63</td>
<td>14.8%</td>
</tr>
<tr>
<td></td>
<td>180 Grand Avenue, Suite 1050</td>
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<td>Clerical/Skilled: 4 11 10 0 25</td>
<td>43.1%</td>
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<td></td>
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<td>Semi/Unskilled: 0 0 0 0 0</td>
<td>0.0%</td>
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<tr>
<td></td>
<td></td>
<td>Bay Area:</td>
<td>3 10 19 0 32</td>
<td>22.7% 39.9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total USA:</td>
<td>504</td>
<td></td>
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<tr>
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<td></td>
<td>WM: LBE</td>
<td>AECOM Technical Services, Inc.</td>
<td>Manager/Prof: 1,189 1,762 55 3,822</td>
<td>21.8% 39.9%</td>
</tr>
<tr>
<td></td>
<td>Lisa Boecker</td>
<td></td>
<td>Technical/Sales: 470 823 1,537 34 2,884</td>
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<tr>
<td></td>
<td>300 Lakeside Drive, Suite 400</td>
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<td>Clerical/Skilled: 130 171 116 14 433</td>
<td>21.6%</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Semi/Unskilled: 205 191 107 7 510</td>
<td>34.0%</td>
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<tr>
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<td>35.8% 39.9%</td>
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<tr>
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<td>Total USA:</td>
<td>17,510</td>
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</tbody>
</table>

WM=White Male, WW=White Woman, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and AI/AN=American Indian/Alaskan Native)

(P-061 - 7/11)  Page: 1 of 1  File: PS - 3935_P
WASTEWATER COST OF SERVICE STUDY

RECOMMENDED ACTION

Authorize an agreement beginning on or after May 22, 2018 with Raftelis Financial Consultants, Inc. (RFC) in an amount not to exceed $191,000 to conduct a Wastewater Cost of Service (COS) Study under the Request for Proposal (RFP) titled East Bay Municipal Utility District Wastewater Cost of Service Study.

SUMMARY

State law and District policy require the District’s rates and charges for water and wastewater services to be based on the cost of providing service. Industry best practice involves the periodic engagement of third-party experts to conduct COS studies in support of utility rates and charges. Staff has identified the need to review and update the current COS study for its wastewater rates and charges, and recommends hiring RFC to conduct this update. This item was reviewed with the Finance/Administration Committee on April 24, 2018.

DISCUSSION

The District has regularly conducted third-party studies for its water and wastewater rates and charges. Most recently, in 2015, RFC completed a COS study for the water and wastewater systems. The wastewater portion of the study resulted in a new financial planning model and a new wet weather facilities rate structure.

This effort will focus on reviewing and updating the detailed cost allocations for the unit processes at the Main Wastewater Treatment Plant (MWWTP). RFC’s review will include an analysis of the Resource Recovery (R2) program receiving stations at the MWWTP. Power generation and dewatering processes have undergone major upgrades and reliability improvements to accommodate increased loading due to the R2 program. The COS study will consider these changed conditions and update cost allocations, as appropriate.
Wastewater Cost of Service Study
May 22, 2018
Page 2

The COS study will also evaluate more commonly used methods of measuring wastewater strength than the District’s current method in order to facilitate comparison of the District’s wastewater rate structure with the rates charged by other agencies.

Finally, the District is seeking to streamline and simplify Wastewater Capacity Fee (WCF) calculations for new customer applications and update the underlying assumptions of those calculations. The District’s current procedures for calculating WCFs for new nonresidential customers are complex and involve significant staff time to implement. The study will identify options to improve staff efficiency and be more user-friendly for customers.

The results of the COS update and WCF recommendations will be incorporated into the budget and rate-setting process for Fiscal Year (FY) 2020. This work supports the District’s Long-Term Financial Stability Strategic Plan goal.

CONSULTANT SELECTION

An RFP was posted on the District’s website and invitations to submit proposals were sent to 14 potential proposers on the District’s consultant roster. After reviewing five proposals and conducting in-person interviews with three firms, staff recommends hiring RFC. RFC was selected because they offered the most qualified and experienced project team, provided the best approach to the work, and have committed a very experienced project manager to the project. RFC is a recognized leader in the provision of such studies for public utilities across the United States.

SUSTAINABILITY

Economic

Funds are available for this work in the FY18/19 operating budget.

Implementation of this project will update the alignment of wastewater rates with the District’s cost of providing wastewater treatment services.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Local 2019 and Local 21 were notified of this agreement on April 11, 2018 and did not raise any issues related to this agreement.

ALTERNATIVES

Select a different consultant to perform the work. This alternative is not recommended because RFC proposed the most qualified team and best approach to perform the work.
Perform the work with District forces. This alternative is not recommended because the consultant’s expertise is necessary to independently develop the District’s COS model that is the basis of wastewater rates and charges. Because the District’s rates and charges must withstand legal and public review, the COS study should be performed by an independent third party.

Do not perform the work. This alternative is not recommended as the District needs to update its rate system and cost allocation method to remain compliant with State requirements.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

I:\SEC\2018 Board Related Items\052218_Board Agenda Items\WW – Wastewater Cost of Service Study
## CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

<table>
<thead>
<tr>
<th>TITLE</th>
<th>General Services Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wastewater Cost of Service Study</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>Raftelis Financial Consultants, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Oakland, CA 94612</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>BID/PROPOSER’S PRICE:</th>
<th>FIRM’S OWNERSHIP</th>
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<tr>
<td>$191,000 *</td>
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<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Gender</th>
<th>Participation</th>
</tr>
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<tbody>
<tr>
<td>White</td>
<td>Men</td>
<td>100.0%</td>
</tr>
<tr>
<td>White</td>
<td>Women</td>
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</table>

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>ESTIMATED AMOUNT</th>
<th>ETHNICITY</th>
<th>GENDER</th>
<th>CONTRACTING PARTICIPATION</th>
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</thead>
<tbody>
<tr>
<td>Raftelis Financial Consultants, Inc.</td>
<td>$172,318</td>
<td>White</td>
<td>X</td>
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<td>$18,682</td>
<td>White</td>
<td>X</td>
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| TOTAL | $191,000 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

### CONTRACTOR’S WORKFORCE PROFILE (From P-025 Form)

<table>
<thead>
<tr>
<th>Workforce Profile &amp; Statement of Nondiscrimination Submitted</th>
<th>Good Faith Outreach Efforts Requirement Satisfied</th>
<th>Award Approval Recommended</th>
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</thead>
<tbody>
<tr>
<td>NA</td>
<td>NA</td>
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</table>

**Contract Equity Participation** - 100% White Men participation.

*Total not to exceed: $191,000*
# Wastewater Cost of Service Study

## General Services Agreement

<table>
<thead>
<tr>
<th>Company Name, Owner/Contact Person, Address, and Phone Number</th>
<th>RP</th>
<th>WM: L/SBE</th>
<th>Company Wide</th>
<th>Manager/Prof</th>
<th>Technical/Sales</th>
<th>Clerical/Skilled</th>
<th>Semi/Unskilled</th>
<th>Bay Area</th>
<th>TOTAL</th>
<th>PERCENT</th>
<th>MSA %</th>
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</thead>
<tbody>
<tr>
<td>Raffelis Financial Consultants, Inc.</td>
<td></td>
<td>Lisa Wilson</td>
<td>1939 Harrison Street, Suite 610 Oakland, CA 94612</td>
<td>2</td>
<td>4</td>
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<tr>
<td>Woodard &amp; Curran, Inc.</td>
<td></td>
<td>Dave Richardson</td>
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<td>11</td>
<td>439</td>
<td>33</td>
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<td>484</td>
<td>39.7%</td>
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<tr>
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<td>Kathleen Welter</td>
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<td>484</td>
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</tr>
<tr>
<td>Stantec Consulting Services Inc.</td>
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<td>Sharon Koons</td>
<td>1340 treat Blvd., Suite 300 Walnut Creek, CA 94597</td>
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<td>Carollo Engineers, Inc.</td>
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<td>Angela Keezer</td>
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## Ethnic Minority Percentages From U.S. Census Data

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<th>B</th>
<th>H</th>
<th>A/PI</th>
<th>AI/AN</th>
<th>TOTAL</th>
<th>PERCENT</th>
<th>MSA %</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>10.5</td>
<td>10.7</td>
<td>3.7</td>
<td>0.7</td>
<td>27.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 Bay Area Counties</td>
<td>5.5</td>
<td>16.2</td>
<td>14.2</td>
<td>0.4</td>
<td>39.9</td>
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<td>Alameda/CC Counties</td>
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<td>15.6</td>
<td>15.4</td>
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## Number of Ethnic Minority Employees

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<th># Employees-Co. Wide: 86</th>
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<td>Total USA</td>
<td>1,220</td>
<td>Bay Area: 66</td>
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**Notes:**
- WM = White Male, WW = White Women, EM = Ethnic Minority (Ethnicities: B = Black, H = Hispanic, API = Asian/Pacific Islander, and AI/AN = American Indian/Alaskan Native)
- MSA = Metropolitan Statistical Area
SERVICES FOR SEASONAL BIOLOGICAL SUPPORT

MOTION □ RESOLUTION □ ORDINANCE □

RECOMMENDED ACTION

Authorize an agreement beginning on or after June 1, 2018 with Valley Temporary Services in an amount not to exceed $35,000 annually for seasonal biological aide temporary employment services for three years, for a total cost of $105,000. In awarding this agreement, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

SUMMARY

This agreement provides temporary services for a seasonal biological aide in the Orinda Fisheries and Wildlife office. The seasonal aide will provide biological support to District staff, as required to meet regulatory requirements.

DISCUSSION

The District uses temporary biological assistance services to cover mandated environmental monitoring and other programs that seasonally exceed staff capabilities. The District will enter into an agreement with Valley Temporary Services to provide a Biological Aide, on a seasonal basis, for a three-year period.

Specific services under the proposed contract include preparation, cleaning and disinfection of field equipment, assisting biologists in field sampling and studies, data collection and compilation and other related biological support. This contract will assist staff in meeting regulatory requirements and monitoring for the Oursan Ridge Conservation Bank, the East Bay Low-Effect Habitat Conservation Plan (HCP) and East Bay Watershed Master Plan (EBWMP), primarily in the spring, when seasonal survey demands are high.

CONSULTANT SELECTION

A request for proposals was posted on the District’s website for 21 days and sent to three local temporary services companies with relevant experience. Valley Temporary Services was the only company to submit a bid. This firm is well-qualified to fulfill this contract and has a long record of providing services for such positions.

Funds Available: FY18
Budget Code: 482-1010698-5312

DEPARTMENT SUBMITTING: Water and Natural Resources
DEPARTMENT MANAGER or DIRECTOR: Richard G. Sykes
APPROVED: [Signature]
General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
SUSTAINABILITY

Economic

Sufficient funding for biological support services is included in the FY18/19 operating budget.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Local 2019 was notified of the proposed agreement on April 11, 2018 and did not raise any specific issues related to this agreement.

Environmental

This project will benefit watershed management and will benefit sensitive species and habitats by ensuring the District meets its commitments for the EBWMP, HCP and Oursan Ridge Conservation Bank.

ALTERNATIVES

Perform the work with District forces. This is not recommended because this position provides temporary needed support for periods of heavy workloads for the Division in the spring and summer. The workload is less than a full-time or part-time District staff position and is thus best suited for temporary contract services.

Authorize an agreement with another firm. This alternative is not recommended because Valley Temporary Services was the only vendor to respond to the request for proposals and their proposal is satisfactory.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary
CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

<table>
<thead>
<tr>
<th>TITLE</th>
<th>General Services Agreement</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Temporary Biological Payroll Services - Three-Year Contract</td>
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<tr>
<td>DATE</td>
<td>April 3, 2018</td>
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**CONTRACTOR:**
VTS STAFFING INC., dba Valley Temporary Services
Stockton, CA 95207

**BID/PROPOSER'S PRICE:**
$35,000 /yr

**PERCENTAGE OF CONTRACT DOLLARS**

| FIRM'S OWNERSHIP | White Men | 25% | 0.0%
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<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnicity</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Ethnic Minorities</td>
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</table>

**CONTRACT EQUITY PARTICIPATION**

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>ESTIMATED AMOUNT</th>
<th>ETHNICITY</th>
<th>GENDER</th>
<th>CONTRACTING PARTICIPATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIME:</td>
<td>$35,000</td>
<td>White</td>
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<tr>
<td>SUBS:</td>
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</table>

**TOTAL**
$35,000 0.0% 100.0% 0.0% 0.0% 0.0% 0.0%

**CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)**

<table>
<thead>
<tr>
<th>White Men</th>
<th>White Women</th>
<th>Ethnic Minorities</th>
<th>Total Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4</td>
<td>1</td>
<td>6</td>
</tr>
</tbody>
</table>

**Percent of Total Employees:**

- White Men: 16.7%
- White Women: 66.7%
- Ethnic Minorities: 16.7%

**MSA Labor Market %:**

- 28.1%
- 47.4%

**MSA Labor Market Location:**
San Joaquin County, CA

**COMMENTS**

*Contract Equity Participation* - 100% White Women participation.

*Total not to exceed: $105,000*

**Workforce Profile & Statement of Nondiscrimination Submitted:** NA

**Good Faith Outreach Efforts Requirement Satisfied:** NA

**Award Approval Recommended:**

(P-035 - 7/11)
# AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

## Title:
Temporary Biological Payroll Services - Three-Year Contract

## Date:
4/3/2018

<table>
<thead>
<tr>
<th>Company Name, Owner/Contact Person, Address, and Phone Number</th>
<th>RP</th>
<th>WW: L/SBE</th>
<th>Manager/Prof</th>
<th>Technical/Sales</th>
<th>Clerical/Skilled</th>
<th>Semi/Unskilled</th>
<th>Bay Area</th>
<th>AA Plan on File</th>
<th>Date of last contract with District</th>
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<tbody>
<tr>
<td>VTS STAFFING INC., dba Valley Temporary Services</td>
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<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>NA</td>
<td>2/17/2017</td>
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<tr>
<td>Brian Keagey</td>
<td></td>
<td></td>
<td>0</td>
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<tr>
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</table>

<table>
<thead>
<tr>
<th>RR=Recommended, P=Prime, S=Sub</th>
<th>Composition of Ownership</th>
<th>Number of Ethnic Minority Employees</th>
<th>B</th>
<th>H</th>
<th>A/PI</th>
<th>AI/AN</th>
<th>TOTAL</th>
<th>PERCENT</th>
<th>MSA %</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td></td>
<td>10.5</td>
<td>10.7</td>
<td>3.7</td>
<td>0.7</td>
<td>27.3</td>
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<td></td>
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</tr>
<tr>
<td>9 Bay Area Counties</td>
<td></td>
<td>10.7</td>
<td>16.2</td>
<td>14.2</td>
<td>0.4</td>
<td>39.9</td>
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<tr>
<td>Alameda/CC Counties</td>
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<td>10.7</td>
<td>15.6</td>
<td>15.4</td>
<td>0.5</td>
<td>46.2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- WW=White Women, WW=White Male, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/P=Asian/Pacific Islander, and AI=American Indian/Alaskan Native)
TITLE    EZE PROPERTIES, LLC LEASE AGREEMENT

☐ MOTION    □ RESOLUTION    □ ORDINANCE

RECOMMENDED ACTION

Authorize a five-year lease agreement with EZE Properties, LLC (Lessee) at the District’s McMillan property located at 2540 Grant Avenue in San Lorenzo.

SUMMARY

The McMillan property consists of 6.27 acres, where 0.9 acres are occupied by the District’s Bayside Groundwater Treatment Facility, an acre is leased to the Oakland Pallet Company, and 0.2 acres are used for the Bayside Subsidence Monitoring facility operated by United States Geologic Survey (USGS). The proposed lease site encompasses the remaining 4.13 acres (attached) and generates approximately $216,000 in annual base revenues subject to an annual escalation of 3.5 percent.

DISCUSSION

The District purchased the McMillan property in 2002 as a part of its Bayside Groundwater project. In 2009, the District completed the construction of the Bayside Groundwater Treatment Facility on approximately 39,000 square feet at the north end of the property. In addition to the District facility on the property, two other occupants utilize the property. The District leases approximately 42,000 square feet of fenced space on the south end of the property to the Oakland Pallet Company, Inc; and under a joint funding agreement with the District, the USGS operates the Bayside Subsidence Monitoring facility occupying approximately 11,325 square feet of space in the middle of the property. The plant facility was fenced and secured on all sides, but the remaining vacant area of the property was open and subject to trespass violations.

EZE Properties, LLC is leasing the property for the purpose of parking and storing construction vehicles and will have a small mobile office within the rented premises; however, there will be no permanent structures.

As a condition of this lease, in lieu of the first month’s rent, the Lessee will install a six foot tall cyclone fence around the remaining unfenced areas on the southern and western boundaries of the property. This will minimize further encroachment on the District’s property from neighboring areas. Additionally, the

Funds Available: FY18/19
Budget Code:

DEPARTMENT SUBMITTING: Customer & Community Services
DEPARTMENT MANAGER or DIRECTOR: Sherri A. Hong
APPROVED:

General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
EZE Properties, LLC Lease Agreement
May 22, 2018
Page 2

Lessee will install a cyclone fence around the Bayside Subsidence Monitoring facility to protect the facility and ensure that the subsidence monitoring is secured.

SUSTAINABILITY

Economic

The total revenue to the District over the five-year lease term will be $1,142,400. In addition to the lease revenue, the District will save on the annual maintenance of the property. Further, the property will be fully fenced by the Lessee and the future risk of encroachment will be minimized.

Social

Leasing this property will utilize the remaining vacant area with a business that will regularly visit the property. This will help ensure the entire property is operational and safe while still remaining available for future use by the District.

Environmental

The lease ensures that the vacant area is actively used and will not be used for illegal dumping, or storage of items that could otherwise could harm the surrounding property and/or cause environmental damages.

ALTERNATIVE

Do not execute the lease agreement. This alternative is not recommended as it would result in a loss of revenue with increasing maintenance costs to the District.

