AGENDA
Tuesday, March 13, 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. Existing litigation pursuant to Government Code section 54956.9(d)(1):
      Contra Costa County Superior Court, Case No. MSC16-01348

2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
   a. Town of Moraga
      Claim No. 2017-L-290

3. Conference with Labor Negotiators Gregory Ramirez and Bruce Heid from the Industrial Employers Distributors Association; Alexander R. Coate, General Manager; Sophia D. Skoda, Director of Finance; and Laura A. Brunson, Manager of Human Resources, pursuant to Government Code section 54957.6: Employee Organizations International Union of Operating Engineers, Local 39.

(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

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 5 recommendations, including 2 resolutions.)

1. Approve the Regular Meeting Minutes of February 27, 2018.

2. File correspondence with the Board.

3. Award a contract to the lowest responsive/responsible bidder, Corrpro Companies, Inc., in the estimated annual amount of $292,244, after the addition of taxes, for supplying magnesium anodes for three years, beginning on or after March 20, 2018, with two options to renew for an additional one-year period for a total cost of $1,461,220 under Request for Quotation No. 1809.

4. Authorize a fourth amendment to the Agreement for Employment of Alexander R. Coate as General Manager of the East Bay Municipal Utility District effective March 13, 2018. (Resolution)

5. Authorize a fourth amendment to the Agreement for Employment of Craig S. Spencer as General Counsel of the East Bay Municipal District effective March 13, 2018. (Resolution)

DETERMINATION AND DISCUSSION:

6. Legislative Update:
   - Receive Legislative Report No. 02-18 and consider positions on the following bills: SB 1496 (Committee on Governance and Finance) Validations; SB 1497 (Committee on Governance and Finance) Validations; and SB 1499 (Committee on Governance and Finance) Validations
   - Update on Legislative Issues of Interest to EBMUD

7. Adopt the 2018 East Bay Municipal Utility District Local Hazard Mitigation Plan. (Resolution)

8. General Manager’s Report:
   - Water Supply Update
   - Monthly Report – February 2018

REPORTS AND DIRECTOR COMMENTS:

9. Committee Reports:
   - Finance/Administration
   - Legislative/Human Resources

10. Other Items for Future Consideration.

11. Director Comments.
ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, March 27, 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.ebмud.com.
<table>
<thead>
<tr>
<th>Date</th>
<th>Meeting</th>
<th>Time/Location</th>
<th>Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday, March 13</td>
<td>Planning Committee</td>
<td>8:15 a.m.</td>
<td>• Consider Revised Policy</td>
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<tr>
<td></td>
<td>Mellon {Chair}; Linney; Young</td>
<td>Training Resource Center</td>
<td>Position on Statewide</td>
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<td>Legislative/Human Resources Committee</td>
<td>8:45 a.m.</td>
<td>Retail Water User Surcharges</td>
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<td>Coleman {Chair}; Patterson; Young</td>
<td>Training Resource Center</td>
<td>• Legislative Update</td>
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<td>Financial Stability Workshop No. 2</td>
<td>11:00 a.m. 1:15 p.m.</td>
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<td></td>
<td>Board of Directors</td>
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<td>• Closed Session</td>
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<td>• Regular Meeting</td>
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<td>Tuesday, March 27</td>
<td>Finance/Administration Committee</td>
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<td>Patterson {Chair}; Coleman; Mellon</td>
<td>Training Resource Center</td>
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<td></td>
<td>Long-Term Water Supply Workshop</td>
<td>9:00 a.m.</td>
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<td>Training Resource Center</td>
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<td>Board of Directors</td>
<td>11:00 a.m. 1:15 p.m.</td>
<td>• Closed Session</td>
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<td>• Regular Meeting</td>
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<tr>
<td>Friday, March 30</td>
<td>Cesar Chavez’s Birthday</td>
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<td>District Offices Closed</td>
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<td>Tuesday, April 10</td>
<td>Planning Committee</td>
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<td>Training Resource Center</td>
<td>• Regular Meeting</td>
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<td>Legislative/Human Resources Committee</td>
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<td>Coleman {Chair}; Patterson; Young</td>
<td>Training Resource Center</td>
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<td></td>
<td>Board of Directors</td>
<td>11:00 a.m. 1:15 p.m.</td>
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MINUTES

Tuesday, February 27, 2018

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

Regular Closed Session Meeting

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

ROLL CALL

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

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

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

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

Regular Business Meeting

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

ROLL CALL

Directors Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, Marguerite Young, and President Lesa R. McIntosh were present at roll call. Director John A. Coleman was absent (excused) to attend the ACWA Conference in Washington, D.C.
Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Secretary of the District Rischa S. Cole.

BOARD OF DIRECTORS

President McIntosh led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

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

CONSENT CALENDAR

- Items 9 and 10 were pulled from the Consent Calendar for comment.
  - Motion by Director Linney, seconded by Director Young, to approve the recommended actions for Items 1-8 on the Consent Calendar, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

1. **Motion No. 021-18** – Approved the Regular Meeting Minutes of February 13, 2018.


3. **Motion No. 022-18** – Awarded a contract to the lowest responsive/responsible bidder, Mountain Cascade, Inc., in the amount of $5,335,075 for construction of the North Interceptor Relief Sewer under Specification SD-400.
4. **Motion No. 023-18** – Authorized the Office of General Counsel to enter into an agreement with DHI Water & Environment, Inc., in an amount not to exceed $600,000 for confidential, technically-specialized professional services in support of the East Bay Regional Wet Weather Consent Decree litigation.

5. **Motion No. 024-18** – Authorized an amendment to an agreement with NRC Environmental Services, Inc., for hazardous waste management services, previously authorized by the Board of Directors on June 25, 2013 under Motion No. 088-13, to increase the maximum authorized contract amount by $700,000, resulting in a new maximum authorized contract amount of $3,700,000.

6. **Motion No. 025-18** – Authorized a second amendment to the agreement awarded under Board Motion No. 066-15 with Carollo Engineers, Inc., for an additional amount of $878,183, increasing the agreement ceiling to an amount not to exceed $5,109,159, for additional engineering support services during construction for the Sobranite and Upper San Leandro Water Treatment Plants Ozone System Improvements Project.

7. **Motion No. 026-18** – Approved an assignment of a professional services agreement to Rizzo International, Inc., for the Eighth Part 12D Safety Inspection and Evaluation Reports for Pardee and Camanche Dams. This agreement was previously awarded to Rizzo Associates, Inc., under Board Motion No. 139-17 on August 8, 2017.

8. **Motion No. 027-18** – Approved the January 2018 Monthly Investment Transactions Report.

9. **Resolution No. 35072-18** – Appointing Marlaigne K. Dumaine As Special Assistant IV (Manager of Legislative Affairs) *(effective March 5, 2018)*.

   - Director Mellon congratulated Ms. Dumaine on her appointment and expressed thanks for her work and contributions to the District.

   • Motion by Director Mellon, seconded by President McIntosh, to approve the recommended action for Item 9, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).

10. **Resolution No. 35073-18** – Appointing Andrew J. Levine As Manager Of Information Systems *(effective March 5, 2018)*.

    - Director Mellon congratulated Mr. Levine on his appointment. Mr. Levine thanked the Board for the opportunity and said he looked forward to working with them in his new capacity.