Attachment

I:\SEC\2018 Board Related Items\052218 Board Agenda Items\CCS - RES BD-1 EZE Properties LLC Lease Agreement.doc
LEASE OF DISTRICT'S
McMILLAN PROPERTY

VICINITY MAP

LEASE AREA
APPROX.
4.13
ACRES

2540 GRANT AVE
SAN LORENZO, CA
APN: 438-10-8-1

PROP-180 • 05/18
AGENDA NO. 7.
MEETING DATE May 22, 2018

TITLE COOPERATING AGREEMENT WITH THE CITY OF HAYWARD TO DEVELOP A GROUNDWATER SUSTAINABILITY PLAN FOR THE EAST BAY PLAIN SUBBASIN

☐ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize the execution of a Cooperating Agreement (Agreement) with the City of Hayward (Hayward) providing for the cooperative development and joint funding of a Groundwater Sustainability Plan (GSP) for the East Bay Plain Subbasin (Subbasin).

SUMMARY

The Sustainable Groundwater Management Act (SGMA) requires the District and Hayward, as the two Groundwater Sustainability Agencies in the Subbasin, to adopt one or more GSPs no later than 2022 to sustainably manage the Subbasin. The agencies previously agreed in a Board-approved Memorandum of Understanding (MOU) to jointly pursue grant funding and develop one GSP for the entire Subbasin. Their respective staffs have since negotiated terms of this interagency collaboration, which include a governance structure, cost share formula, and accounting and grant administration process. Those terms are memorialized in the Agreement now submitted for Board consideration.

The purpose of the Agreement’s cost-share provision is to share the expense of necessary technical and public outreach consulting work. The Agreement establishes the process the District and Hayward would use to procure such consultants and fund their work. Under the cost share provisions of this Agreement, the District would fund 65 percent of such consulting contracts, and Hayward would fund 35 percent. The District would serve as the initial contract procurement entity and would approve each contract, at a Board or staff level depending on contract value. The District’s financial contributions under this Agreement are limited to 65 percent of the value of such approved consultant contracts. The cost of GSP development work is preliminarily estimated at $1.9 million, including consultant costs and internal staff time. The District’s share would be $1.235 million. The parties are conditionally approved to receive a $1 million grant from the Department of Water Resources (DWR). The grant, if finalized, would reduce the District’s expenditure by up to $650,000. This Agreement does not address the “implementation phase” after GSP development is complete. A separate implementation agreement with Hayward will be needed in the future.

Funds Available: FY18

<table>
<thead>
<tr>
<th>DEPARTMENT SUBMITTING</th>
<th>DEPARTMENT MANAGER or DIRECTOR</th>
<th>APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water and Natural Resources</td>
<td>Richard G. Sykes</td>
<td>General Manager</td>
</tr>
</tbody>
</table>

Budget Code: WSC/WNR/455/2010561

Contact the Office of the District Secretary with questions about completing or submitting this form.
DISCUSSION

The District and Hayward are the exclusive Groundwater Sustainability Agencies for the Subbasin. SGMA requires that medium priority basins, like the Subbasin, have a GSP in place by January 2022. In accordance with their MOU, the District and Hayward jointly applied for grant funding under the Proposition 1 program. On May 7, 2018, DWR conditionally recommended the District and Hayward to receive a $1 million award for GSP development contingent on successful negotiation and execution of grant documents.

The Agreement carries forward the principles from the MOU and details how the agencies will work together to develop a single GSP. It specifies a governance structure based on consensus between the two parties and establishes a Steering Committee and Technical Team composed of representatives from each agency. The Agreement preserves for each party’s elected governing body the authority to approve contracts, authorize the expenditure of funds, make a final approval decision on the GSP itself, and address any significant matters that arise in the course of this work. The District and Hayward will also implement a Stakeholder Communication and Engagement Plan to allow for public input and involvement in the GSP development process.

The Agreement also covers administration of the anticipated grant from DWR and cost-sharing. The currently estimated total cost of GSP development is $1.9 million, which is included in the District’s five year capital budget. Under the Agreement, each party would be responsible for its own staff costs. The $1 million DWR grant, if received as expected is likely to cover the majority of the costs for consultants to perform groundwater modeling and develop the GSP. Based on a detailed analysis of each party’s relative benefit from the work, the Agreement specifies a 65 percent and 35 percent cost split, respectively between the District and Hayward for the portion of consultant costs not covered by the grant. The Agreement also includes a reciprocal indemnity provision that obligates the District to defend, indemnify and hold harmless Hayward against the District’s negligence or willful misconduct (or that of its agents or employees) in the performance of the Agreement, and Hayward would have a reciprocal obligation to indemnify the District.

Planning for sustainable groundwater management is a long process that, by its nature, has an uncertain outcome. GSP development will be driven by science and policy, and as information is developed and public input is given, the parties may identify additional work outside the existing project scope that would be necessary or complementary to the GSP development effort. To that end, the Agreement establishes a process for the District and Hayward to jointly or individually pursue supplemental projects. The cost of any supplemental projects would be additional to the current project cost estimate. The parties would negotiate an agreeable cost share for any jointly-funded supplemental projects, which may differ from the 65/35 percent split for the initial scope of work. As with all contracts under this Agreement, contracts for any supplemental project would be approved at the Board or staff level depending on the contract amount.
Cooperating Agreement with the City of Hayward
May 22, 2018
Page 3

SUSTAINABILITY

Economic

The currently estimated cost of GSP development is $1.9 million. This amount is included in the District’s five year capital budget. The District and the City of Hayward will use the $1 million DWR grant, if it is received as expected, to offset the GSP development cost. Both the District and Hayward will benefit from not duplicating GSP development efforts, and from economies of scale.

Social

This project will benefit ratepayers by preserving local groundwater resources for supplemental supplies. The Agreement includes implementation of a Stakeholder Communications and Engagement Plan that allows many avenues for public participation in the GSP development process.

Environmental

This Agreement, and the GSP development work it facilitates, furthers the District’s groundwater sustainability planning efforts, which benefit the environment by maintaining the Subbasin as a lasting natural resource. GSP preparation and adoption is exempt from the California Environmental Quality Act (CEQA) requirements under Water Code section 10728.6. The Agreement, which establishes a cost-sharing framework, is a type of governmental fiscal and organizational activity that does not constitute a project pursuant to CEQA Guideline section 15378(b).

ALTERNATIVE

Do not authorize to execute a cooperating agreement with the City of Hayward. This alternative is not recommended because the District would be required to fund the GSP development from its own funding sources and still coordinate with Hayward in development of separate GSPs for the same Subbasin.
AGENDA NO. 8.
MEETING DATE May 22, 2018

TITLE AMENDMENT TO PLACER COUNTY WATER AGENCY-EBMUD MEMORANDUM OF
UNDERSTANDING

☑ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize the General Manager to execute Amendment No. 3 to the August 15, 2013 Memorandum of
Understanding (MOU) between Placer County Water Agency (PCWA) and East Bay Municipal Utility
District (the District) to increase the District’s share of costs for development of a long-term water transfer
by $376,700, from $943,000 to $1,319,700.

SUMMARY

In August 2013, the District and PCWA executed an MOU to develop a long-term water transfer project
under which the District would purchase 10,000 to 47,000 acre-feet of PCWA’s Sacramento Water Forum
Agreement environmental releases in dry years. The MOU outlined the cost-sharing commitments to
develop the project, including a commitment for the District to share 20 percent (up to $943,000) of
consulting costs and processing fees. In October 2017, the Board authorized Amendment No. 2 to the
MOU, which adjusted interim water transfer pricing to reflect market conditions. Amendment No. 3
would increase the District’s share of consulting and processing fees from $943,000 to $1,319,700, an
increase of $376,700. The budget increase is required to perform additional hydrodynamic and
temperature modeling for the American River and complete environmental documentation for PCWA’s
water rights permit extension and water transfer to the District.

DISCUSSION

The District and PCWA are developing a long-term water transfer project that would enable PCWA to
fulfill its Water Forum Agreement (WFA) commitments to release additional water from its reservoirs in
dry years for the benefit of the Lower American River while increasing water supply reliability for the
District. The parties executed a MOU on August 15, 2013 that outlines the roles, responsibilities, and
cost-sharing commitments to develop the project. The MOU provides the District with an exclusive option
to negotiate a long-term water transfer agreement, in accordance with the terms set forth in the MOU,
onece all necessary environmental reviews and regulatory approvals have been completed. PCWA and the
District continue to jointly work with state and federal agencies to complete environmental reviews and
acquire permits that are necessary to implement the long-term transfer.

Funds Available: FY18 Budget Code: WSC/455/7999/2008813

<table>
<thead>
<tr>
<th>DEPARTMENT SUBMITTING</th>
<th>DEPARTMENT MANAGER or DIRECTOR</th>
<th>APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water &amp; Natural Resources</td>
<td>Richard G. Sykes</td>
<td>NM Director</td>
</tr>
</tbody>
</table>

Contact the Office of the District Secretary with questions about completing or submitting this form.
Amendment to PCWA-EBMUD MOU
May 22, 2018
Page 2

According to the 2013 MOU, the District agreed to reimburse 20 percent (up to $943,000) of the estimated cost ($4,715,000) of consulting and processing fees. Per the MOU, PCWA agreed to pay the first 10 percent ($471,500) of additional funds needed to complete the tasks. In Amendment No. 3, PCWA and the District propose to share costs of the additional work that exceeds 110 percent ($5,186,500) of the original budget at a proportion of PCWA 80 percent and the District 20 percent.

Additional hydrodynamic and temperature modeling of the American River is needed to complete environmental reviews. PCWA has requested an increase of the total project budget from $4,175,000 to $7,070,000. Amendment No. 3 requests an increase of the District’s share of consulting and processing fees from $943,000 to $1,319,700, an increase of $376,700. PCWA’s cost share under Amendment No. 3 will increase by $1,978,300.

Approval of this amendment supports the District’s Long-Term Water Supply Strategic Plan goal.

SUSTAINABILITY

Economic

Sufficient funds for the District’s amended cost share are included in the five-year capital improvement program.

Social

This amendment will support development of long-term supplemental water supplies for the District in dry years and strengthen the long-term partnership with PCWA.

Environmental/CEQA Compliance

The amendment supports completion of California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) documents for a long-term water transfer that results in increased releases of water to the American River by PCWA in dry years.

ALTERNATIVE

Do not approve the amendment. This alternative is not recommended. The amendment is needed to secure a supplemental supply for the District in drought years.
RECOMMENDED ACTION

A. Authorize an amendment to Board Motion No. 174-17 dated October 10, 2017 to increase the estimated agreement amount by $1,000,000 for the rental of Fully Maintained and Operated (FM&O) flagging services from the vendors listed below, beginning on or after May 22, 2018 through the remainder of the agreement period ending February 10, 2020.

- Bay Area Traffic Solutions, Inc.
- CMC Traffic Control Specialists
- Cal Safety, Inc.
- Traffic Control Pros
- Traffic Management, Inc.
- TPR Traffic Solutions
- Western Traffic Supply, Inc.
- Yolanda’s Construction Administration & Traffic Control

B. Authorize additional agreements for FM&O flagging services with vendors that meet District standards and offer pricing at or below the range in the amended agreements above. These additional agreements may be issued, on an as-needed basis, in order to increase flexibility and ensure availability of FM&O flagging services to the District. The Board of Directors will be notified of additional qualified vendors by means of the General Manager’s monthly report.

In amending these contracts, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

SUMMARY

The District uses flagging services primarily to augment District forces during the repair or replacement of the District’s infrastructure when District resources are not available. These services include assisting with traffic control, pedestrian assistance, street closure, and detour setup, monitoring, and removal.

Funds Available: FY18-19

<table>
<thead>
<tr>
<th>DEPARTMENT SUBMITTING</th>
<th>DEPARTMENT MANAGER or DIRECTOR</th>
<th>APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance and Construction</td>
<td>Michael R. Ambrose</td>
<td>General Manager</td>
</tr>
</tbody>
</table>

Budget Code: Various/Various

Contact the Office of the District Secretary with questions about completing or submitting this form.
DISCUSSION

Vehicle and pedestrian traffic must be safely managed around District construction sites or other road disruptions, thus ensuring the safety of construction workers and the general public. Certified flaggers are required for safe and efficient traffic control.

The original authorization was provided under Board Motion No. 019-15 dated February 10, 2015 for $1,400,000 (i.e., $280,000 per year for 5 years). Board Motion No. 174-17 dated October 10, 2017 increased the authorization by $700,000. The District historically has used FM&O flagging services on an as-needed basis. The use of these services has increased significantly since 2015 due to an increase in permit requirements, and the size and scope of pipeline projects.

These agreements present no obligation on the part of the District to use these services and their use may be adjusted at any time. This work supports the District’s Long-Term Infrastructure Investment Strategic Plan goal.

SERVICE PROVIDER SELECTION

The listed vendors represent all of the vendors in the District’s database meeting the minimum requirements. Vendors will be selected on a job-by-job basis based on location and vendor availability. As the District identifies additional vendors that meet District standards, and to increase flexibility and ensure vendor availability, the District will consider awarding contracts to those currently unidentified contractors pursuant to this recommendation.

Staff monitors the vendor’s performance in the field and reports poor performing vendors. Vendors are notified when their performance does not meet District standards.

SUSTAINABILITY

Economic

Funds for renting flagging services are available in the FY18/19 budget.

Social

Use of certified flaggers helps maintain the safety of District staff and public in and around construction and repairs zones.

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Local 444 was notified of this agreement on April 23, 2018. Local 444 issues were addressed at meetings on March 1 and May 3, 2018 and resolved.
Environmental

The use of FM&O flagging services help maintain efficient traffic flow around main break repairs and replacement projects, which reduces impacts to the local communities and the environment.

ALTERNATIVES

Do not contract for flagging rental services. This alternative is not recommended as the flagging services are required for construction work in the streets.

Add staff and equipment to reduce the need for services. The District will evaluate the addition of staff and equipment by the end of FY18 in anticipation of the FY20/21 budget. However, supplementing in-house capabilities with rentals will still be needed due to the nature of the work, which may require concurrent use of flaggers for multi-day assignments, as well as the need to address emergencies, staff absences, and seasonal peak workloads.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary
# CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor’s workforce and contract equity participation. (Completed by District)

## General Services Agreement - Amendment
Flagging Services - Two-Year Contract with 3 One-Year Renewal Options

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>PERCENTAGE OF CONTRACT DOLLARS</th>
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<tr>
<td>Various Firms (See below)</td>
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<table>
<thead>
<tr>
<th>BID/PROPOSER’S PRICE:</th>
<th>FIRM’S OWNERSHIP</th>
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<tr>
<td>$1,000,000 *</td>
<td>White Men 25% 25.0%</td>
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<tr>
<td>See P-61</td>
<td>White Women 6% 25.0%</td>
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### CONTRACT EQUITY PARTICIPATION

<table>
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<tr>
<th>COMPANY NAME</th>
<th>ESTIMATED AMOUNT</th>
<th>ETHNICITY</th>
<th>GENDER</th>
<th>CONTRACTING PARTICIPATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay Area Traffic Solutions, Inc.</td>
<td>$125,000</td>
<td>Hispanic X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>Yolanda’s Construction Administration &amp; Traffic Control</td>
<td>$125,000</td>
<td>Black X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>CMC Traffic Control Specialists</td>
<td>$125,000</td>
<td>White X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>Cal Safety, Inc.</td>
<td>$125,000</td>
<td>White X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>TPR Traffic Solutions</td>
<td>$125,000</td>
<td>White X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>Traffic Management, Inc.</td>
<td>$125,000</td>
<td>Hispanic X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>Western Traffic Supply, Inc.</td>
<td>$125,000</td>
<td>Hispanic X</td>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td>Traffic Control Pros</td>
<td>$125,000</td>
<td>White X</td>
<td></td>
<td>12.5%</td>
</tr>
</tbody>
</table>

TOTAL $1,000,000 25.0% 25.0% 50.0% 0.0% 0.0% 0.0% 0.0%

### CONTRACTOR’S WORKFORCES PROFILE (From P-025 Form)

<table>
<thead>
<tr>
<th>White Men</th>
<th>White Women</th>
<th>Ethnic Minorities</th>
<th>Total Employees</th>
</tr>
</thead>
</table>

No. of Employees:

Percent of Total Employees:

MSA Labor Market %:

MSA Labor Market Location:

**COMMENTS**

Contract Equity Participation - 25% White Men participation, 25% White Women participation, and 50% Ethnic Minority participation.