    • Motion by Director Mellon, seconded by Director Patterson, to approve the recommended action for Item 10, on the Consent Calendar, carried (6-0) by the following voice vote: AYES (Katz, Linney, Mellon, Patterson, Young, and McIntosh); NOES (None); ABSTAIN (None); ABSENT (Coleman).
DETERMINATION AND DISCUSSION

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

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

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

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

President McIntosh provided the following summary: “Pursuant to Section 54953(c)(3) of the Government Code, the Board of Directors provides this oral report prior to taking action on the salary, salary schedule and compensation paid in the form of fringe benefits paid to the members of the Senior Management Team, including the General Manager and the General Counsel. In accordance with the employment agreements with the General Manager and the General Counsel, the Board may authorize the same general salary increases and benefits to the General Manager and the General Counsel as that granted to District employees at the department director level. As such, it is recommended that the General Manager and the General Counsel each receive a 4% increase in their annual salary, commensurate with the 4% increase being granted to all District employees in this action, effective April 17, 2017. The 4% increase consists of a cost-of-living increase of 3.3% based on the Consumer Price Index and an additional 0.7% enhancement. Additionally, it is recommended that the following members of the Senior Management Team also be granted a 4% increase in their current annual salary, commensurate with the increase being granted to all District employees in this action, effective April 17, 2017: Secretary of the District; Manager of Customer and Community Services; Director of Engineering and Construction; Director of Finance; Manager of Human Resources; Director of Operations and Maintenance; Director of Wastewater; Director of Water and Natural Resources; Special Assistant III/IV (Legislative Affairs); and Special Assistant IV (Public Affairs). The current salaries are contained in the
salary schedule authorized by the Board and on file with the Secretary of the District. It is also recommended that the General Manager and General Counsel and the Senior Management Team members receive the same health and fringe benefits as provided to all other District employees in this action, as modified in the MOUs to be approved by this action. Changes to the benefits include changes to the following: medical plan; dental insurance; cash-in-lieu of health benefits; safety shoe allowance; transportation subsidy; special leave/death in employee’s family; and holiday.”

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

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

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

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

12. **Legislative Update.**

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

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

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

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

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

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

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

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

14. Committee Reports.

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

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

15. Other Items for Future Consideration.

None.

16. Director Comments.

- Director Coleman reported attending a Wild and Scenic River public meeting on February 15 in Mokelumne Hill and a special UMRWA Board meeting on February 23 in Pardee. He reported on plans to attend/participate in the following events: CASA and ACWA meetings February 26 through March 1 in Washington D.C.; meeting with a constituent regarding water rates on March 6 in Walnut Creek; meeting with Tassajara Valley customers on March 7 in Oakland; meeting with Cindy Darling on March 8 in Walnut Creek; and a memorial service for Edmund Regalia on March 11 in Walnut Creek.

- Director Katz had no comment.

- Director Linney had no comment.

- Director Mellon reported attending/participating in the following events: ACWA Region 5 meeting on January 24 in Santa Clara; DERWA meeting on February 5 in Dublin; AMTAC/Jon Fawkes Apprenticeship Program on February 9 in Oakland; Eden Area Chamber of Commerce Community Recognition Awards on February 10 in Castro Valley; and the San Ramon Mayor’s Breakfast on February 23 in San Ramon.

- Director Patterson had no comment.

- Director Young had no comment.

- President McIntosh had no comment.
ADJOURNMENT

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

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: March 13, 2018

Lesa R. McIntosh, President of the Board
MAGNESIUM ANODES

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, Corrpro Companies, Inc., in the estimated annual amount of $292,244, after the addition of taxes, for supplying magnesium anodes for three years, beginning on or after March 20, 2018, with two options to renew for an additional one-year period for a total cost of $1,461,220 under Request for Quotation (RFQ) No. 1809.

SUMMARY

The District uses magnesium anodes in the District’s water distribution system during repairs and installation of water mains and services. Anodes are necessary for corrosion protection of metal pipelines and fixtures. The estimated quantity of 7,000 bare and prepackaged 9 pound and 32 pound anodes listed in the RFQ was based on historical data and departmental input, however the District is not committed to purchasing the specific quantities described; purchases will be made only to meet specific District needs. The procurement of this item supports the District’s Long-Term Infrastructure Investment Strategic Plan goal.

VENDOR SELECTION

RFQs were sent to three resource organizations and to 18 potential bidders, advertised in the Oakland Tribune and posted to the District’s website. Four bids were received.

SUSTAINABILITY

Economic

This item is included in the FY18/19 operating budget.

Installation of magnesium anodes protects the distribution system from corrosion and in so doing reduces lifecycle costs.

Funds Available: FY18/19

Budget Code: 363/8621/1775

DEPARTMENT SUBMITTING: Finance

DEPARTMENT MANAGER or DIRECTOR: Sophia D. Elda

APPROVED: [Signature]

General Manager

Contact the Office of the District Secretary with questions about completing or submitting this form.
Magnesium Anodes
March 13, 2018
Page 2

Social

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

Environmental

The chosen magnesium anode producer is committed to ensuring quality products and quality management, as guided by their current ISO (International Organization for Standardization) 9001 certification. Further, each of their facilities utilizes extensive recycling processes in the office and manufacturing operations.

ALTERNATIVES

Purchase magnesium anodes as required on the open market. This alternative is not recommended as the District would lose volume pricing and the product may not be available when required. This contract will provide favorable terms and conditions to the District, which would not be obtainable under an open-market purchase.

Rebid the Request for Quotation. This alternative is not recommended since the District engaged in a fair and competitive bid process and obtained bids that contained better pricing than expected.

Attachments

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

I:\Sec\2018 Board Related Items\031318 Board Agenda Items\FIN — Magnesium Anodes 031318.doc
**CONTRACT EQUITY PROGRAM SUMMARY (P-035)**

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

**TITLE:** Materials and Supplies
Magnesium Anodes - Three-Year Contract with 2 One-Year Renewal Options

**CONTRACTOR:** Corpro Companies, Inc.
Hayward, CA 94545

**QUOTATION NO.:** 1809
Local Business

**PERCENTAGE OF CONTRACT DOLLARS**

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<th>Contracting Objectives</th>
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<tr>
<td>White Women</td>
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<tr>
<td>Ethnic Minorities</td>
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**BID/PROPOSER'S PRICE:**
$292,244 /yr.*

**FIRM'S OWNERSHIP**

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**COMPANY NAME**

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<th>GENDER</th>
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<td>$292,244</td>
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**TOTAL**

$292,244 0.0% 0.0% 0.0% 0.0% 100.0% 0.0% 0.0%

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

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<th>White Women</th>
<th>Ethnic Minorities</th>
<th>Total Employees</th>
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<tr>
<td>13</td>
<td>2</td>
<td>16</td>
<td>31</td>
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</tbody>
</table>

**Percent of Total Employees:**
41.9% 6.5% 51.6%

**MSA Labor Market %:**
24.5% 21.6% 53.8%

**MSA Labor Market Location:** Alameda

**COMMENTS**

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

*Total Not to Exceed: $1,461,220 ($292,244 annually for three years with two (2) options for annual renewal)*

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<td>Title: Magnesium Anodes - Three-Year Contract with 2 One-Year Renewal Options</td>
<td>Ethnic Minority Percentages From U.S. Census Data</td>
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<tr>
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<td>562-922-1756</td>
<td>AA Plan on File: NA</td>
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<tr>
<td>Co. Wide MSA:</td>
<td>Alameda</td>
</tr>
</tbody>
</table>

| RP | WW | Company Wide | B | H | A/PI | AI/AN | TOTAL | PERCENT | MSA % |
| Farwest Corrosion Control Company Barbara Hoefer 12029 Regentview Avenue Downey, CA 90241 | Manager/Prof | 1 | 3 | 0 | 0 | 4 | 11.8% | 27.3% |
|          | Technical/Sales | 0 | 12 | 4 | 0 | 16 | 44.4% |
|          | Clerical/Skilled | 0 | 21 | 2 | 0 | 23 | 56.1% |
|          | Semi/Unskilled | 0 | 37 | 0 | 0 | 37 | 72.5% |
| Bay Area | 0 | 4 | 1 | 0 | 5 | 26.3% | 39.9% |
| 310-532-9524 | Co. Wide MSA: Total USA | # Employees-Co. Wide: 162 | Bay Area: 19 |