*$2,100,000 (Multiple previous amendments) + $1,000,000 (Amendment) = $3,100,000

<table>
<thead>
<tr>
<th>Workforce Profile &amp; Statement of Nondiscrimination Submitted</th>
<th>Good Faith Outreach Efforts Requirement Satisfied</th>
<th>Award Approval Recommended</th>
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<tbody>
<tr>
<td>NA</td>
<td>NA</td>
<td>B J</td>
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(P-035 - 7/11)
## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

<table>
<thead>
<tr>
<th>Title: Flagging Services - Two-Year Contract with 3 One-Year Renewal Options</th>
<th>Ethnic Minority Percentages From U.S. Census Data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>National</td>
<td>10.5</td>
</tr>
<tr>
<td>9 Bay Area Counties</td>
<td>5.5</td>
</tr>
<tr>
<td>Alameda/CC Counties</td>
<td>10.7</td>
</tr>
</tbody>
</table>

### General Services Agreement - Amendment

**DATE:** 5/14/2018

| Number of Ethnic Minority Employees |
| --- | --- | --- | --- | --- | --- | --- |
| Company Name, Owner/Contact Person, Address, and Phone Number | B | H | A/PI | A/AN | TOTAL | PERCENT | MSA % |
| **RP** | **EMM:H - L/SBE** | **Company Wide** | 6 | 159 | 8 | 0 | 173 | 81.2% | 53.9% |
| Bay Area Traffic Solutions, Inc. | Manager/Prof | 0 | 6 | 0 | 0 | 6 | 85.7% |
| Rafael DeLa Cruz, Jr. | Technical/Sales | 0 | 0 | 0 | 0 | 0 | 0.0% |
| 44800 Industrial Dr | Clerical/Skilled | 1 | 9 | 2 | 0 | 12 | 70.6% |
| Fremont, CA 94538 | Semi/Unskilled | 5 | 144 | 6 | 0 | 155 | 82.0% |
| **Company Wide** | 6 | 159 | 8 | 0 | 173 | 81.2% | 39.9% |
| Co. Wide MSA: Alameda | # Employees-Co. Wide: 213 |
| Bay Area: 213 |

| **RP** | **EMM:B - SBE** | **Company Wide** | 12 | 0 | 0 | 0 | 12 | 100.0% | 39.9% |
| Yolanda’s Construction Administration & Traffic Control | Manager/Prof | 2 | 0 | 0 | 0 | 2 | 100.0% |
| Yolanda Jones | Technical/Sales | 0 | 0 | 0 | 0 | 0 | 0.0% |
| 280 Newhall St | Clerical/Skilled | 6 | 0 | 0 | 0 | 6 | 100.0% |
| San Francisco, CA 94124 | Semi/Unskilled | 4 | 0 | 0 | 0 | 4 | 100.0% |
| **Company Wide** | 12 | 0 | 0 | 0 | 12 | 100.0% | 39.9% |
| 415-647-2682 | Co. Wide MSA: 9 Bay Area Counties |
| Bay Area: 12 |

| **RP** | **WW - SBE** | **Company Wide** | 5 | 25 | 1 | 0 | 31 | 86.1% | 45.3% |
| CMC Traffic Control Specialists | Manager/Prof | 0 | 1 | 1 | 0 | 2 | 33.3% |
| Crystal Miks | Technical/Sales | 0 | 0 | 0 | 0 | 0 | 0.0% |
| 3450 Third St, 3G | Clerical/Skilled | 0 | 0 | 0 | 0 | 0 | 0.0% |
| San Francisco, CA 94124 | Semi/Unskilled | 5 | 24 | 0 | 0 | 29 | 96.7% |
| **Company Wide** | 5 | 25 | 1 | 0 | 31 | 86.1% | 39.9% |
| 415-206-1700 | Co. Wide MSA: San Francisco |
| Bay Area: 36 |

| **RP** | **WW - L/SBE** | **Company Wide** | 1 | 10 | 1 | 1 | 13 | 54.2% | 47.8% |
| Cal Safety, Inc. | Manager/Prof | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Carmel Karrick | Technical/Sales | 0 | 0 | 0 | 0 | 0 | 0.0% |
| P.O. Box 1901 | Clerical/Skilled | 0 | 0 | 0 | 1 | 1 | 50.0% |
| Fremont, CA 94538 | Semi/Unskilled | 1 | 10 | 1 | 0 | 12 | 60.0% |
| **Company Wide** | 1 | 10 | 1 | 1 | 13 | 54.2% | 39.9% |
| 510-656-5544 | Co. Wide MSA: Oakland |
| Bay Area: 24 |

| **RP** | **WM - LBE** | **Company Wide** | 6 | 1 | 0 | 0 | 7 | 70.0% | 27.2% |
| TPR Traffic Solutions | Manager/Prof | 1 | 0 | 0 | 0 | 1 | 100.0% |
| Perella Weinberg Partners | Technical/Sales | 1 | 0 | 0 | 0 | 1 | 50.0% |
| 564 143rd Ave | Clerical/Skilled | 4 | 1 | 0 | 0 | 5 | 71.4% |
| San Leandro, CA 94578 | Semi/Unskilled | 0 | 0 | 0 | 0 | 0 | 0.0% |
| **Company Wide** | 6 | 1 | 0 | 0 | 7 | 70.0% | 39.9% |
| 855-351-1114 | Co. Wide MSA: Total USA |
| Bay Area: 10 |

| **RP** | **EMM:H** | **Company Wide** | 78 | 144 | 13 | 0 | 235 | 55.8% | 48.4% |
| Traffic Management, Inc. | Manager/Prof | 5 | 4 | 1 | 0 | 10 | 16.1% |
| Christopher Spano | Technical/Sales | 0 | 2 | 2 | 0 | 4 | 13.3% |
| 2435 Lemon Ave | Clerical/Skilled | 2 | 2 | 4 | 0 | 8 | 13.8% |
| Signal Hill, CA 90755 | Semi/Unskilled | 71 | 136 | 10 | 0 | 217 | 80.1% |
| **Company Wide** | 78 | 144 | 13 | 0 | 235 | 55.8% | 39.9% |
| 562-264-2238 | Co. Wide MSA: California |
| Bay Area: 421 |

**Notes:**
- WM=White Male, WW=White Women, EMM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and A/AN=American Indian/Alaskan Native)

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Page: 1 of 2  
File: GS - 3947A_G
Title: Flagging Services - Two-Year Contract with 3 One-Year Renewal Options

General Services Agreement

| Date: | 5/14/2018 |

<table>
<thead>
<tr>
<th>Composition of Ownership</th>
<th>Number of Ethnic Minority Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name, Owner/Contact Person, Address, and Phone Number</td>
<td>Company Wide</td>
</tr>
<tr>
<td>Western Traffic Supply, Inc.</td>
<td>Manager/Prof</td>
</tr>
<tr>
<td>Edward Ibanez</td>
<td>Technical/Sales</td>
</tr>
<tr>
<td>3942 Valley Ave, Unit M, Pleasanton, CA 94566</td>
<td>Clerical/Skilled</td>
</tr>
<tr>
<td></td>
<td>Semi/Unskilled</td>
</tr>
<tr>
<td>Bay Area</td>
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</tr>
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</table>

925-249-1854

| Co. Wide MSA: | Alameda | # Employees-Co. Wide: | 7 | Bay Area: | 7 |

<table>
<thead>
<tr>
<th>RP</th>
<th>WM: L/SBE</th>
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</thead>
<tbody>
<tr>
<td>Traffic Control Pros</td>
<td>Company Wide</td>
</tr>
<tr>
<td>Randy L. Fowler</td>
<td>Manager/Prof</td>
</tr>
<tr>
<td>4050 Pike Lane, Suite B, Concord, CA 94524</td>
<td>Technical/Sales</td>
</tr>
<tr>
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</tr>
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<tr>
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925-270-4580

| Co. Wide MSA: | Contra Costa | # Employees-Co. Wide: | Bay Area: |

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<tr>
<th>Ethnic Minorities From U.S. Census Data</th>
<th>B</th>
<th>H</th>
<th>A/PI</th>
<th>AI/AN</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>National</td>
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<td>10.7</td>
<td>3.7</td>
<td>0.7</td>
<td>27.3</td>
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<tr>
<td>9 Bay Area Counties</td>
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<td>16.2</td>
<td>14.2</td>
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<td>39.9</td>
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<tr>
<td>Alameda/CC Counties</td>
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<td>15.6</td>
<td>15.4</td>
<td>0.5</td>
<td>46.2</td>
</tr>
</tbody>
</table>

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and AI/AN=American Indian/Alaskan Native)
AGREEMENT AMENDMENT FOR GEOTECHNICAL INVESTIGATIONS

RECOMMENDED ACTION

Authorize an amendment to the existing agreement with GEI Consultants, Inc. (GEI) to increase the amount by $531,000 to an amount not to exceed $1,322,000 for geotechnical investigations for the Oakland Inner Harbor Pipeline Crossing Project.

SUMMARY

On June 27, 2017, the Board of Directors authorized an agreement with GEI under Board Motion No. 104-17 to complete a geotechnical investigation for a new 24-inch water transmission pipeline from Oakland to Alameda across the Oakland Inner Harbor. Following initial geotechnical investigations, the District has determined that modification of the original conceptual design for the Oakland Inner Harbor Pipeline Crossing Project is necessary due to newly identified difficult ground conditions and underground obstructions. This amendment to the agreement allows for alternatives analysis, conceptual engineering of the preferred alignment, and seismic hazard assessment to address required project modifications.

DISCUSSION

The Oakland Inner Harbor Pipeline Crossing Project will improve the reliability of water supply for Alameda Island following a major seismic event. In preparation for this project, GEI conducted land borings, marine borings, soil testing, and completed a Geotechnical Data Report and a Geotechnical Interpretative Report. The geotechnical investigations identified several underground obstructions such as abandoned piles and a deeper than anticipated layer of weak soil susceptible to liquefaction within the original pipeline crossing alignment. Further analysis of alternative alignments and installation methodologies is recommended to provide a clear basis for design, reduce construction costs, and lower the overall project risk. This project supports the District’s Long-Term Infrastructure Investment Strategic Plan goal.
CONSULTANT SELECTION

The original request for proposal (RFP) was sent to 27 firms on the Engineering Consultant Roster with expertise in geotechnical engineering. The District received seven proposals that were evaluated by a selection committee comprised of District staff. The GEI team was selected based on their qualifications, experience with horizontal directional drilling (HDD) pipeline installation, conducting geotechnical explorations in the San Francisco Bay, and overall approach to the project.

SUSTAINABILITY

Economic

Funding for this item is included in the FY18-19 Capital Improvement Program for the Large Diameter Pipeline Replacement.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this agreement is subject to the payment of current prevailing wages according to the determinations for each craft as established by the Director of Industrial Relations of the State of California.

Local 2019 and Local 21 were notified of this agreement on April 3, 2017 and were notified of this amendment on April 27, 2018. Locals 2019 and 21 did not raise any specific issues related to this agreement.

Environmental

The Environmental Impact Report (EIR) was certified by the Board on December 13, 2016.

ALTERNATIVES

Select a different consultant to perform the work. This alternative is not recommended as this is a complex project with a significant amount of data. The GEI team has the geotechnical and HDD expertise, has already developed an understanding of the project data and history, and is therefore the most qualified consultant to perform the work.

Perform the work with District forces. This alternative is not recommended as the District does not have the necessary technical expertise in HDD required to complete the additional work.
Agreement Amendment for Geotechnical Investigations
May 22, 2018
Page 3

**Do not perform the work.** This alternative is not recommended as the pipeline crossing is critical to maintaining Alameda’s water supply and the information generated by this work is needed to develop the final design.

Attachments:  Location Map
              Contract Equity Program Summary (P-035)
              Affirmative Action Summary (P-061)
## CONTRACT EQUITY PROGRAM SUMMARY (P-035)

This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

### TITLE
Professional Services Agreement - Amendment - Engineering Consultant Roster
Amend Consultant Agreement for Geotechnical Investigations for Oakland Inner Harbor Pipeline Crossing

### DATE
May 8, 2018

### CONTRACTOR:
GEI Consultants, Inc.
Oakland, CA 94612

### PERCENTAGE OF CONTRACT DOLLARS

<table>
<thead>
<tr>
<th>FIRM'S OWNERSHIP</th>
<th>Percentage</th>
<th>Contracting Objectives</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Men</td>
<td>25%</td>
<td>100.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>White Women</td>
<td>6%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Ethnic Minorities</td>
<td>25%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### BID/PROPOSER'S PRICE:
$531,000 *

### CONTRACT EQUITY PARTICIPATION

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>ESTIMATED AMOUNT</th>
<th>ETHNICITY</th>
<th>GENDER</th>
<th>CONTRACTING PARTICIPATION</th>
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<tr>
<td>PRIME:</td>
<td></td>
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</tr>
<tr>
<td>GEI Consultants, Inc.</td>
<td>$531,000</td>
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<td>X</td>
<td>100.0%</td>
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<tr>
<td>SUBS:</td>
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<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| TOTAL            | $531,000         | 100.0%    | 0.0%   | 0.0%                     |

### CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)

| Gender          | White Men | White Women | Ethnic Minorities | Total Employees |
|-----------------|-----------|-------------|-------------------|-----------------
| No. of Employees| 461       | 249         | 125               | 835             |
| Percent of Total Employees | 55.2% | 29.8% | 15.0% |
| MSA Labor Market %: | 39.0% | 33.7% | 27.3% |

### MSA Labor Market Location:
Total USA

### COMMENTS

*Contract Equity Participation - 100% White Men participation.*

*Total not to exceed: $1,322,000 = $791,000 (Original) + $531,000 (Amendment)*
### AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

<table>
<thead>
<tr>
<th>Composition of Ownership</th>
<th>Number of Ethnic Minority Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>Company Name, Owner/Contact Person, Address, and Phone Number</td>
<td></td>
</tr>
<tr>
<td>GEI Consultants, Inc.</td>
<td>16</td>
</tr>
<tr>
<td>Julie Jennigs Kale</td>
<td></td>
</tr>
<tr>
<td>180 Grand Ave., Suite 1410</td>
<td></td>
</tr>
<tr>
<td>Oakland, CA 94612</td>
<td></td>
</tr>
<tr>
<td>916-631-4533</td>
<td></td>
</tr>
<tr>
<td>Manager/Prof</td>
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</tr>
<tr>
<td>Technical/Sales</td>
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<td>Clerical/Skilled</td>
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<td>Semi/Unskilled</td>
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<td>Bay Area</td>
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</tr>
</tbody>
</table>

AA Plan on File: NA
Date of last contract with District: 3/14/2018
Co. Wide MSA: Total USA
# Employees-Co. Wide: 835
Bay Area: 0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and AI/AN=American Indian/Alaskan Native)
AGENDA NO. 11
MEETING DATE May 22, 2018

TITLE
AGREEMENT AMENDMENT FOR WATER TREATMENT PLANT ENGINEERING SERVICES

☑ MOTION □ RESOLUTION □ ORDINANCE

RECOMMENDED ACTION

Authorize an amendment to the agreement with Honeywell International, Inc. (Honeywell Process Solutions) to increase the amount by $232,000, to an amount not to exceed $882,000, for additional engineering services for the Sobrante and Upper San Leandro (USL) Water Treatment Plants (WTPs) Control System Improvements Project.

SUMMARY

On April 25, 2017, the Board of Directors authorized an agreement with Honeywell International, Inc. (Honeywell Process Solutions) under Board Motion No. 060-17 to prepare design drawings and technical specifications for the installation of Honeywell’s Experion distributed control system (DCS) at the Sobrante and USL WTPs. The District has determined that additional engineering services are needed to complete the project, including field efforts to verify existing systems and as-built conditions, update existing loop drawings, and time to prepare new input/output module design drawings to reflect existing conditions.

DISCUSSION

The existing control systems at both Sobrante and USL WTPs were installed in the 1980s and contain software and hardware components that are at or near the end of their useful lives. Because of the age of the existing control system, hardware and technical support service is becoming increasingly difficult to obtain resulting in lower reliability, higher repair costs, and longer repair time. Currently, the Orinda and Walnut Creek WTPs use Experion DCS to control the plants’ various processes. Sobrante WTP uses Experion DCS to control part of its treatment system. Installing the same supportable DCS will address maintenance and reliability issues at the Sobrante and USL WTPs as well as ensure their compatibility with the Orinda and Walnut Creek WTPs.

This project supports the District’s Long-Term Infrastructure Investment Strategic Plan goal.

Funds Available: FY18-19; CIP #000437; Page 46
Budget Code: WSC\557\5231\2012335:22

DEPARTMENT SUBMITTING
Engineering and Construction

DEPARTMENT MANAGER or DIRECTOR
Xavier J. Irias

APPROVED

General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
CONSULTANT SELECTION

This is a sole source contract with Honeywell Process Solutions. Honeywell Process Solutions is uniquely qualified to provide engineering services to the District because they are the sole source supplier of the Experion DCS software and hardware and have the knowledge and experience required to provide the most cost-effective design to install these proprietary products.

SUSTAINABILITY

Economic

Funding for this item is included in the FY18-19 budget under the Treatment Plant Upgrades Project. The new control systems will improve the operational reliability of these plants and will reduce the potential for future plant outages.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached.

Work under this contract is subject to the payment of current prevailing wages according to determinations for each craft as established by the Director of Industrial Relations of the State of California.

Locals 2019 and 21 were notified of the original agreement on March 9, 2017 and did not raise any specific issues related to this agreement. The Locals were notified of this amendment on April 25, 2018, and discussed at a meeting on May 2, 2018 and did not raise any specific issues related to the amendment.

The new control systems will improve the operational reliability of the treatment plants.

Environmental

This is the design phase of the project. Any CEQA/Environmental Compliance requirements will be identified as part of this project.

ALTERNATIVES

Do not complete the project. This alternative is not recommended as the current control systems at Sobrante and USL WTPs are unreliable and difficult to maintain.

Solicit for competitive bids. This is not recommended as Honeywell Process Solutions is uniquely qualified to provide the engineering services to the District; they are the sole source supplier of the Experion DCS software and hardware, and have the knowledge and experience to provide the most cost-
Agreement Amendment for Water Treatment Plant Engineering Services
May 22, 2018
Page 3

effective design to install these proprietary products. By completing this work with another engineering services provider, the District would incur significant additional design costs.

Attachments

P-035 – Contract Equity Program Summary
P-061 – Affirmative Action Summary

E:\Sec\2018 Board Related Items\052218 Board Agenda Items\E&C Agreement Amendment for WTP Engineering Services.doc
CONTRACT EQUITY PROGRAM SUMMARY (P-035)
This summary contains information on the contractor's workforce and contract equity participation. (Completed by District)

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<thead>
<tr>
<th>TITLE</th>
<th>DATE: May 14, 2018</th>
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</thead>
<tbody>
<tr>
<td>Professional Services Agreement - Amendment</td>
<td>Agreement Amendment for Water Treatment Plant Engineering Services</td>
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</tbody>
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<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>PERCENTAGE OF CONTRACT DOLLARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honeywell International, Inc. (Honeywell Process Solutions) Concord, CA 94521</td>
<td>Sole Source / Local Business</td>
</tr>
<tr>
<td></td>
<td>Availability Group</td>
</tr>
<tr>
<td></td>
<td>White Men</td>
</tr>
<tr>
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<th>CONTRACT EQUITY PARTICIPATION</th>
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<tbody>
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<td>COMPANY NAME</td>
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<tr>
<td>Prime:</td>
</tr>
<tr>
<td>Subs:</td>
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<tr>
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</table>

| TOTAL | $232,000 | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% |

<table>
<thead>
<tr>
<th>CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)</th>
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</thead>
<tbody>
<tr>
<td>White Men</td>
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<td>Percent of Total Employees:</td>
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<td>MSA Labor Market %:</td>
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<tr>
<td>MSA Labor Market Location:</td>
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COMMENTS

Contract Equity Participation - Zero Contract Equity participation since firm is a publicly held corporation.

*Total not to exceed: $882,000 = $650,000 (Original P.O. Amount) + $232,000 (Amendment)

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<th>Good Faith Outreach Efforts Requirement Satisfied</th>
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(P-035 - 7/11)
**AFFIRMATIVE ACTION SUMMARY (P-061)**

(Completed by District)

This summarizes information provided by the contractor(s)' P-025 Form regarding their workforce.

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<table>
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<tr>
<td>Company Name, Owner/Contact Person, Address, and Phone Number</td>
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</tr>
<tr>
<td>--------------------------</td>
<td>---</td>
</tr>
<tr>
<td>Honeywell International, Inc. (Honeywell Process Solutions) Mary Ellen Killian 4536 Birch Bark Rd. Concord, CA 94521</td>
<td>Company Wide</td>
</tr>
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<td>Semi/Unskilled</td>
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AA Plan on File: NA

Date of last contract with District: 5/3/2017

Co. Wide MSA: Total USA # Employees-Co. Wide: 44,836 Bay Area: 0

WM=White Male, WW=White Women, EM=Ethnic Minority (Ethnicities: B=Black, H=Hispanic, A/PI=Asian/Pacific Islander, and AI/AN=American Indian/Alaskan Native)
AGENDA NO. 12.
MEETING DATE May 22, 2018

TITLE APPOINTMENT OF MANAGER OF EMPLOYEE RELATIONS

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION
Appoint Jill S. Gaskins as the Manager of Employee Relations, effective May 28, 2018.

SUMMARY
Following a comprehensive recruitment process, Jill Gaskins is recommended for appointment as the Manager of Employee Relations. The position is exempt from the civil service provisions of the Municipal Utility District Act in accordance with Section 12055.

DISCUSSION
The Manager of Employee Relations is responsible for planning, organizing and directing East Bay Municipal Utility District’s employer-employee relations program. This includes providing expert consult to policymakers, managers, supervisors, employees and union representatives regarding employee relations matters, directing the employee corrective action/disciplinary process, ensuring grievance procedures are consistently applied, and managing the Human Resources regulatory compliance matters.

Ms. Gaskins has a well-rounded background in employee relations in both private and public sector, including experience in labor negotiations, grievances, mediations, negotiating employee settlements, progressive discipline, leave management, and more. Prior to joining the District, Ms. Gaskins worked in private sector construction and manufacturing companies in the areas of Accounting and Human Resource Management. Ms. Gaskins joined the District in April 2008 as a Human Resources Analyst II in Employee Relations and was promoted to Senior Human Resources Analyst in February 2010. In August 2013, she was promoted to Principal Management Analyst in Operations and Maintenance and in August 2017, transferred to Engineering Administration giving her a broad perspective on different operational areas of the District. Ms. Gaskins has developed strong working relationships with managers, Union leaders, and her colleagues over the years and exhibits the District’s values in all of her interactions. Ms. Gaskins holds a Bachelor’s Degree in Accounting/Business Administration.

I:\Sec\2018 Board Related Items\05/22/18 Board Agenda Items\HRD\Appointment of Manager of Employee Relations.doc

Funds Available: FY

DEPARTMENT SUBMITTING
Human Resources

DEPARTMENT MANAGER or DIRECTOR
Laura A. Acosta

APPROVED
General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
RESOLUTION NO. ____________

APPOINTING JILL S. GASKINS AS MANAGER OF EMPLOYEE RELATIONS

Introduced by Director ; Seconded by Director

WHEREAS, the Board of Directors of the East Bay Municipal Utility District ("District") has established the position of Manager of Employee Relations in the Human Resources Department and such position has been assigned a salary range under the Management Salary Plan heretofore established for District officers, assistant officers, civil service exempt and certain civil service classes; and

WHEREAS, the Manager of Employee Relations position is exempt from the District civil service pursuant to State of California Public Utilities Code section 12055; and

WHEREAS, the General Manager has recommended that Jill S. Gaskins be appointed to serve as Manager of Employee Relations for the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Jill S. Gaskins to serve as Manager of Employee Relations effective May 28, 2018.

Adopted this 22nd day of May, 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

__________________________
President

__________________________
Secretary

APPROVED AS TO FORM AND PROCEDURE

__________________________
General Counsel
EXERCISING ASSEMBLY BILL 408 AUTHORITY FOR THE 2018 GENERAL ELECTION

MOTION

RECOMMENDED ACTION

Direct the Secretary of the District to schedule August 2018 meetings of the Board of Directors to allow the Board to exercise its Assembly Bill 408 authority within the narrow timeframe set forth in Section 11852.5 of the Municipal Utility District Act (MUD Act) for the 2018 general election.

SUMMARY

Assembly Bill 408 (AB 408), codified as Section 11852.5 of the MUD Act, permits the Board of Directors to appoint a candidate in lieu of holding an election if only one or no candidate runs for an open ward seat. This year, the Board’s AB 408 authority can only be exercised between August 16 and August 22, 2018. Board meetings are currently scheduled for August 14 and 28; however, the Board customarily cancels its second meeting in August to accommodate vacation schedules. To allow the Board to exercise its AB 408 authority by August 22, the Board has discretion to direct the Secretary of the District to schedule its August 2018 meetings by selecting one of the following options:

1. Hold the first meeting on August 14, cancel the second meeting scheduled for August 28, and schedule a special meeting between August 16 and August 22;

2. Do not exercise AB 408 authority this year and proceed with an election regardless of the number of candidates running for an open ward seat.

FISCAL IMPACT

Funds are available in the Fiscal Year 2019 budget to meet the anticipated costs of the 2018 election.

ALTERNATIVE

Do not take any action pursuant to AB 408 and have the election proceed automatically for all open board seats, even those that are unopposed. This alternative is not recommended. The District supported adoption of AB 408 to provide a tool to control costs on behalf of its ratepayers and to give the Board authority to choose between appointing an unopposed candidate or proceeding with an election.

Funds Available: FY19
Budget Code: 121/8511/5237

DEPARTMENT MANAGER or DIRECTOR
Rischia S. Cole

APPROVED
General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
AGENDA NO. 14.
MEETING DATE May 22, 2018

TITLE EXTEND STANDBY BOND PURCHASE AGREEMENT FOR WATER REVENUE BOND SERIES 2008 A-2 AND A-3

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize execution of legal documents associated with extending U.S. Bank’s Standby Bond Purchase Agreement for Water Revenue Bonds, Series 2008A-2 and 2008A-3 until January 2022 at a fee of 0.32 percent per annum.

SUMMARY

U.S. Bank National Association (U.S. Bank) provides liquidity support for the District’s Water Revenue Refunding Bonds, Series 2008A-2 and Series 2008A-3, outstanding in the total amount of $48.6 million. These bond series are variable rate demand obligations and liquidity support is an essential component of their financing structure.

The liquidity support takes the form of a Standby Bond Purchase Agreement (SBPA). The District’s SBPA with U.S. Bank expires in July 2018. U.S. Bank has proposed to extend the SBPA for three and a half years (to January 2022) at a fee of 0.32 percent (32 basis points) per annum (based on the District’s current credit ratings). This 32 basis point fee is lower than the agreement’s current fee of 35 basis points. This proposal is very competitive in light of recent fee increases and the high cost of implementing alternative options. The purpose of the current action is to adopt a resolution authorizing execution of the related legal documents. This proposal was presented and discussed with the Finance/Administration Committee on April 24, 2018.

DISCUSSION

Pursuant to the approved Fiscal Year 2018 (FY18) Financing Plan, expiration of the U.S. Bank SBPA must be addressed. The SBPA provides liquidity support to Water Revenue Refunding Bonds, Series 2008A-2 and Series 2008A-3. The Water Series 2008A-2 and 2008A-3 Bonds ($48.6 million outstanding) are variable rate demand bonds (VRDBs). VRDBs must be remarketed weekly and require SBPAs to provide backup liquidity in case the bonds cannot be remarketed. The District originally entered into the SBPA for these series with U.S. Bank in January 2013. The agreement was extended in May 2015 and will expire on July 2, 2018. U.S. Bank has proposed to extend the agreement for an

<table>
<thead>
<tr>
<th>Funds Available: FY18</th>
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<tbody>
<tr>
<td>DEPARTMENT SUBMITTING</td>
<td>DEPARTMENT MANAGER or DIRECTOR</td>
</tr>
<tr>
<td>Finance</td>
<td>Sophia D. Skoeda</td>
</tr>
</tbody>
</table>

Contact the Office of the District Secretary with questions about completing or submitting this form.
additional three and a half years, and is willing to do so at a lower fee (subject to maintenance of the District’s current credit ratings) and with more flexible termination terms. This action supports the District’s Long-Term Financial Stability Strategic Plan goal.

U.S. Bank’s SBPA was originally selected in 2013 as a result of a Request for Proposals (RFP). With the term of the agreement approaching, an extension is considered optimal because switching to a new liquidity provider has additional associated costs similar to a new bond financing. These costs would include bond counsel, rating, and printing costs among others, and would total an estimated $120,000 to $165,000. The cost of extending instead of replacing the existing SBPA is comparatively low at approximately $30,000 as it eliminates the majority of the costs of switching to a new provider and dramatically cuts other costs. Thus, extending the existing agreement saves the District at least $90,000 in issuance costs.

U.S. Bank initially offered to lower its fee to 34 basis points. Staff worked with the District’s Financial Advisor to estimate the offers we could receive through the issuance of an RFP, and it was decided that 34 basis points was very competitive. The current proposal is extremely attractive in comparison to liquidity facilities offered to other agencies over the past year that range from 34 basis points to 52 basis points, depending on credit quality. As staff started work to extend the contract, the District received an unsolicited offer from another bank of 28 basis points. Staff communicated this to U.S. Bank, and they were willing to decrease their fee from 34 to 32 basis points. U.S. Bank is also willing to extend the agreement for an additional three and a half years (to January 2022), compared to three years offered by the other bank, and waive typical termination provisions, allowing the District to terminate the agreement at any time without penalty.

U.S. Bank’s offer to lower the fee and extend the term of the agreement by six months is particularly attractive in light of an uncertain fee environment post tax reform. While the unsolicited offer received is lower than the U.S. Bank proposal, it would only create cost savings of $60,000 and would create additional issuance costs of at least $90,000. Thus, maintaining U.S. Bank’s SBPA at the lower fee is the most beneficial approach to take.

A summary of the key documents is as follows:

- **Second Amendment to the Standby Bond Purchase Agreement** amends the Standby Bond Purchase Agreement entered into by the District, the Trustee, as tender agent for the Series 2008A-2 Bonds and Series 2008A-3 Bonds, and U.S. Bank National Association in January 2013 (as previously amended) which is the document that provides the terms and conditions under which U.S. Bank provides liquidity support for the Series 2008A-2 Bonds and Series 2008A-3 Bonds by agreeing to advance funds for the purchase of Series 2008A-2 Bonds or Series 2008A-3 Bonds tendered to the District for purchase by the owners and not remarketed. The Second Amendment to the Standby Bond Purchase Agreement provides for the extension of the stated expiration date of the Standby Bond Purchase Agreement for approximately three and one-half years (to January 2022). The Second Amendment to the Standby Bond Purchase Agreement also amends the timing for delivery of certain periodic financial information to the banks as requested by the District and previously agreed to by the bank.
Second Amended and Restated Fee Agreement amends and restates the fee agreement previously entered into by the District with U.S. Bank which is the document that provides the various fees to be paid to the bank in connection with the bank providing liquidity support for the Series 2008A-2 Bonds and Series 2008A-3 Bonds under the Standby Bond Purchase Agreement. The Second Amended and Restated Fee Agreement provides fees to be charged during the extended term of the Standby Bond Purchase Agreement, including the annual commitment fee (subject to maintenance of the District’s current credit ratings) of 32 basis points or $165,000 annually for the Series 2008A-2 Bonds and Series 2008A-3 Bonds.

A copy of the bond resolution is attached. Copies of the other documents have been provided on a separate CD and paper copies are available from the Office of the Secretary upon request.

SUSTAINABILITY

Economic

The proposed financings are consistent with the FY18 budget.

Social

The proposed option is the most cost-effective, minimizing costs to ratepayers.

ALTERNATIVE

Do not authorize execution of the documents required to extend the U.S. Bank SBPA. This alternative is not recommended. An SBPA is required in conjunction with the Water Revenue Bonds, Series 2008A-2 and 2008A-3. As described above, this alternative could cost the District at least $90,000 more to procure another bank to provide this service.

Attachments
SECOND AMENDED AND RESTATE D FEE AGREEMENT
DATED MAY 29, 2018

Reference is hereby made to that certain (i) Standby Bond Purchase Agreement dated as of January 1, 2013 (as amended, the "Agreement"), among the East Bay Municipal Utility District (the "District"), The Bank of New York Mellon Trust Company, N.A., as tender agent (the "Tender Agent") and U.S. Bank National Association (the "Bank"), relating to the District’s Water System Revenue Refunding Bonds, Series 2008A-2 and Water System Revenue Refunding Bonds, Series 2008A-3 and (ii) that certain Fee Agreement dated January 3, 2013, as amended and restated by that certain Amended and Restated Fee Agreement dated May 12, 2015 (collectively, the "Original Fee Agreement"), in each case, between the District and the Bank. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The District has requested that the Bank make certain modifications to the Agreement including, in particular, the extension of the Expiration Date thereof, and in consideration for such modifications, the District and the Bank have also agreed to certain modifications of the Original Fee Agreement, and, for the sake of clarity and convenience, the Bank and the District wish to amend and restate the Original Fee Agreement in its entirety, and this Second Amended and Restated Fee Agreement dated May 29, 2018 (this "Fee Agreement") shall amend and restate the Original Fee Agreement in its entirety. The purpose of this Fee Agreement is to confirm the agreement between the Bank and the District with respect to the Commitment Fees (as defined below) and certain other fees payable by the District to the Bank. This Fee Agreement is the Fee Agreement referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

ARTICLE I. FEES.

Section 1.1. Commitment Fee. The District hereby agrees to pay or cause to be paid to the Bank a non-refundable Commitment Fee (the "Commitment Fee") payable quarterly in arrears on the first Business Day of each January, April, July and October occurring prior to the last day of the Commitment Period, and on the last day of the Commitment Period, with respect to the Available Commitment of the Bank under the Agreement in an amount equal to the rate per annum (the "Commitment Fee Rate") specified below on the average daily Available Commitment from time to time in effect during each related period:

(i) for the period commencing on April 2, 2018, to but not including May 29, 2018, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below.
<table>
<thead>
<tr>
<th>Level</th>
<th>S&amp;P Rating</th>
<th>Moody's Rating</th>
<th>Fitch Rating</th>
<th>Commitment Fee Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1:</td>
<td>AA+ or higher</td>
<td>Aa1 or above</td>
<td>AA+ or above</td>
<td>0.35%</td>
</tr>
<tr>
<td>Level 2:</td>
<td>AA</td>
<td>Aa2</td>
<td>AA</td>
<td>0.55%</td>
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<tr>
<td>Level 3:</td>
<td>AA-</td>
<td>Aa3</td>
<td>AA-</td>
<td>0.75%</td>
</tr>
<tr>
<td>Level 4:</td>
<td>A+</td>
<td>A1</td>
<td>A+</td>
<td>0.95%</td>
</tr>
<tr>
<td>Level 5:</td>
<td>A</td>
<td>A2</td>
<td>A</td>
<td>1.15%</td>
</tr>
<tr>
<td>Level 6:</td>
<td>A-</td>
<td>A3</td>
<td>A-</td>
<td>1.35%</td>
</tr>
</tbody>
</table>

(ii) for the period commencing on May 29, 2018, and at all times thereafter, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below.

<table>
<thead>
<tr>
<th>Level</th>
<th>S&amp;P Rating</th>
<th>Moody's Rating</th>
<th>Fitch Rating</th>
<th>Commitment Fee Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1:</td>
<td>AA+ or higher</td>
<td>Aa1 or above</td>
<td>AA+ or above</td>
<td>0.32%</td>
</tr>
<tr>
<td>Level 2:</td>
<td>AA</td>
<td>Aa2</td>
<td>AA</td>
<td>0.52%</td>
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<tr>
<td>Level 3:</td>
<td>AA-</td>
<td>Aa3</td>
<td>AA-</td>
<td>0.72%</td>
</tr>
<tr>
<td>Level 4:</td>
<td>A+</td>
<td>A1</td>
<td>A+</td>
<td>0.92%</td>
</tr>
<tr>
<td>Level 5:</td>
<td>A</td>
<td>A2</td>
<td>A</td>
<td>1.12%</td>
</tr>
<tr>
<td>Level 6:</td>
<td>A-</td>
<td>A3</td>
<td>A-</td>
<td>1.32%</td>
</tr>
</tbody>
</table>

The term "Rating" as used above shall mean the lowest long-term unenhanced debt rating assigned by any of S&P, Moody’s and Fitch to any Parity Bond. In the event of a split rating (i.e., the Rating of one of the foregoing Rating Agencies is at a different Level than the Rating of any other Rating Agency), the Commitment Fee Rate shall be based upon the Level in which the lower of the two highest Ratings appears; provided, however, that if only two Rating Agencies are then rating Parity Bonds, the term "Rating" as used above shall mean the Level in which the lower of the two Ratings appears; provided, further, that, for purposes of this sentence only, any Rating that appears in a higher numbered Level than the Level in which a Rating of another Rating Agency appears shall be deemed to be a “lower” Rating for purposes of determining the Commitment Fee Rate. Any change in the Commitment Fee Rate resulting from a change in the Rating shall be and become effective as of and on the date of the announcement of the change in the Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies, and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Ratings in connection with the adoption of a “global” rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that either (i) the Rating is suspended, withdrawn or otherwise unavailable from any Rating Agency or (ii) there shall have occurred
and be continuing any Event of Default, in each such case the Commitment Fee Rate shall increase by 2.00% per annum from the Commitment Fee Rate in effect on the date of the occurrence of such suspension, withdrawal, unavailability or Event of Default, as applicable (the "Fee Increase"); provided, however, that the Fee Increase shall not occur pursuant to clause (i) of this sentence if any such rating shall have been suspended, withdrawn or is otherwise unavailable by a Rating Agency due to the District’s failure to apply for such rating or failure to provide information to such Rating Agency, in each case as a result of such Rating Agency’s imposition or proposed imposition of conditions to issuing such rating of which the District cannot legally comply. The Commitment Fees shall be payable quarterly in arrears, together with interest on the Commitment Fees from the date payment is due until payment in full at the Default Rate. Such fee shall be payable in immediately available funds and computed on the basis of a 360-day year and the actual number of days elapsed. The Bank acknowledges that, as provided in Section 7.29 of the Agreement, the District shall only be obligated to maintain an unenhanced long-term rating on its Parity Bonds from two Rating Agencies and no Fee Increase shall occur as a result of a subsequent determination by the District to maintain ratings from only two Rating Agencies; provided, such determination is not made subsequent to the occurrence of an Event of Default or as described in Section 8.1(g) or 8.3(f) of the Agreement.

Section 1.2. Purchase Demand Fees. Upon each purchase of Eligible Bonds, the District agrees to pay to the Bank a non-refundable purchase demand fee equal to $500, payable without any requirement of notice or demand by the Bank payable within ten (10) calendar days following receipt by the District of a written invoice from the Bank for the fee related thereto; provided, that if such fee would otherwise be payable on a date that is later than such tenth (10th) calendar day in accordance with the terms hereof, such fee shall be payable on such later date.