| RP | WM: SBE | Company Wide | B | H | A/PI | AI/AN | TOTAL | PERCENT | MSA % |
| MESA Sandra Samples 17902 Georgetown Lane Huntington Beach, CA 92647 | Manager/Prof | INFORMATION NOT PROVIDED | 0 | 1 | 3 | 0 | 4 | 44.4% | 28.8% |
|          | Technical/Sales | 0 | 0 | 2 | 0 | 2 | 66.7% |
|          | Clerical/Skilled | 0 | 0 | 1 | 0 | 1 | 20.0% |
|          | Semi/Unskilled | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Bay Area | 0 | 0 | 0 | 0 | 0 | 0.0% | 39.9% |
| 714-963-6202 | Co. Wide MSA: Orange | # Employees-Co. Wide: 9 | Bay Area: 0 |

| RP | EMM: A/PI - SBE | Company Wide | B | H | A/PI | AI/AN | TOTAL | PERCENT | MSA % |
| National Corrosion Christopher Tsutsui 5450 Katella Avenue, Suite 102 Los Alamitos, CA 90720 | Manager/Prof | 0 | 0 | 2 | 0 | 2 | 66.7% |
|          | Technical/Sales | 0 | 1 | 0 | 0 | 1 | 20.0% |
|          | Clerical/Skilled | 0 | 0 | 1 | 0 | 1 | 100.0% |
|          | Semi/Unskilled | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Bay Area | 0 | 0 | 0 | 0 | 0 | 0.0% | 39.9% |
| 949-632-8117 | Co. Wide MSA: Orange | # Employees-Co. Wide: 9 | Bay Area: 0 |

*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)*
AMEND EMPLOYMENT AGREEMENT OF THE GENERAL MANAGER

RECOMMENDED ACTION

Authorize a fourth amendment to the Agreement for Employment of Alexander R. Coate as General Manager of the East Bay Municipal Utility District effective March 13, 2018.

SUMMARY

Mr. Coate was appointed to the position of General Manager pursuant to an Agreement for Employment (Agreement) dated February 7, 2011. The Agreement was amended on February 14, 2012 to extend the term of the Agreement and to make changes in accordance with new law. The Agreement was also amended on March 25, 2014 to adjust the General Manager’s base salary to provide performance-based merit increases and to further extend the term of the Agreement. On February 23, 2016, the Agreement was amended to adjust the General Manager’s base salary to provide a performance-based merit increase, to extend the term of the Agreement by three years and to add language required under Internal Revenue Code section 409A and Government Code section 53243.

The proposed fourth amendment extends the term of Mr. Coate’s Agreement for Employment to July 15, 2021. The District’s Board of Directors shall have the option to extend the Agreement for two additional years after July 15, 2021. All other terms and conditions of the Agreement shall remain in full force and effect.

The proposed fourth amendment to the Agreement is attached as Exhibit A to the authorizing resolution.

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RESOLUTION NO.________________

AUTHORIZING FOURTH AMENDMENT
TO GENERAL MANAGER EMPLOYMENT AGREEMENT

Introduced by Director ; Seconded by Director

BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District hereby authorizes the President of the Board of Directors to execute a Fourth Amendment to the Agreement for Employment of Alexander R. Coate as General Manager for East Bay Municipal Utility District, in the form attached as Exhibit A, effective March 13, 2018.

ADOPTED this 13th day of March, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________
President

ATTEST:

__________________________
Secretary

APPROVED AS TO FORM AND PROCEDURE:

__________________________
General Counsel
FOURTH AMENDMENT TO AGREEMENT FOR EMPLOYMENT OF ALEXANDER R. COATE AS GENERAL MANAGER OF EAST BAY MUNICIPAL UTILITY DISTRICT

THIS FOURTH AMENDMENT TO THE AGREEMENT is entered into this 13th day of March, 2018 by and between EAST BAY MUNICIPAL UTILITY DISTRICT ("District") and Alexander R. Coate ("General Manager").

WITNESSETH

WHEREAS, on February 7, 2011, the parties entered into an agreement setting forth the terms and conditions of employment for the position of General Manager of the East Bay Municipal Utility District (herein set forth as "Agreement"); and

WHEREAS, the Agreement was subsequently amended on February 14, 2012 to extend the term of the Agreement and to make further changes in accordance with new law; and

WHEREAS, the Agreement was subsequently amended on March 25, 2014 to further adjust the Base Salary to provide performance-based merit increases and to extend the term of the Agreement; and

WHEREAS, the Agreement was subsequently amended on February 23, 2016 to include language required under Section 409A of the Internal Revenue Code and to include language required under Section 53243.4 of the California Government Code; as well as adjust the Base Salary to provide performance-based merit increases and to extend the term of the Agreement by three years; and

WHEREAS, it is the desire and intention of the parties to amend Section 7 of the Agreement to extend the term of the contract for an additional two years with an option to extend the contract thereafter for two additional years;

NOW, THEREFORE, THE PARTIES DO AGREE to amend the Agreement as follows:

1. Section 7 is amended to extend the term of the Agreement as follows:

   7. Term. The term of this Agreement shall extend to July 15, 2021. The District's Board of Directors shall have the option to extend this Agreement for two additional years after July 15, 2021.

2. Except as expressly provided herein, all other terms and conditions of the Agreement shall remain in full force and effect.
WHEREFORE, the parties have entered into this Fourth Amendment to the Agreement in Oakland, California, on the date first set forth above.

EAST BAY MUNICIPAL UTILITY DISTRICT

By:

Lesa R. McIntosh
President of the Board

Alexander R. Coate
General Manager
AMEND EMPLOYMENT AGREEMENT OF THE GENERAL COUNSEL

RECOMMENDED ACTION

Authorize a fourth amendment to the Agreement for Employment of Craig S. Spencer as General Counsel of the East Bay Municipal Utility District effective March 13, 2018.

SUMMARY

Mr. Spencer was appointed to the position of General Counsel pursuant to an Agreement for Employment (Agreement) dated January 13, 2015. The Agreement was amended on August 11, 2015 to extend the time for review of the General Counsel’s performance and salary from six (6) months to twelve (12) months to allow review of the General Counsel’s and General Manager’s performance and salary to be on the same schedule. The Agreement was also amended on February 23, 2016 to provide a performance-based merit increase and to add language required under Internal Revenue Code section 409A, and on January 23, 2018 to extend the term of Mr. Spencer’s Agreement from January 28, 2018 to March 28, 2018 and to add language required under Government Code section 53243, et seq. The proposed fourth amendment will extend the term of Mr. Spencer’s Agreement for Employment for an additional four (4) years, up to July 15, 2022. All other terms and conditions of the Agreement shall remain in full force and effect.

The proposed fourth amendment to the Agreement is attached as Exhibit A to the authorizing resolution.

I:\Sec\2018 Board Related Items\031318 Board Agenda Items\HRD\Amend Employment Agreement of the General Counsel.doc

Funds Available: Budget Code:

<table>
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<tr>
<th>DEPARTMENT SUBMITTING</th>
<th>DEPARTMENT MANAGER or DIRECTOR</th>
<th>APPROVED</th>
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<tbody>
<tr>
<td>Human Resources</td>
<td>Laura A. Brunson</td>
<td>General Manager</td>
</tr>
</tbody>
</table>

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

AUTHORIZING FOURTH AMENDMENT
TO GENERAL COUNSEL EMPLOYMENT AGREEMENT

Introduced by Director ; Seconded by Director

BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District hereby authorizes the President of the Board of Directors to execute a Fourth Amendment to the Agreement for Employment of Craig S. Spencer as General Counsel for East Bay Municipal Utility District, in the form attached as Exhibit A, effective March 13, 2018.

ADOPTED this 13th day of March, 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

__________________________________________  President

ATTEST:

__________________________________________  Secretary

APPROVED AS TO FORM AND PROCEDURE:

__________________________________________  General Counsel

{00024555;1}
FOURTH AMENDMENT TO AGREEMENT
FOR EMPLOYMENT OF CRAIG S. SPENCER AS
GENERAL COUNSEL OF EAST BAY MUNICIPAL UTILITY DISTRICT

THIS FOURTH AMENDMENT TO THE AGREEMENT is entered into this 13th day of March, 2018 by and between EAST BAY MUNICIPAL UTILITY DISTRICT ("District") and Craig S. Spencer ("General Counsel").