Section 1.3. Transfer Fee. Upon each transfer of the Agreement in accordance with its terms or appointment of a successor Tender Agent under the Indenture, the District agrees to pay the Bank a non-refundable fee of $2,500, and to reimburse the Bank for its actual costs and expenses associated with such transfer or appointment (including, without limitation, the reasonable fees and expenses of counsel to the Bank), payable within ten (10) calendar days following receipt by the District of a written invoice from the Bank for the fee related thereto; provided, that if such fee would otherwise be payable on a date that is later than such tenth (10th) calendar day in accordance with the terms hereof, such fee shall be payable on such later date.

Section 1.4. Amendment Fee. The District agrees to pay to the Bank in connection with each amendment, supplement, or modification to the Agreement (or any Related Document, the amendment, supplement or modification of which requires the consent of the Bank), a non-refundable fee equal to $2,500, or such other fee as may be agreed to between the District and the Bank, payable within ten (10) calendar days following receipt by the District of a written invoice from the Bank for the fee related thereto; provided, that if such fee would otherwise be payable on a date that is later than such tenth (10th) calendar day in accordance with the terms hereof, such fee shall be payable on such later date, plus, in each case, the reasonable fees and expenses of counsel to the Bank.
ARTICLE II. MISCELLANEOUS.

Section 2.1. Out-of-Pocket Expenses. The District shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank, the reasonable fees and disbursements of counsel to the Bank) all payable in accordance with this Fee Agreement and Section 10.2(a) of the Agreement.

Section 2.2. Payment Account. As provided in the Agreement, all payments hereunder shall be made by means of wire transfer of funds to the Payment Account of the Bank.

Section 2.3. Amendments. No amendment to this Fee Agreement shall become effective without the prior written consent of the District and the Bank.

Section 2.4. Governing Law. This Fee Agreement shall be deemed to be a contract made under and shall be construed in accordance with and governed by the laws of the State of New York; provided that the authority of the District to execute this Fee Agreement and the District's obligations hereunder shall be construed in accordance with and governed by the laws of the State of California.

Section 2.5. Counterparts. This Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument.

Section 2.6. Severability. Any provision of this Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 2.7. Original Fee Agreement. This Second Amended and Restated Fee Agreement amends and restates in its entirety the Original Fee Agreement. Reference to this specific Second Amended and Restated Fee Agreement need not be made in any agreement, document, instrument, letter, certificate, the Original Fee Agreement itself, or any communication issued or made pursuant to or with respect to the Original Fee Agreement, any reference to the Original Fee Agreement being sufficient to refer to the Original Fee Agreement as amended and restated hereby, and more specifically, any and all references to the Fee Agreement in the Agreement shall mean this Second Amended and Restated Fee Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]
IN WITNESS WHEREOF, the parties hereto have caused this Second Amended and Restated Fee Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first set forth above.

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _______________________
   Name: Scott Klein
   Title: Acting Director of Finance

U.S. BANK NATIONAL ASSOCIATION

By: _______________________
   Name: Kenneth Haber
   Title: Senior Vice President
SECOND AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT

This SECOND AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT (this “Amendment”) is dated May 29, 2018 (the “Amendment Date”), among EAST BAY MUNICIPAL UTILITY DISTRICT (the “District”), THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (the “Tender Agent”), and U.S. BANK NATIONAL ASSOCIATION (the “Bank”). All capitalized terms herein and not defined herein shall have the meanings set forth in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the District, the Tender Agent and the Bank have previously entered into that certain Standby Bond Purchase Agreement dated as of January 1, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), relating to the District’s Water System Revenue Refunding Bonds, Series 2008A-2 (the “Series 2008A-2 Bonds”) and Water System Revenue Refunding Bonds, Series 2008A-3 (the “Series 2008A-3 Bonds” and together with the Series 2008A-2 Bonds, the “Bonds”);

WHEREAS, pursuant to Section 10.6 of the Agreement, the Agreement may be amended by a written amendment executed by the parties thereto; and

WHEREAS, the Bank has agreed to make certain amendments to the Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon the satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. Section 1.1 of the Agreement shall be amended by amending and restating the following definitions:

“Conversion Date” means the date on which the interest rate borne by all of the Bonds has been converted to a rate of interest other than the Weekly Interest Rate or the Daily Interest Rate.

“Eligible Bonds” means any Bonds bearing interest at the Weekly Interest Rate or the Daily Interest Rate and does not include such Bonds as may be owned by, for the account of, or on behalf of, the District or any Affiliate of the District; and excludes, in any event, Bank Bonds and Bonds that have been removed from coverage under this Agreement by redemption, defeasance and/or substitution or
replacement of said coverage with regard to all of the Bonds with coverage under an Alternate Liquidity Facility.

"Expiration Date" means the later of (a) 5:00 p.m. (New York City time) on November 24, 2021, or, if such day is not a Business Day, the Business Day next preceding such day, and (b) 5:00 p.m. (New York City time) on the last day of any extension of such date pursuant to Section 10.9 hereof or, if such day is not a Business Day, the Business Day next preceding such day.

1.02. Section 1.1 of the Agreement shall be amended by the addition of the following definitions thereto in the appropriate alphabetical order to read as follows:

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the District from time to time concerning or relating to bribery or corruption.

"Daily Interest Rate" has the meaning set forth in the Supplemental Indenture.

"OFAC" means the U.S. Department of the Treasury's Office of Foreign Assets Control, and any successor thereto.

"Sanctioned Country" means, at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

"Sanctioned Person" means, at any time, (a) any Person or group listed in any Sanctions related list of designated Persons maintained by OFAC or the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person or group operating, organized or resident in a Sanctioned Country, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

1.03. Article V of the Agreement shall be amended by the addition of a new Section 5.20 thereto to read as follows:

Section 5.20. Anti-Corruption Laws; Sanctions. To its knowledge, the District is in compliance in all material respects with Anti-Corruption Laws and Sanctions applicable to it. The District is not aware of any violation in any material respect of any Anti-Corruption Laws by any director, officer or employee of the
District acting in its capacity as such. The District is not a Sanctioned Person and is not aware that any director, officer or employee of the District is a Sanctioned Person or of any Sanctions applicable to any director, officer or employee. The funds advanced by the Bank hereunder will only be used to purchase Bank Bonds as contemplated in this Agreement and the Indenture and the other transactions contemplated hereby will not violate applicable Anti-Corruption Laws and are not subject to any Sanctions.

1.04. Section 7.1(b) of the Agreement shall be amended and restated in its entirety to read as follows:

(b) as soon as practicable and in any event within seventy-five (75) days after the end of each quarter of each Fiscal Year, the unaudited financial report of the District as of the end of such fiscal quarter prepared from the books and records of the District on a consistent basis, including a balance sheet of the Water System as of the end of such fiscal quarter and related statements of revenues, expenses and changes in fund equity and cash flows for the fiscal quarter ended;

1.05. Section 7.7 of the Agreement shall be amended and restated in its entirety to read as follows:

Section 7.7. Conversions; Defeasance. The District shall promptly furnish, or cause to be furnished, to the Bank, not later than its furnishing the same to the Remarketing Agent, a copy of any written notice furnished by the District to the Remarketing Agent pursuant to the Indenture indicating a proposed conversion of the interest rate on the Bonds to a rate other than the Weekly Interest Rate or the Daily Interest Rate. In addition, the District will not defease, nor allow the defeasance of, any of the Bonds without having contemporaneously satisfied all of its obligations relating thereto hereunder, including, without limitation, the related Bank Bonds.

1.06. Article X of the Agreement shall be amended by the addition of a new Section 10.16 thereto to read as follows:

Section 10.16. No Fiduciary Relationship. The District acknowledges and agrees that the services regarding this Agreement provided by the Bank are an arm's length commercial transaction between the District, on the one hand, and the Bank, on the other hand, and that in no event shall the Bank be considered to be a partner or joint venturer of the District. Also, the District represents and acknowledges that (i) it has independently evaluated the business transaction contemplated hereby and has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (ii) the Bank has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the District, and the Bank only has such obligations to the District as expressly set forth herein and does not have any fiduciary or similar obligation to it in connection with the transactions hereunder.
2. CONDITIONS PRECEDENT.

This Amendment shall be effective as of the Amendment Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Delivery by the District of an executed counterpart of each of (i) this Amendment and (ii) the Second Amended and Restated Fee Agreement dated the date hereof between the District and the Bank (the "Fee Agreement" and together with the Amendment, collectively, the "Amendment Documents").

2.02. The following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the District contained in Article V (except for Section 5.8) of the Agreement and in each of the other Related Documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date); and

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of the Amendment Documents.

2.03. The Bank shall have received (i) a copy of a resolution or other authorizing documentation of the District authorizing the execution and delivery of the Amendment Documents and the performance of the obligations under the Agreement, as amended by this Amendment, and the Fee Agreement, and (ii) an incumbency certificate of the officer executing the Amendment Documents on behalf of the District.

2.04. Payment to the Bank on the Amendment Date of the reasonable legal fees and expenses of counsel to the Bank.

2.05. All other legal matters pertaining to the execution and delivery of the Amendment Documents shall be reasonably satisfactory to the Bank and its counsel.

3. REPRESENTATIONS AND WARRANTIES OF THE DISTRICT.

In addition to the representations given in Article V of the Agreement, the District hereby represents and warrants as follows:

3.01. The execution, delivery and performance by the District of the Amendment Documents and the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the District.

3.02. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the District of the Amendment Documents or the Agreement, as amended hereby.
3.03. The Amendment Documents and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the District, by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or by law) and by limitations on legal remedies against public agencies in the State of California and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

4. MISCELLANEOUS.

4.01. Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to, and shall mean and be a reference to, the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK; PROVIDED THAT THE POWER AND AUTHORITY OF THE DISTRICT TO EXECUTE AND PERFORM ITS OBLIGATIONS UNDER THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF CALIFORNIA.

4.02. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the Amendment Date.

EAST BAY MUNICIPAL UTILITY DISTRICT

By ________________________________
Name: Scott Klein
Title: Acting Director of Finance

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Tender Agent

By ________________________________
Name: ______________________________
Title: ______________________________

U.S. BANK NATIONAL ASSOCIATION

By ________________________________
Name: Kenneth Haber
Title: Senior Vice President

Signature Page to Second Amendment to Standby Bond Purchase Agreement
RESOLUTION NO. ____________________

AUTHORIZING THE EXECUTION OF A SECOND AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT AND RELATED AMENDED AND RESTATED FEE AGREEMENT AND OTHER MATTERS IN CONNECTION THEREWITH

Introduced by Director ; Seconded by Director

WHEREAS, the East Bay Municipal Utility District (the “District”) has previously issued its $322,525,000 Water System Subordinated Revenue Refunding Bonds, Series 2008A (which have been re-designated as Water System Revenue Refunding Bonds, Series 2008A) pursuant to the Water System Subordinated Revenue Bond Indenture, dated as of April 1, 1990, by and between the District and First Interstate Bank of California, which has been succeeded by The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”), as amended and supplemented (the “Water Bond Indenture”), of which $105,250,000 aggregate principal amount is currently outstanding, including, among other subseries, $24,285,000 principal amount of Series 2008A-2 Bonds and $24,285,000 principal amount of Series 2008A-3 Bonds (together, the “Water Series 2008A-2 and 2008A-3 Bonds”); and

WHEREAS, the Water Series 2008A-2 and 2008A-3 Bonds are variable rate demand obligations in a weekly interest rate mode and subject to optional and mandatory tender for purchase by the owners thereof on the terms and under the circumstances as provided in the Indenture; and

WHEREAS, pursuant to Resolution No. 33905-12 adopted on November 27, 2012, the Board of Directors (the “Board”) of the District authorized the execution and delivery of a replacement liquidity facility for the Water Series 2008A-2 and 2008A-3 Bonds in the form of the Standby Bond Purchase Agreement, dated as of January 1, 2013 (the “2013 Standby Bond Purchase Agreement”), and including the related Fee Agreement dated as of January 3, 2013 incorporated by reference therein, among the District, The Bank of New York Mellon Trust Company, N.A., as tender agent for the Water Series 2008A-2 and 2008A-3 Bonds (the “Tender Agent”), and U.S. Bank National Association (the “Liquidity Bank”) in order to provide liquidity for the purchase of Water Series 2008A-2 and 2008A-3 Bonds subject to optional and mandatory tender pursuant to the Indenture which are not remarketed; and

WHEREAS, the District has previously entered into a First Amendment to Standby Bond Purchase Agreement, dated May 12, 2015 (the “First Amendment to Standby Bond Purchase Agreement”), among the District, the Tender Agent and the Liquidity Bank, and an Amended and Restated Fee Agreement, dated May 12, 2015 (the “2015 Amended and Restated Fee Agreement” and, together with the 2013 Standby Bond Purchase Agreement and the First Amendment to Standby Purchase Agreement, the “Standby Bond Purchase Agreement”), which provided for the extension of the expiration date of the “Commitment Period” (capitalized terms used herein not otherwise defined shall have the respective meanings therefor as set forth in the Standby Bond Purchase Agreement) of the Liquidity Bank under the Standby Bond Purchase Agreement from July 1, 2015, to July 2, 2018 (the current “Expiration Date”); and
WHEREAS, the District has requested the Liquidity Bank to again extend the Expiration Date of the Standby Bond Purchase Agreement, and the Liquidity Bank has agreed to such extension for a period of up to three and one-half years, subject to changes to certain provisions of Standby Bond Purchase Agreement as are set forth in the Second Amendment to Standby Bond Purchase Agreement hereinafter referred to, and with such reduction in the annual Commitment Fee and certain other fees payable by the District to the Bank as are set forth in the related Second Amended and Restated Fee Agreement hereinafter referred to, each in the form as presented to this meeting; and

WHEREAS, this Board does hereby find and determine that it would be in the best interest of the District to extend the Expiration Date of the Standby Bond Purchase Agreement and to approve the Second Amendment to Standby Bond Purchase Agreement and the Second Amended and Restated Fee Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District, as follows:

Section 1. Recitals True and Correct. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Approval of Second Amendment to Standby Bond Purchase Agreement and Second Amended and Restated Fee Agreement. The General Manager, the Director of Finance or the Treasury Manager or any such officer serving in an acting or interim capacity as such or any duly authorized designee of any of the foregoing (each, a “Designated Officer”) is hereby authorized and directed to execute for and on behalf of the District the Second Amendment to Standby Bond Purchase Agreement and the related Second Amended and Restated Fee Agreement, in substantially the form of the Second Amendment to Standby Bond Purchase Agreement and related Second Amended and Restated Fee Agreement submitted to this meeting, with such changes, insertions and omissions as a Designated Officer shall approve after consultation with the District’s General Counsel and Norton Rose Fulbright US LLP and Curls Bartling P.C., the District’s Co-Bond Counsel, such approval to be evidenced by the execution and delivery thereof; provided that the annual Commitment Fee Rate to be paid to the Liquidity Bank following the extension of the Expiration Date of the Standby Bond Purchase Agreement (assuming the maintenance of the District’s current long-term unenhanced debt ratings) shall not exceed 32 basis points per annum (0.32%). The Second Amendment to Standby Bond Purchase Agreement and related Second Amended and Restated Fee Agreement, as executed and delivered, are hereinafter referred to as the “Second Amendment to Standby Bond Purchase Agreement” and the “Second Amended and Restated Fee Agreement,” respectively, and such Second Amendment to Standby Bond Purchase Agreement and Second Amended and Restated Fee Agreement are hereby approved.

Section 3. Additional Actions. Each of the Designated Officers and such other proper officers of the District be and they hereby are authorized, individually and collectively, to do any and all things and to execute and deliver such other agreements, documents and certificates (including, but not limited to providing for the giving of written directions and notices or the securing of any required third party approvals required by the Indenture or other documents related to the Water Series 2008A-2 and 2008A-3 Bonds or otherwise in connection
with the extension of the Expiration Date of the Standby Bond Purchase Agreement and the transactions contemplated by this Resolution) as may be necessary, convenient, or advisable and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Indenture, the Standby Bond Purchase Agreement and the transactions herein authorized. All actions heretofore taken by the officers (or their designees), employees and agents of the District in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

ADOPTED this 22nd day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_________________________   President

ATTEST:

_________________________   Secretary

APPROVED AS TO FORM AND PROCEDURE:

_________________________   General Counsel
TITLE  EAST BAY WATERSHED MASTER PLAN UPDATE – ADOPT NEGATIVE DECLARATION AND APPROVE PROJECT

☐ MOTION  ☒ RESOLUTION  ☐ ORDINANCE

RECOMMENDED ACTION

- Adopt the Negative Declaration for the East Bay Watershed Master Plan Update.
- Make findings relating to the California Environmental Quality Act (CEQA).
- Approve the East Bay Watershed Master Plan Update.

SUMMARY

The East Bay Watershed Master Plan (EBWMP) was first adopted by the EBMUD Board of Directors (Board) in 1996. At that time, the Board certified a Programmatic Environmental Impact Report (PEIR) that evaluated potential environmental impacts of the EBWMP in accordance with CEQA. EBMUD has prepared an update to the EBWMP to reflect land management experience and actions taken since the EBWMP adoption, acknowledge changing management challenges, and address public concern regarding bicycle access and pesticide use on watershed lands. Consistent with the requirements of CEQA, EBMUD prepared an Initial Study (IS) to assess the environmental impacts of the update. The Initial Study confirmed that the update would not cause significant environmental impacts, thus confirming that the update may be approved in reliance on a Negative Declaration (ND). Since its inception in 2015, the EBWMP Update has been the subject of several presentations to the Board Planning Committee, the full Board of Directors, two site visits on the watershed trail system, and several public meetings.

DISCUSSION

The EBWMP Update is the result of an intensive review process that engaged staff from multiple departments, hundreds of members of the public, and consultations with other public land owning agencies. While the initial focus of public interest was on the proposal to allow bicycle access to portions of the watershed trail system, other concerns later emerged regarding the District’s use of pesticides on the watershed and on its forestry practices.

As to bicycle access, the EBWMP Update proposes changes to the access policy for the watershed trail system, providing access to bicycles and other users on 7.5 miles of trail in the Pinole Valley and on the

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Contact the Office of the District Secretary with questions about completing or submitting this form.
Eagle’s Nest trail. As to pesticide use, the only changes proposed are designed to reduce the use of pesticides on watershed lands. The EBWMP Update does not propose any changes to forestry practices.

The draft EBWMP Update and Initial Study/Negative Declaration (IS/ND) were released in December 2017 for a 45-day public review period. The Final IS/ND and EBWMP Update incorporate a number of minor modifications proposed in response to comments received during the public review period. The comments received, responses to comments, and textual edits to the Final IS/ND are all included in Appendix A to the Final IS/ND. The responses to comments did not identify any new significant impacts but merely clarified information already presented in the IS/ND. Based on the analysis in the IS/ND, the EBWMP Update will not result in significant environmental impacts. Adoption of the EBWMP Update supports the Water Quality and Environmental Protection Strategic Plan goal.

**SUSTAINABILITY**

**Economic**

The Negative Declaration and EBWMP Update were prepared primarily by staff, with limited assistance from Environmental Science Associates, under existing budget funds. The changes proposed will be accomplished using existing budget funds.

**Social**

The review process included intensive engagement with members of the public, including large public meetings, two trail site visits open to the public, smaller interest group meetings, and numerous individual stakeholder contacts. Public input was a key factor in defining the proposed changes to the EBWMP, which seek a balance between improved recreational access and maintaining the management priorities to protect water quality and biodiversity. In addition, public concerns about pesticide exposure prompted policy changes to reduce the use of pesticides where feasible. Maintaining the East Bay watershed provides a distinctive open space resource for water quality protection, wildlife, and public enjoyment.

**Environmental**

The preparation of the Initial Study/Negative Declaration complies with CEQA for the EBMWP Update. The EBWMP Update will support continuing management practices that have sustained, and in some cases expanded, populations of rare, threatened, and endangered species. The EBWMP Update will similarly help to sustain a multitude of environmental services derived from a healthy ecosystem in close proximity to a large metropolitan area.

**ALTERNATIVE**

**Do not approve the EBWMP Update, and retain the existing EBWMP.** This alternative is not recommended as the EBWMP Update represents a thorough review with significant public input and will assist staff in better managing the watershed while enhancing watershed protection, access and other values.

Attachments

I:\Sec\2018 Board Related Items\052218 Board Agenda Items\WNR -- EBWMP Neg Dec Approval.docx
RESOLUTION NO. ____________________

CONSIDERING THE EAST BAY WATERSHED MASTER PLAN UPDATE (MASTER PLAN UPDATE), FINDING THE MASTER PLAN UPDATE CONSISTENT WITH THE EAST BAY WATERSHED MASTER PLAN, ADOPTING THE NEGATIVE DECLARATION FOR THE MASTER PLAN UPDATE, DETERMINING THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED, AND APPROVING THE MASTER PLAN UPDATE

Introduced by Director ; Seconded by Director

WHEREAS, in 1996, the Board of Directors of the East Bay Municipal Utility District (EBMUD) certified the Programmatic Environmental Impact Report (PEIR) for the East Bay Watershed Master Plan (Master Plan), determined that all necessary mitigation measures had been incorporated into the Master Plan, and approved the Master Plan; and

WHEREAS, since that time, EBMUD has adopted several plans, rules, and regulations, and entered into various agreements that aid in implementation of the Master Plan, including but not limited to the East Bay Fire Management Plan, East Bay Range Resource Management Plan, East Bay Low-Effect Habitat Conservation Plan, annual allotment-specific grazing plans, and the Oursan Ridge Conservation Bank; and

WHEREAS, the Master Plan prioritizes managing watershed lands for biodiversity and states that “[t]he biodiversity management program involves activities that the District will undertake to protect and enhance habitats and species. The District’s commitment to maintain and enhance biodiversity will be achieved by actively maintaining natural ecosystem processes, especially those that also protect or enhance water quality;” and

WHEREAS, in 2015, EBMUD began a process to update the Master Plan to reflect land management experience and actions taken since Master Plan adoption and to acknowledge changing management challenges; and

WHEREAS, the Master Plan Update included extensive public outreach with well-attended public meetings, watershed trail tours, and numerous separate meetings with stakeholders to address specific issues of concern; and

WHEREAS, EBMUD used the extensive public outreach completed as part of the Master Plan Update process to gain an understanding of public concerns and refine proposed changes to the Master Plan; and

WHEREAS, following completion of that public outreach process, the District developed a final proposed set of updates to the Master Plan, and analyzed the potential environmental effects of those updates in the Master Plan Update Initial Study/Negative Declaration (Draft IS/ND); and
WHEREAS, on December 15, 2017, the Draft IS/ND was completed by EBMUD as lead agency and circulated for review and comment, providing a 45-day comment period ending on January 29, 2018, in accordance with the California Environmental Quality Act (CEQA) and applicable laws and regulations; and

WHEREAS, EBMUD provided a Notice of Intent (“NOI”) to adopt the Draft IS/ND and copies of the Draft IS/ND to responsible and trustee agencies concerned with the Master Plan Update; and

WHEREAS, EBMUD also published the NOI in the Contra Costa Times and the Oakland Tribune, and provided the Draft IS/ND for public review on the EBMUD website and at EBMUD’s administrative offices in downtown Oakland and at the Orinda Watershed Headquarters; and

WHEREAS, EBMUD received several comment letters on the Draft IS/ND, and subsequently modified portions of the Draft IS/ND to provide further clarity and to address concerns raised in comments; and

WHEREAS, EBMUD prepared the Final IS/ND, which includes responses to comments on the Draft IS/ND and textual modifications made to the IS/ND in response to those comments; and

WHEREAS, as detailed in the Final IS/ND, the primary components of the Master Plan Update include identification of emerging land management challenges, enhanced restrictions on pesticide use on watershed lands, changes to the Master Plan’s trail access policy to allow multiple use, including bicycle access, on approximately 7.5 miles of trails, and various factual updates, including added references to previously approved plans; and

WHEREAS, as explained in the Final IS/ND’s Project description, the proposed factual updates to the Master Plan merely clarify and update factual information in the Master Plan to improve its usefulness as a land management tool, and as such, are not considered substantial changes to the Master Plan, would not result in potential environmental impacts, and were not further analyzed in the Final IS/ND; and

WHEREAS, the Final IS/ND’s analysis therefore focused on emerging challenges to managing watershed lands, proposed revisions in the Master Plan’s guidelines regarding pest management, and proposed changes to the Master Plan’s trail access policy;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby find, determine and certify that:

1. The above recitals are incorporated as if set forth herein.

2. In deciding whether to approve the Master Plan Update, EBMUD is acting as a lead agency under CEQA.
3. The Final IS/ND – including all comments received – has been presented to the Board of Directors. The Board of Directors has reviewed and considered the information contained therein prior to approving the Master Plan Update, and the Final IS/ND reflects the Board of Directors’ independent judgment and analysis.

4. All proceedings of the environmental review process, including circulation of the Draft IS/ND and all required notices, have been conducted and completed in accordance with CEQA, the CEQA Guidelines, and all other applicable laws, regulations, and procedures.

5. The potential environmental impacts of the Master Plan Update are fully disclosed in the Final IS/ND, and the Final IS/ND is adequate for use by EBMUD for approval and implementation of the Master Plan Update.

6. The documents and materials constituting the record of the proceeding are located at EBMUD’s administrative offices, 375-11th Street, Oakland, CA 94607. The custodian of these records is the Secretary of the District.

7. No substantial change in circumstances has occurred since preparation of the Draft IS/ND which would require substantial revisions to the Draft IS/ND or preparation of an Environmental Impact Report (“EIR”) due to the discovery or disclosure of new, significant impacts not covered in the Draft IS/ND, and there is no requirement to recirculate the Final IS/ND or prepare an EIR.

8. The Board of Directors makes the findings and determinations regarding the Master Plan Update set forth in the Findings, attached hereto as Exhibit A. Exhibit A is hereby incorporated into this Resolution by this reference.

9. The Board of Directors finds and determines that the Master Plan Update does not trigger the need for subsequent environmental review under Public Resources Code section 21166 and CEQA Guidelines section 15162, and would not cause any significant environmental effects that were not examined in the Master Plan PEIR.

10. The Board of Directors finds and determines that the Master Plan Update is consistent with the Master Plan and local land use plans and zoning.

11. The Board of Directors finds that EBMUD will continue to be responsible for implementing the Master Plan, including those mitigation measures incorporated into the Master Plan when it was approved in 1996 and that no additional mitigation measures are required to address potential impacts associated with the Master Plan Update.

BE IT FURTHER RESOLVED that based on the whole record before it, including the Final IS/ND (which includes comment letters received and responses to those comments), the Board of Directors finds that there is no substantial evidence that the Project will have a significant effect on the environment. Therefore, the Final IS/ND is hereby adopted as having been completed in compliance with CEQA.
BE IT FURTHER RESOLVED that the Board of Directors approves the Master Plan Update as described in Exhibit A and authorizes and directs the General Manager to take all actions necessary to implement the Master Plan, as amended by the Master Plan Update.

BE IT FURTHER RESOLVED that the Secretary of the District is hereby directed to file a Notice of Determination, in accordance with the law, with the County Clerk of Alameda and Contra Costa Counties.

ADOPTED this 22nd day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________________________
President

ATTEST:

__________________________________________
Secretary

APPROVED AS TO FORM AND PROCEDURE:

__________________________________________
General Counsel
EXHIBIT A

EBMUD BOARD OF DIRECTORS FINDINGS REGARDING THE EAST BAY WATERSHED MASTER PLAN UPDATE

1. Introduction

This is the findings document adopted by the East Bay Municipal Utility District (EBMUD) Board of Directors for the East Bay Watershed Master Plan (EBWMP) Update (Project). As approved by the Board of Directors, the Project includes:

- Incorporation of adaptive management principles and boat inspection for quagga and zebra mussels to address emerging challenges resulting from climate change, invasive species, pathogens such as sudden oak death, contaminants, and trench soils production;

- Revisions to the following EBWMP Guidelines to restrict the use of pesticides on watershed lands:
  
  o "BIO.18. Apply integrated pest management (IPM) strategies, eliminating pesticides where feasible, ensuring negligible impacts on water quality, biodiversity, and other resources and without increasing fire risk."
  
  o "PW.5 Prohibit use of pesticides in the watershed, except for those herbicides specifically approved for spot treatment of pest plant species according to District IPM guidelines spot treatments of pest plant species where other methods of pest control are not feasible."
  
  o FOR.11, “Prior to any harvest activities, ensure that adequate stump-sprouting control methods are available to reduce fire hazards and protect water quality. Herbicides will not be used to control stump resprouts.”

- Changes to EBMUD’s watershed trail system access policy to allow bicycle access on the Pinole Valley Multi-Use Trail and Eagle’s Nest Multi-Use Trail, as depicted in Figures 2 and 3 in the Final IS/ND.

- Several proposed factual updates to the EWBMP, none of which would result in substantial changes to the EBWMP or would cause potential environmental impacts.

Section 2 of this document describes the Project and the need to complete the Project.

Section 3, “Findings Regarding Independent Review and Judgment,” contains the findings regarding the independent review and judgment of the Board of Directors.

Section 4, “Findings Regarding the Project,” contains the findings regarding potential Project impacts.
Section 5, “Findings Related to Public Resources Code Section 21166 and CEQA Guidelines Section 15162,” contains findings regarding whether the Project requires major revisions to the PEIR or whether new information shows the Project would have significant effects not discussed in the PEIR.

Section 6, “Findings Related to Mitigated Negative Declaration (MND) Recirculation and EIR Preparation,” contains findings regarding whether MND recirculation or EIR preparation is necessary.

Section 7, “Findings Related to Project Approval,” contains findings approving the Project.

2. Project Description and Need

As shown in Figure 1 to the Final IS/ND, EBMUD owns and manages approximately 29,000 acres of land and water surface in the East Bay area. Since 1996, those lands and waters have been managed pursuant to the EBWMP. A Program Environmental Impact Report (PEIR), which evaluated impacts of the EBWMP in accordance with the California Environmental Quality Act (CEQA) was prepared pursuant to CEQA Guidelines Section 15168, and was certified by EBMUD’s Board of Directors prior to adoption of the EBWMP. EBMUD is now updating the EBWMP to reflect land management experience and actions taken since EBWMP adoption, and to acknowledging changing management challenges.

Since its adoption in 1996, the EBWMP’s primary goals have been to protect water quality and biodiversity on EBMUD’s 29,000 acres of local watershed while administering programs for natural resources, community use, and asset management. The changes to the EBWMP approved as part of the EBWMP Update are consistent with those primary goals and comprise the following:

*Changes addressing emerging management challenges*— The EBWMP Update incorporates adaptive management principles and boat inspection for quagga and zebra mussels to address emerging challenges resulting from climate change, invasive species, pathogens such as sudden oak death, contaminants, and trench soils production.

*Further restrictions on pesticide use on East Bay watershed lands*—The EBWMP Update includes revisions to the following EBWMP Guidelines to restrict the use of pesticides on watershed lands:

- “BIO.18. Apply integrated pest management (IPM) strategies, eliminating pesticides where feasible, ensuring negligible impacts on water quality, biodiversity, and other resources and without increasing fire risk.”

- “PW.5 Prohibit use of pesticides in the watershed, except for those herbicides specifically approved for spot treatment of pest plant species according to District IPM guidelines spot treatments of pest plant species where other methods of pest control are not feasible.”
• FOR.11, “Prior to any harvest activities, ensure that adequate stump-sprouting control methods are available to reduce fire hazards and protect water quality. Herbicides will not be used to control stump resprouts.”

Changes in watershed trail system access—The EBWMP Update makes revisions to the EBWMP to allow bicycle access on the Pinole Valley Multi-Use Trail and Eagle’s Nest Multi-Use Trail, as depicted in Figures 2 and 3 in the Final IS/ND. These changes in watershed trail system have access have been designed by EBMUD to ensure consistency with the EBWMP and would include implementation of the following:

• Characterizing Trail Conditions: EBMUD will continue to collect information regarding the types of use and frequency based on observations and conditions of the Pinole Valley Ridge Trail and Eagle’s Nest Trail, including unauthorized bicycle use. This information will be used to characterize trail conditions prior to opening of the proposed trail segments to bicycle use.

• Stakeholder Involvement: The District will convene a meeting of interested stakeholders on a periodic basis to review and assess the change in trail access policy. To the extent practicable, the District will provide trail survey data, staff reports, and other information to support the stakeholder process.

• Signage and Barriers: Signs will be posted at appropriate locations regarding trail etiquette and to promote a “tread lightly” message. Along the bicycle trail route caution markers and control signs will be installed where necessary. Additional signage will be posted at trailheads, junctions with non-public access roads and trails, and other areas to direct trail users to approved trails. Physical barriers may be installed to maintain compliance with trail access rules.

• Monitoring and Enforcement: As with existing trail users, a permit will be required of all cyclists on the trail system. Section XIV of the Watershed Rules and Regulations will be amended to include new provisions regarding bicycle access to specified trails. Watershed Rules and Regulations will be enforced by EBMUD Rangers and EBRPD Police Officers. The Pinole Valley Ridge Trail and Eagle’s Nest Trail will be added to the patrol route for the EBRPD Police, as a part of the existing contract between the agencies. EBMUD will also institute an online trail incident reporting tool for permit holders as an element of the monitoring and enforcement protocols. Signage at the trails will reflect this reporting tool and will call upon all trail users to assist with monitoring and reporting to help ensure a safe, enjoyable recreation experience for all trail users. If warranted, EBMUD will consider using volunteer patrols comprised of various trail user groups to educate and inform other trail users.

• Fines: The Watershed Rules and Regulations provide that any violation is an infraction punishable by (1) a fine not exceeding $50 for a first violation; (2) a fine not exceeding $100 for a second violation of the same ordinance within one year; and (3) a fine not exceeding $250 for each additional violation of the same ordinance within one year.
• **Maintenance and Control Measures:** If environmental damage or user conflicts occur, then physical control measures will be implemented to ensure bicycle access does not increase soil erosion, landscape modification, or pollutant loading, or adversely affect other watershed or reservoir resources. Control measures will focus on minimizing user conflicts, reducing resource impacts, and enhancing user satisfaction. Control measures could include additional fences, gates, and/or other barriers. The appearance of unauthorized trails and/or other incidents of violation of the Watershed Rules and Regulations (see Section 12.02) may constitute grounds for suspension of access to portions of the watershed trail system.

• **Trail Closures:** Safety, user conflicts, and resource impacts (i.e., increased soil erosion, landscape modification, or pollutant loading, or adverse effects on other watershed or reservoir resources) will be considered when deciding whether a trail should be closed. In some cases, temporary or seasonal restrictions may be imposed. The rationale for closures will be posted at trailheads to inform and educate trail users, and prevent damage to the trail(s) in question.

*Factual updates*—The EBWMP Update includes several factual updates, none of which would result in substantial changes to the EBWMP or cause potential environmental impacts.

All proposed changes to the EBWMP are reflected in the 2018 Final East Bay Watershed Master Plan, attached to the Final IS/ND as Attachment B.

3. **Findings Regarding Independent Review and Judgment**

Each member of the EBMUD Board of Directors (Board) was provided access to a complete electronic copy of the Final IS/ND, including the comments received and responses thereto, in May 2018.

The Board hereby finds that the Final IS/ND reflects the Board's own independent judgment, and that the Board has independently reviewed and analyzed the Final IS/ND together with the comments received during the public review process prior to taking any final action with respect to the Project.

4. **Findings Regarding the Project**

Having received and considered the information contained in the Final IS/ND and the comments on the IS/ND, the EBMUD Board of Directors hereby adopts the following findings regarding Project impacts.

4.1. **Findings Regarding Significant and Unavoidable Effects**

The Board hereby finds, based on the whole record (including the IS/ND and the comments received), that there is no substantial evidence that the Project will have a significant and unavoidable effect on the environment.
4.2. Findings Regarding Less than Significant Effects

It has been determined that the following effects would be less than significant or have no impact, and no mitigation is needed.

Aesthetics

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.1.)

Emerging Challenges- The introduction of exotic pathogens such as sudden oak death (SOD) is a potential indirect effect to scenic vistas and visual character of the watershed lands. Limiting recreation use to designated trails and following best management practices (BMPs) will help slow the human-mediated spread of pathogens. Implementation of the following BMPs has reduced the human-caused spread of the disease to a level of insignificance, and is expected to be effective with the limited introduction of bicycle access as proposed:

- Staying on established trails;
- Leaving plant material and soil in situ; and
- Avoiding travel through muddy areas.