WITNESSETH

WHEREAS, on January 13, 2015, the parties entered into an agreement setting forth the terms and conditions of employment for the position of General Counsel of East Bay Municipal Utility District (herein set forth as "Agreement"); and

WHEREAS, the Agreement was subsequently amended on August 11, 2015 to extend the time for review of the General Counsel’s performance and salary from six months to twelve months following commencement of the term of the Agreement; and

WHEREAS, the Agreement was subsequently amended on February 23, 2016 to adjust the Base Salary to provide a performance-based merit increase and to amend Section 5 of the Agreement to include language required under Section 409A of the Internal Revenue Code; and

WHEREAS, the Agreement was subsequently amended on January 23, 2018 to extend the term of the contract from January 28, 2018 to March 28, 2018 and to add language required under Government Code Section 53243, et seq.; and

WHEREAS, it is the desire and intention of the parties to amend Section 5 of the Agreement to extend the term of the contract for an additional four years;

NOW, THEREFORE, THE PARTIES DO AGREE to amend the Agreement as follows:

1. The term of the Agreement as specified under Section 5 is hereby extended to July 15, 2022.

2. Except as expressly provided herein, all other terms and conditions of the Agreement shall remain in full force and effect.

WHEREFORE, the parties have entered into this Fourth Amendment to the Agreement in Oakland, California, on the date first set forth above.

EAST BAY MUNICIPAL UTILITY DISTRICT

By: ____________________________   ____________________________
    Lesa R. McIntosh                     Craig S. Spencer
    President of the Board               General Counsel
DATE: March 8, 2018

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager

SUBJECT: Legislative Report No. 02-18

The following issues are being referred to the Legislative/Human Resources Committee for review and recommendation to the Board of Directors for action, as appropriate.

RECOMMENDED ACTION

Approve positions on the following bills: 1) Support SB 1496 (Committee on Governance and Finance) Validations; 2) Support SB 1497 (Committee on Governance and Finance) Validations; and 3) Support SB 1499 (Committee on Governance and Finance) Validations.

<table>
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<tr>
<th>STATE LEGISLATION</th>
<th>VALIDATIONS</th>
<th>RECOMMENDED POSITION</th>
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<tr>
<td>SB 1496, SB 1497,</td>
<td>VALIDATIONS</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 1499 (Committee on Governance and Finance)</td>
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SB 1496, SB 1497, and SB 1499 (Committee on Governance and Finance) would enact the Validating Acts of 2018. The legislature usually enacts three bills known as the Validating Acts each year to retroactively correct procedural errors or omissions that public officials of state agencies, cities, counties, and special districts may make inadvertently.

Banks, pension funds, and other investors will not buy municipal securities unless they are sound investments. Without the enactment of Validating Acts to cure minor errors that could undermine a bond’s legal integrity, bond counsel would be reluctant to certify public agencies’ bonds as good risks because of potential mistakes that could invalidate future payments. Safer bonds mean higher ratings and lower costs.

While the three Validating Acts save California taxpayers millions of dollars by protecting investors from minor procedural mistakes that might otherwise imperil bonds, boundary changes, proceedings, and other official acts, they will not cure fraudulent, illegal, or unconstitutional
actions. A Validating Act cannot protect public officials who have acted illegally from prosecution.

EBMUD has historically supported the Validating Acts. Most recently, in 2017, EBMUD’s Board adopted a “support” position on the Validating Acts of 2017, SB 206, SB 207, and SB 208, which were signed into law (Chapter 57, Chapter 58, and Chapter 59 of 2017, respectively). There are currently no entities listed in support or opposition to SB 1496, SB 1497, and SB 1499.

ARC:MD:JW

Attachments
An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL’S DIGEST

SB 1496, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the Second Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

This bill would declare that it is to take effect immediately as an urgency statute.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the
3 SEC. 2. As used in this act:
4 (a) “Public body” means all of the following:
5 (1) The state and all departments, agencies, boards,
6 commissions, and authorities of the state. Except as provided in
paragraph (2), “public body” also means all cities, counties, cities and counties, districts, authorities, agencies, boards, commissions, and other entities, whether created by a general statute or a special act, including, but not limited to, the following:

- Agencies, boards, commissions, or entities constituted or provided for under or pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code).
- Affordable housing authorities.
- Air pollution control districts of any kind.
- Air quality management districts.
- Airport districts.
- Assessment districts, benefit assessment districts, and special assessment districts of any public body.
- Bridge and highway districts.
- California water districts.
- Citrus pest control districts.
- City maintenance districts.
- Community college districts.
- Community development commissions in their capacity to act as a housing authority for other community development purposes of the jurisdiction in which the commission operates, except for any action taken with respect to the commission’s authority to act as a community redevelopment agency.
- Community facilities districts.
- Community rehabilitation districts.
- Community revitalization and investment authorities.
- Community services districts.
- Conservancy districts.
- Cotton pest abatement districts.
- County boards of education.
- County drainage districts.
- County flood control and water districts.
- County free library systems.
- County maintenance districts.
- County sanitation districts.
- County service areas.
- County transportation commissions.
- County water agencies.
- County water authorities.
County water districts.
County waterworks districts.
Department of Water Resources and other agencies acting pursuant to Part 3 (commencing with Section 11100) of Division 6 of the Water Code.
Distribution districts of any public body.
Drainage districts.
Enhanced infrastructure financing districts.
Fire protection districts.
Flood control and water conservation districts.
Flood control districts.
Garbage and refuse disposal districts.
Garbage disposal districts.
Geologic hazard abatement districts.
Harbor districts.
Harbor improvement districts.
Harbor, recreation, and conservation districts.
Health care authorities.
Highway districts.
Highway interchange districts.
Highway lighting districts.
Housing authorities.
Improvement districts or improvement areas of any public body.
Industrial development authorities.
Infrastructure financing districts.
Integrated financing districts.
Irrigation districts.
Joint highway districts.
Levee districts.
Library districts.
Library districts in unincorporated towns and villages.
Local agency formation commissions.
Local health care districts.
Local health districts.
Local hospital districts.
Local transportation authorities or commissions.
Maintenance districts.
Memorial districts.
Metropolitan transportation commissions.
Metropolitan water districts.
Mosquito abatement and vector control districts.
Multifamily improvement districts.
Municipal improvement districts.
Municipal utility districts.
Municipal water districts.
Nonprofit corporations.
Nonprofit public benefit corporations.
Open-space maintenance districts.
Parking and business improvement areas.
Parking authorities.
Parking districts.
Permanent road divisions.
Pest abatement districts.
Police protection districts.
Port districts.
Property and business improvement areas.
Protection districts.
Public cemetery districts.
Public utility districts.
Rapid transit districts.
Reclamation districts.
Recreation and park districts.
Regional justice facility financing agencies.
Regional park and open-space districts.
Regional planning districts.
Regional transportation commissions.
Resort improvement districts.
Resource conservation districts.
River port districts.
Road maintenance districts.
Sanitary districts.
School districts of any kind or class.
School facilities improvement districts.
Separation of grade districts.
Service authorities for freeway emergencies.
Sewer districts.
Sewer maintenance districts.
Small craft harbor districts.
Special municipal tax districts.
Stone and pome fruit pest control districts.
Storm drain maintenance districts.
Storm drainage districts.
Storm drainage maintenance districts.
Storm water districts.
Toll tunnel authorities.
Traffic authorities.
Transit development boards.
Transit districts.
Unified and union school districts’ public libraries.
Vehicle parking districts.
Water agencies.
Water authorities.
Water conservation districts.
Water districts.
Water replenishment districts.
Water storage districts.
Watermaster districts.
Wine grape pest and disease control districts.
Zones, improvement zones, or service zones of any public body.

(2) Notwithstanding paragraph (1), a “public body” does not include any of the following:

(A) A community redevelopment agency formed pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).

(B) A community development commission, with respect to its exercise of the powers of a community redevelopment agency.

(C) A joint powers authority that includes a community redevelopment agency or a community development commission as a member, with respect to its exercise of the powers of a community redevelopment agency.

(3) “Public body” includes both of the following:

(A) The successor agency to the Redevelopment Agency of the City and County of San Francisco, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.7 of the Health and Safety Code.

(B) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.5 of the Health and Safety Code.
(b) “Bonds” means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, all leases, installment purchase agreements, or similar agreements wherein the obligor is one or more public bodies, all instruments evidencing the borrowing of money in anticipation of taxes, revenues, or other income of that body, all instruments payable from revenues or special funds of those public bodies, all certificates of participation evidencing interests in the leases, installment purchase agreements, or similar agreements, and all instruments funding, refunding, replacing, or amending any thereof or any indebtedness.

(c) “Hereafter” means any time subsequent to the effective date of this act.

(d) “Heretofore” means any time prior to the effective date of this act.

(e) “Now” means the effective date of this act.

SEC. 3. All public bodies heretofore organized or existing under any law, or under color of any law, are hereby declared to have been legally organized and to be legally functioning as those public bodies. Every public body, heretofore described, shall have all the rights, powers, and privileges, and be subject to all the duties and obligations, of those public bodies regularly formed pursuant to law.

SEC. 4. The boundaries of every public body as heretofore established, defined, or recorded, or as heretofore actually shown on maps or plats used by the assessor, are hereby confirmed, validated, and declared legally established.

SEC. 5. All acts and proceedings heretofore taken by any public body or bodies under any law, or under color of any law, for the annexation or inclusion of territory into those public bodies or for the annexation of those public bodies to any other public body or for the detachment, withdrawal, or exclusion of territory from any public body or for the consolidation, merger, or dissolution of any public bodies are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of any public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the annexation or inclusion or of the withdrawal or exclusion of territory or the consolidation, merger, or dissolution of those public bodies.
SEC. 6. (a) All acts and proceedings heretofore taken by or on behalf of any public body under any law, or under color of any law, for, or in connection with, the authorization, issuance, sale, execution, delivery, or exchange of bonds of any public body for any public purpose are hereby authorized, confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of public bodies and of any person, public officer, board, or agency heretofore done or taken upon the question of the authorization, issuance, sale, execution, delivery, or exchange of bonds.

(b) All bonds of, or relating to, any public body heretofore issued shall be, in the form and manner issued and delivered, the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore awarded and sold to a purchaser and hereafter issued and delivered in accordance with the contract of sale and other proceedings for the award and sale shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued by ordinance, resolution, order, or other action adopted or taken by or on behalf of the public body and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued at an election and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, those bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and delivered in accordance with that authorization, shall be the legal, valid, and binding obligations of the public body.

SEC. 7. (a) This act shall operate to supply legislative authorization as may be necessary to authorize, confirm, and validate any acts and proceedings heretofore taken pursuant to authority the Legislature could have supplied or provided for in the law under which those acts or proceedings were taken.

(b) This act shall be limited to the validation of acts and proceedings to the extent that the same can be effectuated under the California Constitution and the United States Constitution.
(c) This act shall not operate to authorize, confirm, validate, or
legalize any act, proceeding, or other matter being legally contested
or inquired into in any legal proceeding now pending and
undetermined or that is pending and undetermined during the
period of 30 days from and after the effective date of this act.
(d) This act shall not operate to authorize, confirm, validate, or
legalize any act, proceeding, or other matter that has heretofore
been determined in any legal proceeding to be illegal, void, or
ineffective.
(e) This act shall not operate to authorize, confirm, validate, or
legalize a contract between any public body and the United States.
SEC. 8. Any action or proceeding contesting the validity of
any action or proceeding heretofore taken under any law, or under
color of any law, for the formation, organization, or incorporation
of any public body, or for any annexation thereto, detachment or
exclusion therefrom, or other change of boundaries thereof, or for
the consolidation, merger, or dissolution of any public bodies, or
for, or in connection with, the authorization, issuance, sale,
execution, delivery, or exchange of bonds thereof upon any ground
involving any alleged defect or illegality not effectively validated
by the prior provisions of this act and not otherwise barred by any
statute of limitations or by laches shall be commenced within six
months of the effective date of this act, otherwise each and all of
those matters shall be held to be valid and in every respect legal
and incontestable. This act shall not extend the period allowed for
legal action beyond the period that it would be barred by any
presently existing valid statute of limitations.
SEC. 9. Nothing contained in this act shall be construed to
render the creation of any public body, or any change in the
boundaries of any public body, effective for purposes of assessment
or taxation unless the statement, together with the map or plat,
required to be filed pursuant to Chapter 8 (commencing with
Section 54900) of Part 1 of Division 2 of Title 5 of the Government
Code, is filed within the time and substantially in the manner
required by those sections.
SEC. 10. This act shall become operative on September 1,
2018.
SEC. 11. This act is an urgency statute necessary for the
immediate preservation of the public peace, health, or safety within
the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to validate the organization, boundaries, acts, proceedings, and bonds of public bodies as soon as possible, it is necessary that this act take immediate effect.
An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL’S DIGEST

SB 1497, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the First Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

This bill would declare that it is to take effect immediately as an urgency statute.


State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known, and may be cited, as the First Validating Act of 2018.

SEC. 2. As used in this act:

(a) “Public body” means all of the following:

(1) The state and all departments, agencies, boards, commissions, and authorities of the state. Except as provided in
paragraph (2), “public body” also means all cities, counties, cities
and counties, districts, authorities, agencies, boards, commissions,
and other entities, whether created by a general statute or a special
act, including, but not limited to, the following:
Agencies, boards, commissions, or entities constituted or
provided for under or pursuant to the Joint Exercise of Powers Act
(Chapter 5 (commencing with Section 6500) of Division 7 of Title
Affordable housing authorities.
Air pollution control districts of any kind.
Air quality management districts.
Airport districts.
Assessment districts, benefit assessment districts, and special
assessment districts of any public body.
Bridge and highway districts.
California water districts.
Citrus pest control districts.
City maintenance districts.
Community college districts.
Community development commissions in their capacity to act
as a housing authority for other community development purposes
of the jurisdiction in which the commission operates, except for
any action taken with respect to the commission’s authority to act
as a community redevelopment agency.
Community facilities districts.
Community rehabilitation districts.
Community revitalization and investment authorities.
Community services districts.
Conservancy districts.
Cotton pest abatement districts.
County boards of education.
County drainage districts.
County flood control and water districts.
County free library systems.
County maintenance districts.
County sanitation districts.
County service areas.
County transportation commissions.
County water agencies.
County water authorities.
County water districts.
County waterworks districts.
Department of Water Resources and other agencies acting pursuant to Part 3 (commencing with Section 11100) of Division 6 of the Water Code.
Distribution districts of any public body.
Drainage districts.
Enhanced infrastructure financing districts.
Fire protection districts.
Flood control and water conservation districts.
Flood control districts.
Garbage and refuse disposal districts.
Garbage disposal districts.
Geologic hazard abatement districts.
Harbor districts.
Harbor improvement districts.
Harbor, recreation, and conservation districts.
Health care authorities.
Highway districts.
Highway interchange districts.
Highway lighting districts.
Housing authorities.
Improvement districts or improvement areas of any public body.
Industrial development authorities.
Infrastructure financing districts.
Integrated financing districts.
Irrigation districts.
Joint highway districts.
Levee districts.
Library districts.
Library districts in unincorporated towns and villages.
Local agency formation commissions.
Local health care districts.
Local health districts.
Local hospital districts.
Local transportation authorities or commissions.
Maintenance districts.
Memorial districts.
Metropolitan transportation commissions.
Metropolitan water districts.
Mosquito abatement and vector control districts.
Multifamily improvement districts.
Municipal improvement districts.
Municipal utility districts.
Municipal water districts.
Nonprofit corporations.
Nonprofit public benefit corporations.
Open-space maintenance districts.
Parking and business improvement areas.
Parking authorities.
Parking districts.
Permanent road divisions.
Pest abatement districts.
Police protection districts.
Port districts.
Property and business improvement areas.
Protection districts.
Public cemetery districts.
Public utility districts.
Rapid transit districts.
Reclamation districts.
Recreation and park districts.
Regional justice facility financing agencies.
Regional park and open-space districts.
Regional planning districts.
Regional transportation commissions.
Resort improvement districts.
Resource conservation districts.
River port districts.
Road maintenance districts.
Sanitary districts.
School districts of any kind or class.
School facilities improvement districts.
Separation of grade districts.
Service authorities for freeway emergencies.
Sewer districts.
Sewer maintenance districts.
Small craft harbor districts.
Special municipal tax districts.
Stone and pome fruit pest control districts.
Storm drain maintenance districts.
Storm drainage districts.
Storm drainage maintenance districts.
Storm water districts.
Toll tunnel authorities.
Traffic authorities.
Transit development boards.
Transit districts.
Unified and union school districts’ public libraries.
Vehicle parking districts.
Water agencies.
Water authorities.
Water conservation districts.
Water districts.
Water replenishment districts.
Water storage districts.
Watermaster districts.
Wine grape pest and disease control districts.
Zones, improvement zones, or service zones of any public body.