The proposed additional recreational access onto existing service roads and the disc line is expected to pose an insignificant risk of introducing new pathogens as vehicles already use these alignments for watershed operations and management.

Pest Management- No aesthetic impacts are expected to result from EBMUD’s proposed restrictions on pesticide use on watershed lands.

Trail System Access Policy Changes- The number and type of recreational users may affect the potential for trail erosion, with higher levels of use and mountain bike use potentially increasing the impact over other trail users. However, the roads are maintained by EBMUD and were designed for vehicular traffic so the potential to cause any substantive erosion is less than significant. The low level of current use by trail permittees, the generally rugged terrain of the new trail segments, and the limited available parking at the trailheads all indicate that the increased recreational use resulting from this change in policy will be modest.

Impacts to scenic vistas and the visual character of the watershed lands can also result from the creation of informal trails. However, since both the Pinole Valley and Eagle’s
Nest trail routes are already well-established and maintained it is unlikely that cyclists and others would be confused about the route. Additional signs designating the trail, along with new trail maps at the trailhead, would be installed as part of the Update to educate recreation users and reduce the potential for informal trails.

**Factual Updates**- No aesthetic impacts are expected to result from the factual updates to the EBMWD.

**Agriculture and Forest Resources**

**Findings**

EBMUD hereby finds that there would be no impact and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

**Summary of Facts in Support of Findings (See IS/ND section 2.2.)**

**Emerging Challenges**- No agricultural or forest resource impacts are expected to result from EBMUD’s approach to addressing emerging challenges on watershed lands.

**Pest Management**- No agricultural or forest resource impacts are expected to result from EBMUD’s proposed restrictions on pesticide use on watershed lands.

**Trail System Access Policy Changes**- The location of the trails proposed for mountain bike access is on land that is currently protected open space and would not conflict with the existing use of or otherwise change/prohibit use of these lands for range use. The introduction of mountain bike use to two trails in the watershed would not require any construction or tree removal or change in the existing land use in the selected trail location, which are existing fire roads and a disc line. Therefore, implementation of the Update would not result in or involve other changes in the existing environment which could result in the loss of forest land or conversion of forest land to non-forest use.

**Factual Updates**- While the Update would allow sheep grazing, it would on a limited basis to target certain vegetation in limited areas, and it is not expected that this change would result in increases in grazing pressure on the watershed because of the ability for controlled grazing by sheep. Therefore, the project would not convert prime, unique, or farmland of Statewide Importance to non-agricultural use, nor would it result in any conflict with existing zoning for agricultural use, or Williamson Act contract.
Air Quality

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.3.)

Emerging Challenges- No air quality impacts are expected to result from EBMUD’s approach to addressing emerging challenges on watershed lands.

Pest Management- The proposed change in the BIO.18 guideline would “eliminate pesticides where feasible,” while continuing existing pest management practices. Limiting the use of pesticides could result in substituting other weed management methods such as mowing, weed whacking, flaming, or burning, which could cause a temporary air quality disturbance. However, given the already-low levels of pesticide use on the watershed, the replacement of pesticide use by other means of weed management is not expected to result in a significant increase in the use of those methods, and, therefore, any air quality impacts will be insignificant.

Trail System Access Policy Changes- The implementation of the two mountain bike trails would not require any construction with heavy equipment and therefore, no off-road construction equipment or heavy trucks would emit emissions of ozone, particulate matter, or toxic air contaminants. Existing maintenance operations includes annual grading of fire and service roads and discing of the firebreak, such that the Project would not result in an increase in maintenance-related emissions.

Since the proposed project would not generate construction emissions of ROG, NOx, PM_{10} and PM_{2.5}, the project would not exceed the BAAQMD significance thresholds. Although connecting to the Bay Area Ridge Trail could increase the number of people visiting the watershed trail system, it is unlikely that the changes to access policy would result in a net increase in mobile source criteria pollutant emissions that would exceed the BAAQMD’s significance thresholds.

Factual Updates- No air quality impacts are expected to result from the factual updates to the EBWMP.

Biological Resources

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.
Summary of Facts in Support of Findings (See IS/ND section 2.4.)

Emerging Challenges- The incorporation of adaptive management to address emerging challenges such as invasive species and pathogens into the Update would primarily benefit biological resources, including special-status species and their habitats, and no significant impacts are expected to result from EBMUD’s approach to addressing emerging challenges on watershed lands.

Pest Management- The adoption of changes to the BIO.18 guideline could lead to greater use of non-pesticide methods for pest management. Substituting other weed management methods such as mowing, weed whacking, flaming, or burning could cause a temporary noise or air quality disturbance to special-status wildlife such as Alameda whipsnake or nesting birds. However, this change represents a minor, temporary increase in disturbance and is less than significant. Use of other broad-spectrum pest control methods in lieu of pesticide use would not change impacts to non-target species.

Trail System Access Policy Changes- No construction is proposed for the Project, therefore direct impacts to riparian habitats and sensitive natural communities would be avoided. Potential impacts to special-status species and their habitat would be less than significant because of protective measures already incorporated into the original EBWMP, and the selection of fire roads (that already support vehicular traffic) for trail access. One of the EBWMP recreation objectives states, “Ensure that currently permitted or new recreational activities do not increase the potential for additional soil erosion, landscape modification, or pollutant loading, or adversely affect other watershed or reservoir resources.” The guidelines that correspond with this objective are DRT.3 and DRT.4. DRT.3 directs EBMUD to monitor use levels and modify them as needed. DRT.4 provides an option to close recreational facilities to protect important resources such as special-status species. This, for example, would resolve any potential conflicts with sensitive raptor nesting areas that should be avoided or protected at certain times of the year. Ongoing monitoring for recreation-related impacts would allow EBMUD to identify areas of soil erosion or other adverse impact to biological resources, including special-status species. Wherever feasible, EBMUD would identify and diagnose the issue and propose a solution using adaptive management. If no solution is available or feasible, EBMUD would close the recreational facility.

Factual Updates- No biological resource impacts are expected to result from the factual updates to the EBWMP.

Cultural Resources

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.
Summary of Facts in Support of Findings (See IS/ND section 2.5.)

Emerging Challenges- No cultural resource impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No cultural resource impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- No known human remains or architectural, archaeological, or paleontological resources would be impacted by the proposed changes to the watershed trail access for mountain bikes, and any impacts to previously unknown human remains or architectural, archaeological, or paleontological resources would be adequately addressed by implementation of the requirements of the EBWMP’s Cultural Resources Program.

Factual Updates- No cultural resource impacts are expected to result from the factual updates to the EBWMP.

Geology and Soils

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.6.)

Emerging Challenges- No geology and soils impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No geology and soils impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- The Hayward and San Andreas faults are the most likely of the Bay Area faults to experience a major earthquake. However, the proposed Project does not include the construction of any physical improvements and although it may bring additional recreationists to the area, the likelihood of exposing people to greater risk of earthquake-related loss, injury or death while accessing the trails is relatively low. The Update also does not include the construction of any new buildings or other improvements that could become susceptible to expansive or otherwise unstable soils.

While a minor increase in trail erosion could occur, the number and type of recreational users may also affect the potential for trail erosion, with higher levels of use and mountain bike use potentially increasing the impact over other trail users. As noted
above, the increase in trail use from the proposed change in the trail access policy is expected to be modest due to the existing low level of use, the rugged terrain, and the limited parking available at the trailheads. In addition, the roads are maintained by EBMUD and were designed for vehicular traffic so the potential to cause any substantive erosion or loss of topsoil is less than significant. In addition, EBMUD would continue to implement BMPs to maintain the trails and protect them from adverse effects related to erosion.

Factual Updates- No geology and soils impacts are expected to result from the factual updates to the EBWMP.

Greenhouse Gas (GHG) Emissions

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.7.)

Emerging Challenges- No GHG emissions impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No GHG emissions impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- The proposed updates to the EBWMP would allow the Pinole Valley and Eagle’s Nest trails to be open to non-motorized mountain bikes. These proposed trail segments would be composed of fire roads and a disced firebreak and would not require any additional construction activities. Other than the installation of signage, the proposed trail segments would not require the introduction of a new use of off-road construction equipment such as excavators or graders that emit GHG emissions that would exceed the BAAQMD’s GHG Significance threshold of 1,100 metric tons per year CO\textsubscript{2e}.

Although connecting to the Bay Area Ridge Trail could increase the number of people visiting the watershed trail system, the changes to access policy would not result in a net increase in mobile source GHG emissions such that the BAAQMD’s GHG Significance threshold of 1,100 metric tons per year CO\textsubscript{2e} would be exceeded. Existing routine maintenance of the fire roads including the annual grading with a motorgrader and discing of the firebreak would continue.

Factual Updates- No GHG emissions impacts are expected to result from the factual updates to the EBWMP.
Hazards and Hazardous Materials

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.8.)

Emerging Challenges- No hazards and hazardous materials impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- The only pest-management-related changes in the Update are designed to reduce pesticide use compared to practices under the 1996 EBWMP. No hazards or hazardous materials impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- An increase in recreationists would lead to increased use of vehicles into the Project area that may contain hazardous substances such as fuel and oil, but the increase in recreationists would likely not be substantive in the context of the potential for increased release of pollutants into receiving waters. In addition, the District would manage and monitor the Project area to ensure that these impacts would be less than significant through implementation of BMPs cited in the Plan.

The Project would not involve any construction activities. Maintenance activities of the Pinole Valley and Eagle’s Nest Multi-Use trails would not include routine transport or disposal of hazardous materials and such activities would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

The Project proposes changes to the access policy for the watershed trail system to include designation of the Pinole Valley and Eagle’s Nest Multi-Use trails for mountain bikers which would increase the number of recreationists on the trail that could potentially become exposed to wildland fires. However, the Project would be required to adhere to the Fire Management Plan regarding fuels and fires to reduce impacts relating to fire threats. In addition, while there would likely be an increase in the number of visitors, relative to wildfire hazards, the increase would not be substantial.

Factual Updates- No hazards and hazardous materials impacts are expected to result from the factual updates to the EBWMP.
Hydrology and Water Quality

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.9.)

Emerging Challenges- No hydrology and water quality impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No hydrology and water quality impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- An increase in recreationists would lead to increased use of vehicles into the Project area that may contain hazardous substances such as fuel and oil, but the District would manage and monitor the Project area to ensure that these impacts would be less than significant through implementation of BMPs cited in the Plan.

No construction activities would be associated with the Project that could violate water quality standards or waste discharge requirements. The use of the Pinole Valley Mountain and Eagle’s Nest Bike trails would be monitored and managed by the District in such a way that source water quality would continue to be protected per EBMUD Policy 9.04 Watershed Management and Use (EBMUD, 2016). Maintenance activities of the Pinole Valley and Eagle’s Nest Multi-Use trails would be minimal and would also adhere to EBMUD Policy 9.04.

The proposed new access to the two trails, Pinole Valley and Eagle’s Nest, would allow cyclists onto the fire roads which could incrementally increase erosion potential. While a minor increase in trail erosion could occur, the number and type of recreational users may also affect the potential for trail erosion, with higher levels of use and mountain bike use potentially increasing the impact over other trail users. However, the roads are maintained by EBMUD and were designed for vehicular traffic so the potential to cause any substantive erosion would be less than significant. In addition, EBMUD would continue to implement BMPs to maintain the trails and protect them from adverse effects related to erosion.

The Project would involve changes to the access policy for the watershed trail system and would not include any construction or other procedures on, adjacent to, or within a levee, dam, or other flood control feature, and therefore would not directly affect such facilities. A catastrophic release of the San Pablo Dam Reservoir—either resulting from dam failure or a seiche-- would not affect the Eagle’s Nest Trail or the Pinole Valley Multi-Use trail as neither are located within the dam inundation area for the reservoir. While
there are numerous reservoirs in the watershed, and existing trails may intersect with dam inundation areas in some circumstances, any increase in recreationists being on trails at the time of a catastrophic release would be unlikely.

*Factual Updates*- No hydrology and water quality impacts are expected to result from the factual updates to the EBWMP.

**Land Use and Planning**

**Findings**

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

**Summary of Facts in Support of Findings** *(See IS/ND section 2.10.)*

*Emerging Challenges*- No land use and planning impacts are expected to result from the emerging challenges updates to the EBWMP.

*Pest Management*- No land use and planning impacts are expected to result from the pest management updates to the EBWMP.

*Trail System Access Policy Changes*- The introduction of two new trails that would allow mountain bike would not require any construction. The proposed trails would be located on existing fire roads and therefore would not require any changes to land use that would physically divide an established community, and no impact would result. EBMUD also confirmed that no changes to the EBMUD Low Effect Habitat Conservation Plan are necessary to accommodate the trail system access policy changes.

*Factual Updates*- The Update incorporates interjurisdictional coordination and updates relevant changes in land use conditions. This effort promotes consistency between the Update and regional jurisdiction land use plans. Therefore, the project is consistent with the EBWMP and local land use plans and zoning.

**Mineral Resources**

**Findings**

EBMUD hereby finds that there would be no impact and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.
Summary of Facts in Support of Findings (See IS/ND section 2.11.)

Emerging Challenges- No mineral resources impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No mineral resources impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- No mineral resources impacts are expected to result from the trail system access policy changes to the EBWMP.

Factual Updates- No mineral resources impacts are expected to result from the factual updates to the EBWMP.

Noise

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.12.)

Emerging Challenges- No noise impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- The adoption of the revised BIO.18 guideline would expand the variety of methods employed for weed management by limiting the use of herbicides, where feasible. Substituting other weed management methods such as mowing, weed whacking, flaming, or burning could cause a temporary noise or disturbance. However, this potential periodic increase in ambient noise levels is not expected to be substantial and these methods of weed management are already in practice throughout the watershed.

Trail System Access Policy Changes- Since the trail segments selected for evaluation would not include the introduce a new use of equipment know to generate high noise levels, implementation of the proposed project would not expose nearby sensitive land uses to noise levels that would result in a violation of Contra Cost County’s General Plan or municipal code. Additionally, while allowing mountain biking along the Pinole Valley and Eagle’s Nest trails could increase the number of people visiting the watershed trail system, the changes to access policy would not introduce any new noise sources (e.g., generators, pumps) that could expose nearby sensitive land uses to noise levels or vibration that would result in a violation of Contra Costa County’s General Plan or municipal code or otherwise cause substantial increases in noise levels.
**Factual Updates**- No noise impacts are expected to result from the factual updates to the EBWMP.

**Population and Housing**

**Findings**

EBMUD hereby finds that there would be no impact and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

**Summary of Facts in Support of Findings (See IS/ND section 2.13.)**

**Emerging Challenges**- No population and housing impacts are expected to result from the emerging challenges updates to the EBWMP.

**Pest Management**- No population and housing impacts are expected to result from the pest management updates to the EBWMP.

**Trail System Access Policy Changes**- Implementation of the Update would not increase employment at the site, although maintenance may require a relatively small increase in the amount of time devoted to enforcing rules and safety following the proposed addition of trails open to mountain bikers.

**Factual Updates**- The project includes updates to reflect recent changes in land use conditions on jurisdictions whose planning boundaries coincide with District ownership, but the implementation of the Update would not induce population growth directly by proposing new homes or indirectly by extending any new infrastructure.

**Public Services**

**Findings**

EBMUD hereby finds that there would be no impact and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

**Summary of Facts in Support of Findings (See IS/ND section 2.14.)**

**Emerging Challenges**- No public services impacts are expected to result from the emerging challenges updates to the EBWMP.

**Pest Management**- No public services impacts are expected to result from the pest management updates to the EBWMP.

**Trail System Access Policy Changes**- The potential increase of recreationists to watershed lands resulting from the addition of two mountain biking trails could lead to an increase
in demand for emergency services should any accidents or collisions occur from mountain bike use, however any increase in demand would not be such that a new or physically altered government facility would be required to meet this demand.

_Factual Updates_- No public services impacts are expected to result from the factual updates to the EBWMP.

_Recreation_

_Findings_

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

_Summary of Facts in Support of Findings_ (See IS/ND section 2.15.)

_Emerging Challenges_- The Update includes a vessel inspection program at the terminal storage reservoirs to prevent the spread of zebra/quagga mussels. Boats failing the inspection are not allowed to launch. Implementation of this program would not be expected to increase the use of recreational facilities (e.g., reservoirs in the District’s watershed lands) such that substantial physical deterioration of the facility would occur or be accelerated. It could potentially decrease the use of boats in the reservoirs due to those boaters that do not pass inspection or choose not to undergo an inspection. Such boaters may choose to use other nearby reservoirs that do not require an inspection program, however it is unlikely that any increase in the use of neighboring or regional reservoirs would result in an accelerated physical deterioration of those recreational facilities.

_Pest Management_- No recreation impacts are expected to result from the pest management updates to the EBWMP.

_Trail System Access Policy Changes_- To protect the watershed values of water quality and biodiversity, the trail locations for bicycle access were selected based on their lower potential for impacts on sensitive biota or habitat, or erosion into a reservoir as well as their connectivity to existing regional trail systems. The proposed trail segments selected for evaluation in this Initial Study are composed of fire roads and a firebreak that would require no redesign to address safety concerns other than signage, and the roads are maintained by EBMUD and were designed for vehicular traffic so the potential to cause any substantive erosion or loss of topsoil would be considered less than significant. While the introduction of mountain biking use on these two trails may increase the use of EBMUD’s watershed land, it would be closely monitored under guideline DRT.3 for any potential physical deterioration along the trail segments. Ongoing monitoring for recreation-related impacts would allow EBMUD to identify areas of soil erosion or other adverse impacts to the environment, including special-status species. The existing low level of recreational use on the two trails is unlikely to increase substantially due to the generally rugged nature of the terrain and the limited parking available at the trailheads.
Factual Updates- No recreation impacts are expected to result from the factual updates to the EBWMP.

Transportation/Traffic

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.16.)

Emerging Challenges- No transportation and traffic impacts are expected to result from the emerging challenges updates to the EBWMP.

Pest Management- No transportation and traffic impacts are expected to result from the pest management updates to the EBWMP.

Trail System Access Policy Changes- Increased recreation use on watershed lands would result in higher traffic volumes on local roadways and parking facilities used to access the trails. Most of the recreational traffic would occur on summer weekends and no congestion problems currently occur on local roadways. Therefore, although this proposed change to the 1996 EBWMP would generate more vehicle traffic, the relatively minor increase is still expected to have a less-than-significant impact on peak weekend and weekday traffic conditions.