(2) Notwithstanding paragraph (1), a “public body” does not include any of the following:

(A) A community redevelopment agency formed pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).

(B) A community development commission, with respect to its exercise of the powers of a community redevelopment agency.

(C) A joint powers authority that includes a community redevelopment agency or a community development commission as a member, with respect to its exercise of the powers of a community redevelopment agency.

(3) “Public body” includes both of the following:

(A) The successor agency to the Redevelopment Agency of the City and County of San Francisco, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.7 of the Health and Safety Code.

(B) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.5 of the Health and Safety Code.
(b) “Bonds” means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, all leases, installment purchase agreements, or similar agreements wherein the obligor is one or more public bodies, all instruments evidencing the borrowing of money in anticipation of taxes, revenues, or other income of that body, all instruments payable from revenues or special funds of those public bodies, all certificates of participation evidencing interests in the leases, installment purchase agreements, or similar agreements, and all instruments funding, refunding, replacing, or amending any thereof or any indebtedness.

(c) “Hereafter” means any time subsequent to the effective date of this act.

(d) “Heretofore” means any time prior to the effective date of this act.

(e) “Now” means the effective date of this act.

SEC. 3. All public bodies heretofore organized or existing under any law, or under color of any law, are hereby declared to have been legally organized and to be legally functioning as those public bodies. Every public body, heretofore described, shall have all the rights, powers, and privileges, and be subject to all the duties and obligations, of those public bodies regularly formed pursuant to law.

SEC. 4. The boundaries of every public body as heretofore established, defined, or recorded, or as heretofore actually shown on maps or plats used by the assessor, are hereby confirmed, validated, and declared legally established.

SEC. 5. All acts and proceedings heretofore taken by any public body or bodies under any law, or under color of any law, for the annexation or inclusion of territory into those public bodies or for the annexation of those public bodies to any other public body or for the detachment, withdrawal, or exclusion of territory from any public body or for the consolidation, merger, or dissolution of any public bodies are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of any public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the annexation or inclusion or of the withdrawal or exclusion of territory or the consolidation, merger, or dissolution of those public bodies.
SEC. 6. (a) All acts and proceedings heretofore taken by or on behalf of any public body under any law, or under color of any law, for, or in connection with, the authorization, issuance, sale, execution, delivery, or exchange of bonds of any public body for any public purpose are hereby authorized, confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of public bodies and of any person, public officer, board, or agency heretofore done or taken upon the question of the authorization, issuance, sale, execution, delivery, or exchange of bonds.

(b) All bonds of, or relating to, any public body heretofore issued shall be, in the form and manner issued and delivered, the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore awarded and sold to a purchaser and hereafter issued and delivered in accordance with the contract of sale and other proceedings for the award and sale shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued by ordinance, resolution, order, or other action adopted or taken by or on behalf of the public body and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued at an election and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, those bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and delivered in accordance with that authorization, shall be the legal, valid, and binding obligations of the public body.

SEC. 7. (a) This act shall operate to supply legislative authorization as may be necessary to authorize, confirm, and validate any acts and proceedings heretofore taken pursuant to authority the Legislature could have supplied or provided for in the law under which those acts or proceedings were taken.

(b) This act shall be limited to the validation of acts and proceedings to the extent that the same can be effectuated under the California Constitution and the United States Constitution.
(c) This act shall not operate to authorize, confirm, validate, or legalize any act, proceeding, or other matter being legally contested or inquired into in any legal proceeding now pending and undetermined or that is pending and undetermined during the period of 30 days from and after the effective date of this act.

(d) This act shall not operate to authorize, confirm, validate, or legalize any act, proceeding, or other matter that has heretofore been determined in any legal proceeding to be illegal, void, or ineffective.

(e) This act shall not operate to authorize, confirm, validate, or legalize a contract between any public body and the United States.

SEC. 8. Any action or proceeding contesting the validity of any action or proceeding heretofore taken under any law, or under color of any law, for the formation, organization, or incorporation of any public body, or for any annexation thereto, detachment or exclusion therefrom, or other change of boundaries thereof, or for the consolidation, merger, or dissolution of any public bodies, or for, or in connection with, the authorization, issuance, sale, execution, delivery, or exchange of bonds thereof upon any ground involving any alleged defect or illegality not effectively validated by the prior provisions of this act and not otherwise barred by any statute of limitations or by laches shall be commenced within six months of the effective date of this act, otherwise each and all of those matters shall be held to be valid and in every respect legal and incontestable. This act shall not extend the period allowed for legal action beyond the period that it would be barred by any presently existing valid statute of limitations.

SEC. 9. Nothing contained in this act shall be construed to render the creation of any public body, or any change in the boundaries of any public body, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed pursuant to Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code, is filed within the time and substantially in the manner required by those sections.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
In order to validate the organization, boundaries, acts, proceedings, and bonds of public bodies as soon as possible, it is necessary that this act take immediate effect.
An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced.

LEGISLATIVE COUNSEL'S DIGEST

SB 1499, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the Third Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.


The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the Third Validating Act of 2018.
2 SEC. 2. As used in this act:
3 (a) “Public body” means all of the following:
4 (1) The state and all departments, agencies, boards, commissions, and authorities of the state. Except as provided in paragraph (2), “public body” also means all cities, counties, cities and counties, districts, authorities, agencies, boards, commissions,
and other entities, whether created by a general statute or a special act, including, but not limited to, the following:

- Agencies, boards, commissions, or entities constituted or provided for under or pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code).
- Affordable housing authorities.
- Air pollution control districts of any kind.
- Air quality management districts.
- Airport districts.
- Assessment districts, benefit assessment districts, and special assessment districts of any public body.
- Bridge and highway districts.
- California water districts.
- Citrus pest control districts.
- City maintenance districts.
- Community college districts.
- Community development commissions in their capacity to act as a housing authority for other community development purposes of the jurisdiction in which the commission operates, except for any action taken with respect to the commission’s authority to act as a community redevelopment agency.
- Community facilities districts.
- Community rehabilitation districts.
- Community revitalization and investment authorities.
- Community services districts.
- Conservancy districts.
- Cotton pest abatement districts.
- County boards of education.
- County drainage districts.
- County flood control and water districts.
- County free library systems.
- County maintenance districts.
- County sanitation districts.
- County service areas.
- County transportation commissions.
- County water agencies.
- County water authorities.
- County water districts.
- County waterworks districts.
Department of Water Resources and other agencies acting pursuant to Part 3 (commencing with Section 11100) of Division 6 of the Water Code.

Distribution districts of any public body.

Drainage districts.

Enhanced infrastructure financing districts.

Fire protection districts.

Flood control and water conservation districts.

Flood control districts.

Garbage and refuse disposal districts.

Garbage disposal districts.

Geologic hazard abatement districts.

Harbor districts.

Harbor improvement districts.

Harbor, recreation, and conservation districts.

Health care authorities.

Highway districts.

Highway interchange districts.

Highway lighting districts.

Housing authorities.

Improvement districts or improvement areas of any public body.

Industrial development authorities.

Infrastructure financing districts.

Integrated financing districts.

Irrigation districts.

Joint highway districts.

Levee districts.

Library districts.

Library districts in unincorporated towns and villages.

Local agency formation commissions.

Local health care districts.

Local health districts.

Local hospital districts.

Local transportation authorities or commissions.

Maintenance districts.

Memorial districts.

Metropolitan transportation commissions.

Metropolitan water districts.

Mosquito abatement and vector control districts.

Multifamily improvement districts.
Municipal improvement districts.
Municipal utility districts.
Municipal water districts.
Nonprofit corporations.
Nonprofit public benefit corporations.
Open-space maintenance districts.
Parking and business improvement areas.
Parking authorities.
Parking districts.
Permanent road divisions.
Pest abatement districts.
Police protection districts.
Port districts.
Property and business improvement areas.
Protection districts.
Public cemetery districts.
Public utility districts.
Rapid transit districts.
Reclamation districts.
Recreation and park districts.
Regional justice facility financing agencies.
Regional park and open-space districts.
Regional planning districts.
Regional transportation commissions.
Resort improvement districts.
Resource conservation districts.
River port districts.
Road maintenance districts.
Sanitary districts.
School districts of any kind or class.
School facilities improvement districts.
Separation of grade districts.
Service authorities for freeway emergencies.
Sewer districts.
Sewer maintenance districts.
Small craft harbor districts.
Special municipal tax districts.
Stone and pome fruit pest control districts.
Storm drain maintenance districts.
Storm drainage districts.
Storm drainage maintenance districts.
Storm water districts.
Toll tunnel authorities.
Traffic authorities.
Transit development boards.
Transit districts.
Unified and union school districts’ public libraries.
Vehicle parking districts.
Water agencies.
Water authorities.
Water conservation districts.
Water districts.
Water replenishment districts.
Water storage districts.
Watermaster districts.
Wine grape pest and disease control districts.
Zones, improvement zones, or service zones of any public body.
(2) Notwithstanding paragraph (1), a “public body” does not include any of the following:
(A) A community redevelopment agency formed pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).
(B) A community development commission, with respect to its exercise of the powers of a community redevelopment agency.
(C) A joint powers authority that includes a community redevelopment agency or a community development commission as a member, with respect to its exercise of the powers of a community redevelopment agency.
(3) “Public body” includes both of the following:
(A) The successor agency to the Redevelopment Agency of the City and County of San Francisco, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.7 of the Health and Safety Code.
(B) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, solely for the purpose of issuing bonds or incurring other indebtedness pursuant to the provisions of Section 34177.5 of the Health and Safety Code.
(b) “Bonds” means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, all leases, installment purchase agreements, or similar agreements.
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evidencing the borrowing of money in anticipation of taxes,
revenues, or other income of that body, all instruments payable
from revenues or special funds of those public bodies, all
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or any indebtedness.
(c) “Hereafter” means any time subsequent to the effective date
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body or bodies under any law, or under color of any law, for the
annexation or inclusion of territory into those public bodies or for
the annexation of those public bodies to any other public body or
for the detachment, withdrawal, or exclusion of territory from any
public body or for the consolidation, merger, or dissolution of any
public bodies are hereby confirmed, validated, and declared legally
effective. This shall include all acts and proceedings of the
governing board of any public body and of any person, public
officer, board, or agency heretofore done or taken upon the question
of the annexation or inclusion or of the withdrawal or exclusion
of territory or the consolidation, merger, or dissolution of those
public bodies.
SEC. 6. (a) All acts and proceedings heretofore taken by or
on behalf of any public body under any law, or under color of any
law, for, or in connection with, the authorization, issuance, sale,
execution, delivery, or exchange of bonds of any public body for any public purpose are hereby authorized, confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of public bodies and of any person, public officer, board, or agency heretofore done or taken upon the question of the authorization, issuance, sale, execution, delivery, or exchange of bonds.

(b) All bonds of, or relating to, any public body heretofore issued shall be, in the form and manner issued and delivered, the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore awarded and sold to a purchaser and hereafter issued and delivered in accordance with the contract of sale and other proceedings for the award and sale shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued by ordinance, resolution, order, or other action adopted or taken by or on behalf of the public body and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. All bonds of, or relating to, any public body heretofore authorized to be issued at an election and hereafter issued and delivered in accordance with that authorization shall be the legal, valid, and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, those bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and delivered in accordance with that authorization, shall be the legal, valid, and binding obligations of the public body.

SEC. 7. (a) This act shall operate to supply legislative authorization as may be necessary to authorize, confirm, and validate any acts and proceedings heretofore taken pursuant to authority the Legislature could have supplied or provided for in the law under which those acts or proceedings were taken.

(b) This act shall be limited to the validation of acts and proceedings to the extent that the same can be effectuated under the California Constitution and the United States Constitution.

(c) This act shall not operate to authorize, confirm, validate, or legalize any act, proceeding, or other matter being legally contested or inquired into in any legal proceeding now pending and
undetermined or that is pending and undetermined during the
period of 30 days from and after the effective date of this act.

(d) This act shall not operate to authorize, confirm, validate, or
legalize any act, proceeding, or other matter that has heretofore
been determined in any legal proceeding to be illegal, void, or
ineffective.

(e) This act shall not operate to authorize, confirm, validate, or
legalize a contract between any public body and the United States.

SEC. 8. Any action or proceeding contesting the validity of
any action or proceeding heretofore taken under any law, or under
color of any law, for the formation, organization, or incorporation
of any public body, or for any annexation thereto, detachment or
exclusion therefrom, or other change of boundaries thereof, or for
the consolidation, merger, or dissolution of any public bodies, or
for, or in connection with, the authorization, issuance, sale,
execution, delivery, or exchange of bonds thereof upon any ground
involving any alleged defect or illegality not effectively validated
by the prior provisions of this act and not otherwise barred by any
statute of limitations or by laches shall be commenced within six
months of the effective date of this act, otherwise each and all of
those matters shall be held to be valid and in every respect legal
and incontestable. This act shall not extend the period allowed for
legal action beyond the period that it would be barred by any
presently existing valid statute of limitations.

SEC. 9. Nothing contained in this act shall be construed to
render the creation of any public body, or any change in the
boundaries of any public body, effective for purposes of assessment
or taxation unless the statement, together with the map or plat,
required to be filed pursuant to Chapter 8 (commencing with
Section 54900) of Part 1 of Division 2 of Title 5 of the Government
Code, is filed within the time and substantially in the manner
required by those sections.
AGENDA NO. 7
MEETING DATE March 13, 2018

TITLE 2018 LOCAL HAZARD MITIGATION PLAN

☐ MOTION ☑ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Adopt the 2018 East Bay Municipal Utility District Local Hazard Mitigation Plan (LHMP).

SUMMARY

The LHMP identifies risks and vulnerabilities associated with natural disasters, and assists with developing long-term strategies for protecting people and property from future hazardous events. An approved LHMP makes the District eligible for grant funding to support projects that mitigate natural disaster damages. As required by federal law, LHMPs must be updated at least once every five years. The Board adopted the 2016 LHMP on October 25, 2016, and the plan was submitted to the California Office of Emergency Services (Cal OES) and the Federal Emergency Management Agency (FEMA) for review and approval. The LHMP has been modified based on those reviews. FEMA notified staff that the LHMP is approved pending the Board’s adoption of the plan.

DISCUSSION

The Federal Disaster Mitigation Act (FDMA) of 2000 provides the legal basis for FEMA mitigation grant assistance. The FDMA outlines a process that cities, counties, and special districts must follow to develop a LHMP in order to qualify for mitigation grants. A LHMP identifies steps that help avoid, reduce, alleviate, or mitigate disaster damages. The District’s LHMP describes the disasters likely to affect the District, details mitigation activities completed over the last five years, and presents potential mitigation goals, priorities, and strategies to reduce the impact of the natural disasters that could affect the District in the future.