Similar to existing conditions, temporary traffic congestion and parking shortages at entrances to EBMUD recreational facilities would likely continue to occur on holiday weekends or during special events. The relatively minor increase in parking demand generated by opening up new access to bicycles is not expected to cause any new congestion at these entrances. Existing traffic congestion and parking shortages may increase slightly at the entrance to the San Pablo Reservoir Recreational Area due to the proposed change in access policy to allow bicycles on Eagle’s Nest Trail.

Factual Updates- No transportation and traffic impacts are expected to result from the factual updates to the EBWMP.

Tribal Cultural Resources

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.
Summary of Facts in Support of Findings (See IS/ND section 2.17.)

Emerging Challenges- Based on the results of correspondence with the NAHC and tribal representatives, no known tribal cultural resources listed or determined eligible for listing in the California Register, or included in a local register of historical resources as defined in PRC Section 5020.1(k), pursuant to PRC Section 21074(a)(1), would be impacted by the project.

Pest Management- Based on the results of correspondence with the NAHC and tribal representatives, no known tribal cultural resources listed or determined eligible for listing in the California Register, or included in a local register of historical resources as defined in PRC Section 5020.1(k), pursuant to PRC Section 21074(a)(1), would be impacted by the project.

Trail System Access Policy Changes- Based on the results of correspondence with the NAHC and tribal representatives, no known tribal cultural resources listed or determined eligible for listing in the California Register, or included in a local register of historical resources as defined in PRC Section 5020.1(k), pursuant to PRC Section 21074(a)(1), would be impacted by the project.

Factual Updates- Based on the results of correspondence with the NAHC and tribal representatives, no known tribal cultural resources listed or determined eligible for listing in the California Register, or included in a local register of historical resources as defined in PRC Section 5020.1(k), pursuant to PRC Section 21074(a)(1), would be impacted by the project. The only proposed change to the EBWMP guidelines associated with reducing potential significant impacts to potential tribal cultural resources is to allow for an as-needed approach to consultation with Native Americans regarding disposition of Native American artifacts and remains. This proposed change is minimal and would not result in any significant impacts to tribal cultural resources.

Utilities and Service Systems

Findings

EBMUD hereby finds that there would be no impacts and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.18.)

Because the Update does not involve any new construction or ground disturbance, the project would not generate any new demand for public utilities and services systems such as water or wastewater facilities, nor would the project require any additional solid waste disposal needs. Therefore, the project would result in no impact to utilities and service systems.
Mandatory Findings of Significance

Findings

EBMUD hereby finds that impacts would be less than significant and that the Project would not result in any new potentially significant impacts on the environment that were not examined in the PEIR.

Summary of Facts in Support of Findings (See IS/ND section 2.19.)

The Update does not have the potential to substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.

The IS/ND determined that the Update would have no impact for the following issues: agricultural and forest resources, mineral resources, population and housing, public services, and utilities and service systems. Therefore, the Update would not contribute to cumulative impacts related to these issue areas.

The anticipated impacts from new recreational use from the proposed change in trail access policy are expected to be insignificant because: 1) only 7.5 miles of trails will be affected; 2) of these trail segments, 6.7 miles (90%) do not drain to a terminal reservoir; 3) incremental use beyond the existing modest levels will be constrained by the rugged terrain and the limited parking available at the trailheads; and 4) no single-track trail access is proposed. Since the PEIR was certified, recreational use in the area of the trail segments proposed for multi-use has remained very low. Given this low level of use and previously mentioned constraints on recreational use of these trail segments, the Project would not contribute to any potential cumulative effects resulting from the proposed use of watershed lands.

As identified elsewhere in the IS/ND, the less-than-significant environmental impacts from the Update are primarily limited to the implementation of the proposed changes in the EBWMP Update, none of which require any construction. Specifically, new trail access would be limited to existing roads (and a disc-line to be compacted) that already accommodate vehicular traffic. Therefore, any potential overlap with construction of nearby projects in the watershed land vicinity would not result in any cumulatively considerable impacts.

5. Findings Related to Public Resources Code Section 21166 and CEQA Guideline Section 15162

Based on the Final IS/ND, EBMUD hereby finds:
• The Project does not entail substantial changes to the EBWMP requiring major revisions to the PEIR;

• There have not been substantial changes – with respect to the circumstances under which the Project is being undertaken – requiring major revisions to the PEIR; and

• There is no new information – which was not known and could not have been known at the time the PEIR was certified as complete – that has become available and shows the Project will have significant effects not discussed in the PEIR.

6. Findings Related to IS/ND Recirculation and EIR Preparation

CEQA Guidelines section 15073.5 requires negative declaration to be recirculated if substantial revisions are made to the document after the public is notified of the document’s availability, but prior to its adoption. Pursuant to section 15073.5(b), revisions to a negative declaration are only considered to be “substantial revisions” if they identify a new, avoidable significant effect which can only be addressed by the addition of new mitigation measures or project revisions, or if they reflect a determination by the lead agency that the mitigation measures and project revisions proposed in the negative declaration will not reduce the project’s potential effects to less than significant levels, such that new mitigation measures or project revisions are necessary. The Board finds that the revisions to the IS/ND made following circulation of the Draft IS/ND for public review, and as reflected in the Final IS/ND, do not constitute “substantial revisions,” and therefore IS/ND recirculation is not required. The IS/ND revisions contained in the Final IS/ND do not identify the need for new project revisions or mitigation measures, and the Final IS/ND demonstrates that there would be no significant impacts resulting from the Project. As demonstrated by the responses to comments included in the Final IS/ND, revisions made since publication of the draft IS/ND merely reflect the addition of new information designed to clarify, amplify, and/or make insignificant modifications to the IS/ND. As such, the Board finds that IS/ND recirculation is not necessary.

Consistent with section 15073.5(d) and as reflected by the Final IS/ND, the Board further finds that based upon the whole record, there is no evidence that the project may cause significant environmental impacts. As such, EBMUD is not required to prepare an EIR for the Project.

7. Findings Related to Project Approval

Based upon the whole record, the Board hereby finds and declares that the Project is approved.
ITEM 16

GENERAL MANAGER’S REPORT

WILL BE PROVIDED AS AN ORAL REPORT
DATE: May 17, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager

FROM: Alison A. Kastama, Special Assistant to the General Manager

SUBJECT: EBMUD/EBRPD Liaison Committee Minutes – March 6, 2018

Chair Dennis Waespi (EBRPD Director) called to order the EBMUD/EBRPD Liaison Committee meeting in the Redwood Canyon Golf Course – Rose Room at 3:13 p.m.

EBRPD Directors Beverly Lane and Dee Rosario were present at roll call. EBRPD staff present included Assistant General Manager of Public Affairs Carol Johnson, Assistant General Manager of Acquisition, Stewardship, Development Bob Nisbet, Assistant General Manager of Operations Jim O’Connor, Assistant General Manager of Public Safety Anthony Ciaburro, Assistant Finance Officer Jeff Rasmussen, Chief of Stewardship Matt Graul, Chief of Park Operations Steve Castile, Administrative Analyst II Renee Patterson, Business Services Manager Mimi Waluch, Police Lieutenant David Phulps, Police Sergeant Ryland Macfadyen, Support Services Captain Alan Love.

EBMUD Directors Frank Mellon and Doug Linney were present at roll call. EBMUD staff present included General Manager Alexander R. Coate, Director of Operations and Maintenance Clifford Chan, Director of Water and Natural Resources Richard G. Sykes, Special Assistant to the General Manager Alison A. Kastama, and Manager of Watershed and Recreation Scott Hill.

Member of the Public attending: Bob Maddow.

Public Comment: None.

Redwood Canyon Golf Course Storm Repairs: EBRPD Business Services Manager Mimi Waluch provided an update on flooding resulting from the January-February 2017 winter storms. The flooding deposited debris, trees, and silt along the course, along with damage to pedestrian/cart bridges and other course facilities. Staff has removed debris and vegetation, and repaired irrigation lines and slope erosion. EBRPD, EBMUD and Touchstone Golf LLC continue to work together to complete restoration of the course and address creek flow and vegetation issues.

EBRPD Assistant Finance Officer Jeff Rasmussen provided an update on reimbursements being sought from Federal Emergency Management Agency (FEMA) and EBRPD insurance.
Discussion occurred on reimbursement limits, expectations, and timeframe. Board members commended staff efforts on recovery and complimented operation of the course and clubhouse/restaurant facilities.

Bob Maddow, member of the public, commented on EBRPD Master Plan for the golf course, irrigation system upgrades, limited restaurant operations, and the need to proactively keep users informed of course updates. EBRPD staff provided details on maintenance plans, food and beverage revenues, and planned improvements.

**Policing JPA Annual Review (EBRPD):** EBRPD Police Lieutenant David Phulps and Police Sergeant Ryland Macfadyen presented the Annual Review of the Policing Joint Powers Agreement. The contract was initiated in 1983 and is reviewed every two years. Three EBRPD police officers and one sergeant are assigned to the JPA on six-month rotational periods. EBRPD Police staff operate out of the San Pablo substation utilizing 4x4 fleet vehicles and all-terrain vehicles (ATVs), dual sport motorcycles, and patrol vessels funded by EBMUD. Police officers enforce Ordinance 284 and state laws within San Pablo, Briones, Upper San Leandro, and Lafayette Reservoirs, as well as other watershed areas.

Enforcement actions in 2017 focused largely on parking and traffic citations, with a small number of arrests.

Director Lane requested information on permit violations, which were reported to be under 100. Further discussion was held on the EBMUD permit system, arrest types, and firefighting efforts.

**East Bay Watershed Master Plan Update (EBMUD):** EBMUD Director of Water and Natural Resources Richard G. Sykes provided an update on EBMUD’s East Bay Watershed Master Plan (Plan) Update. The Plan is intended to maintain water quality and biodiversity within the watershed lands. EBMUD staff conducted about half a dozen public meetings on the draft Plan and Plan environmental review. The main issues identified were the desire for bicycle access within the watershed lands, concern over use of herbicides, and forestry practices with wildland/urban interface. Certification of the environmental review and Plan will be presented to the EBMUD Board of Directors within six months.

Director Lane inquired on EBMUD’s permit requirement for park users and whether EBMUD would consider eliminating this permit. Richard Sykes responded that since EBMUD lands are primary watersheds, permits are required to track the public access to ensure safety to the water source.

Discussion was held on public comments received and pest management practices.
San Leandro Creek Watershed Management Plan: EBMUD Director of Water and Natural Resources Richard G. Sykes provided an overview of the San Leandro Creek Watershed Management Plan, a California Department of Fish and Wildlife (CDFW) 1600 permit requirement following upgrades to Chabot Dam and the Upper San Leandro Reservoir Outlet Tower. The plan was approved in 2017 by CDFW and includes a Habitat and Flow Assessment below Chabot Dam for fish passage, particularly for steelhead restoration; assessment of a modified flow regime below Chabot Dam; and an assessment of steelhead passage from San Leandro Bay to habitat below Chabot Dam. Staff expects the draft plan to be available in mid-2020.

Director Mellon requested that Alameda County Flood Control be included as a stakeholder in the planning process. Further discussion was held on activities of Friends of San Leandro Creek, and continued stakeholder coordination.

Update on Landslides Impacting Lafayette-Moraga Trail in Moraga: EBMUD Special Assistant to the General Manager Alison Kastama provided an update on two landslides in the Town of Moraga impacting the Lafayette-Moraga Regional Trail. The 2016 slide impacts both EBMUD and private property, including the closure of a portion of the Lafayette-Moraga Trail. Staff provided an overview of the 2017 slide including notification to the Town of Moraga, and the Town’s subsequent closure of Canyon Road Bridge. The bridge has been replaced by the Town with a temporary one-lane road with pedestrian/bicycle access. The 2016 slide area remains unrepaired and is in active litigation. EBMUD continues to maintain tarping during rain events on EBMUD land. Mediation settlement discussions were planned for all parties participation in late April.

Discussion was held on scope and parties to the litigation.

Next Meeting: The Committee confirmed October 18, 2018 at 9:00 a.m. for the next meeting, to be held either at EBMUD or the Redwood Canyon Golf Course.

Adjournment. Chair Waespi adjourned the meeting at 4:15 p.m.
DATE: May 17, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager

FROM: Rischia S. Cole, Secretary of the District

SUBJECT: Planning Committee Minutes – May 8, 2018

Chair Frank Mellon called to order the Planning Committee at 9:30 a.m. in the Training Resource Center. Directors Doug Linney and Marguerite Young 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, Manager of Maintenance and Construction Michael R. Ambrose, Director of Wastewater Eileen M. White, Associate Civil Engineer James K. Wang, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischia S. Cole.

Public Comment: None.

**Amito Pumping Plant and Summit South Reservoir Security.** Manager of Maintenance and Construction Michael R. Ambrose presented an overview of the plan to install a new fence around the two facilities located on 3.34 acres in the Hiller Highlands area of Oakland. He reported that since 2010, the District has received a high number of security incident reports from the site and the surrounding community has expressed concerns about disturbances and possible risk of fire in the site’s vegetated area from trespassers. Currently, there is only a fence encircling the top of the partially buried reservoir. Mr. Ambrose advised the new fence will cost approximately $95,000, encircle the two facilities, and secure the level areas that provide access to convenient viewpoints. Staff will meet with the community to discuss the fencing plan. Staff answered questions from the Committee regarding the decision to install a perimeter fence instead of a fence around the property line and the possibility of using thorny bushes planted at the base of the fence as an additional deterrent.

**Wastewater Pump Station M and Force Main Improvements.** Associate Civil Engineer James K. Wang presented an update on the project to improve reliability, operational capability, access, and safety at Pump Station M and to perform upgrades on force main discharge pipelines from pump stations located in Albany, Alameda, and Oakland. Pump Station M, located in a residential area of Bay Farm Island in Alameda was constructed by developers 40 years ago. The City of Alameda made some facility improvements prior to transferring ownership to the District in 1986. The District’s Wastewater Pump Station Master Plan Update and Pump Station Force Main Condition Assessment Report, completed in 2014, identified Pump Station M and Force Mains C, G, M, N, and R as facilities with the highest priority need for improvements. Mr. Wang reviewed the findings from the report, the proposed scope of work, potential impacts to the community and proposed community outreach efforts. He advised the total estimated project cost is $5 million. District staff will design the electrical and controls systems for the project and the Board, at its meeting in the afternoon, will be asked to consider a consultant agreement with West Yost Associates for project engineering and other design services. If approved, evaluation and design work would begin in June 2018. Construction is anticipated to begin in September 2019 and be
completed by December 2020. Staff answered questions from the Committee regarding the types of pipe materials being considered for the project, traffic mitigations and plans for managing the construction staging area near Pump Station M. Additionally, the Committee requested an update at a future Planning Committee meeting on a seismic evaluation of District wastewater facilities.

**Adjournment.** Chair Mellon adjourned the meeting at 9:55 a.m.

ARC/RSC
DATE: May 17, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager

FROM: Rischa S. Cole, Secretary of the District

SUBJECT: Legislative/Human Resources Committee Minutes – May 8, 2018

Chair John A. Coleman called to order the Legislative/Human Resources Committee at 10:03 a.m. in the Training Resource Center. Director Marguerite Young was present at roll call and Director William B. Patterson arrived at 10:04 a.m. Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Legislative Affairs Marlaigne K. Dumaine, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Legislative Update. Manager of Legislative Affairs Marlaigne K. Dumaine reviewed the recommended actions for two bills in Legislative Report No. 04-18 – SUPPORT AB 2072 (Quirk) and SUPPORT AB 2371 (Carillo). It was moved by Director Young, seconded by Director Coleman, and carried (2-0), to approve the staff recommended actions. Director Patterson was absent.

Next, Ms. Dumaine presented information on two bond measures that will be on upcoming California ballots – Proposition 68: The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Park Bond) which will be on the June ballot, and the Water Supply and Water Quality Bond Act of 2018 (Water Bond) which will be on the November ballot. Staff was not recommending a position on the bond measures at the moment. Addressing the Committee was Jerry Meral, Natural Heritage Institute, who commented on the benefits of the Water Bond and highlighted the state water-related and District projects that could receive funding if the bond measure passes. Mr. Meral urged the Board to support the bond. The Committee discussed the information presented on both bonds and Mr. Meral’s comments. Members expressed concern regarding provisions in the Water Bond to fund repairs to the Oroville Dam spillway and the Madera and Friant-Kern water canals, the lack of funding for severely disadvantaged communities in urban areas, and the financial impact to California residents to repay the bonds. Director Coleman expressed he would like to see the Board support the Water Bond while Directors Patterson and Young said they were not ready to take a position on either bond measure. Director Coleman asked Mr. Meral to return and speak on the Water Bond at a future Board meeting and the Committee asked staff to bring updates on the Water Bond to the full Board before the November election.
In conclusion, Ms. Dumaine reviewed Legislative Report No. 05-18 which contains The Safe and Affordable Drinking Water Act, a draft budget trailer bill similar to SB 623 – Water Quality: Safe and Affordable Drinking Water Fund (Monning). The draft budget trailer bill is intended to address the issue of access to safe drinking water for all Californians, ensure the long-term sustainability of drinking water service and infrastructure, and provide a stable and sustainable funding source, via a safe drinking water surcharge, to address the issue of access to safe drinking water. Ms. Dumaine advised that staff had evaluated the bill in accordance with the April 24, 2018 Board adopted policy on Assessing Statewide Retail Water User Surcharge Proposals. Based on the evaluation, staff is recommending a bill position of “Oppose Unless Amended.” She reviewed the proposed amendments which use two different approaches for Board consideration: (1) replacing the retail water user surcharge with a funding source that eliminates the negative impact on EBMUD’s ratepayers and (2) retaining the retail water user surcharge with amendments to strengthen protections and provide more equity. Ms. Dumaine addressed questions regarding the rationale for presenting the bill with a recommended position instead of as an informational item, how the annual estimated water surcharge revenue to be collected from EBMUD customers was calculated, and next steps for Board action on the draft budget trailer bill and the bond measures in Legislative Report No. 04-18. The Committee asked that staff bring the bill back for Committee discussion prior to presenting it to the full Board and to also consider alternatives to provide flexibility in how surcharge funds are collected from customers and whether settlement funds to clean up groundwater contamination from trichloroethylene (TCE) could be a possible funding source.

**Adjournment.** Chair Coleman adjourned the meeting at 11:05 a.m.

ARC/RSC