The District’s LHMP has been reviewed by Cal OES, and modified based on their comments. The plan was sent to FEMA in late 2017. FEMA completed its review and notified the District on January 30, 2018 that the District’s plan was approved pending Board adoption of the plan. Once the LHMP is adopted, FEMA’s final approval of the plan will be immediate. The LHMP supports the District’s Customer and Community Services Strategic Plan goal.

<table>
<thead>
<tr>
<th>Funds Available: FY</th>
<th>Budget Code:</th>
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</thead>
<tbody>
<tr>
<td>DEPARTMENT SUBMITTING</td>
<td>DEPARTMENT MANAGER or DIRECTOR</td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>Clifford C. Chan</td>
</tr>
</tbody>
</table>

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

Economic

Adoption of the LHMP allows the District to be eligible for mitigation project grant funding to minimize the potential for catastrophic loss before an event occurs. At the October 24, 2017 Board meeting, the Board authorized staff to apply for Hazard Mitigation Grant Program funding for the Briones Tower Upgrades Project in an amount up to $3 million and the Moraga Creek Flood and Erosion Control Project in an amount up to $3 million. These grant applications cannot proceed without LHMP adoption.

Social

The LHMP and any resulting projects help reduce long-term risk to life and property from natural disasters, and improves the reliability and resilience of the water system.

Environmental

The LHMP and any resulting projects help reduce long-term risk to the environment from natural disasters.

ALTERNATIVE

Do not adopt the Local Hazard Mitigation Plan. This alternative is not recommended because the District will not be eligible for project grant funding to mitigate natural hazards and/or disasters without a LHMP.

Attachment

I:\Sec\2018 Board Related Items\031318 Board Agenda Items\OMD\2018 Local Hazard Mitigation Plan.doc
RESOLUTION NO.__________________

THE 2018 EAST BAY MUNICIPAL UTILITY DISTRICT
LOCAL HAZARD MITIGATION PLAN

Introduced by Director ; Seconded by Director

WHEREAS, the East Bay Municipal Utility District’s (District) facilities and infrastructure from the foothills of the Sierras to the Bay Area are subject to various earthquake-related hazards, such as ground shaking, liquefaction, landslides, fault surface rupture and tsunamis; and

WHEREAS, District facilities are also subject to various weather-related hazards including wildfires, droughts, floods, and landslides; and

WHEREAS, the District recognizes that natural disasters are not confined within city, county, or special district boundaries; and

WHEREAS, the District seeks to maintain and enhance disaster preparedness policies and procedures that will benefit the District and surrounding region by reducing the potential loss of life, property damage, and environmental degradation from natural disasters, while accelerating economic recovery from those disasters; and

WHEREAS, the District is committed to increasing the disaster resistance of the infrastructure, health, housing, economy, government services, education, environment, and land use systems in each of the six counties where the District owns and operates critical infrastructure; and

WHEREAS, the Federal Disaster Mitigation Act of 2000 (42 U.S.C. § 5133 et seq.) requires all cities, counties, and special districts to have adopted a Local Hazard Mitigation Plan (LHMP or Plan) in order to qualify to receive disaster mitigation funding from the Federal Emergency Management Agency (FEMA); and

WHEREAS, the District developed a LHMP that describes the disasters likely to affect the District, details mitigation activities completed over the last five years, and presents potential mitigation goals, priorities, and strategies to reduce the impact of the natural disasters that could impact the District in the future; and

WHEREAS, the District’s Board of Directors adopted the LHMP on October 25, 2016, and the Plan was submitted to the California Office of Emergency Services and FEMA for review and approval; and

WHEREAS, the LHMP has been modified based on those reviews, and FEMA has approved the Plan pending the Board’s adoption of the Plan;
NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District hereby adopts the 2018 East Bay Municipal Utility District Local Hazard Mitigation Plan.

BE IT FURTHER RESOLVED that the District commits, and the General Manager and his designees are authorized, to take all actions identified as appropriate in the District’s Local Hazard Mitigation Plan.

Adopted this 13th day of March, 2018 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________________________  President

ATTEST:

__________________________________________  Secretary

APPROVED AS TO FORM AND PROCEDURE:

__________________________________________  General Counsel

{00024622}
DATE: March 13, 2018

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager

SUBJECT: Monthly Report – February 2018

HIGHLIGHTS

On February 6, the Department of Water Resources (DWR) recommended that the District and the City of Hayward receive a $1 million Prop 1 Groundwater Sustainability Plan (GSP) Planning Grant award. DWR scored the District/Hayward application 19 out of 19 and recommended funding the full requested amount of $1 million to develop the GSP for the East Bay Plain Subbasin. Staff is preparing the grant agreement with DWR.

In February, staff participated in a two-day Water Utility Summit hosted by the Las Vegas Valley Water District. Representatives from the District, Los Angeles Department of Water and Power (LADWP), Las Vegas Valley Water District (LVVWD), Denver Water, and Contra Costa Water District collaborated on several topics including innovation, maintenance, asphalt repairs, trench soils recycling, and trades training academies. In addition, the District, LADWP, and LVVWD conducted a tabletop exercise as part of the mutual assistance agreement between the agencies.

Recreation areas open for the 2018 season. On February 2, San Pablo Reservoir reopened with mild weather and with over 8,000 pounds of trout stocked in the prior week. On February 16, Pardee Recreation Area opened with very good attendance and anglers reached fishing limits early in the day. The launch of the season was successful for new concessionaire, Rocky Mountain Recreation Company.

WATER SUPPLY

Based on preliminary analysis, Placer County Water Agency (PCWA) may be releasing approximately 8,000 acre-feet to meet the requirements of the Water Forum Agreement. Per the Memoranda of Understanding with PCWA, the District has the first right-of-refusal of water forum releases. Current projections show that there is only a slight chance the District may need to purchase transfer water this year.
On February 2, staff met with Environmental Science Associates to plan upcoming data collection efforts for developing a San Leandro Creek Fisheries Management Plan. Data collection efforts including habitat mapping, flow monitoring and limnology studies will be implemented this spring.

On February 13, staff energized the Camanche Powerhouse 12 kV Station Service Substation for the first time. This work completes a two-year capital improvement project to rebuild the majority of the powerhouse station service system, which was installed in the early 1980s, and had reached the end of its useful life. This is a significant project as the substation provides primary and backup power sources to operate the powerhouse and to regulate flow on the Mokelumne River. The substation will also be the intertie point for the planned photovoltaic system that is to be constructed later this year. Completion of this project reflects a significant team effort by staff.

On February 27, a Sustainable Groundwater Management Act (SGMA) stakeholder meeting was held at the City of Hayward offices. The purpose of the meeting was to update the stakeholders on SGMA compliance activities and to discuss the draft Stakeholder Communication and Engagement Plan.

San Ramon Valley recycled water customer site retrofits are continuing. On February 15, staff met with Sunset Development to plan and initiate retrofit work at the Bishop Ranch Business Park which includes three buildings housing medical offices and an urgent care facility. Retrofit construction activities continue on other adjacent Bishop Ranch sites including the Toyota regional headquarters and the UPS office and distribution facility.

Precipitation. The East Bay precipitation for February was 0.56 inches (12% of average) and the season total was 9.40 inches (47% of average). The Mokelumne precipitation for February was 1.03 inches (13% of average) and the season total is 20.17 inches (60% of average).

Water Releases

Camanche Reservoir. The average rate of Camanche release for February was 346 cfs (308 cfs generation, 2 cfs sluice, and 37 cfs through the hatchery), and the average flow below Woodbridge Dam was 336 cfs, both in accordance with the Joint Settlement Agreement "Normal & Above" criteria.

East Bay Reservoirs. There were no East Bay reservoir releases in February.

Water Storage

Mokelumne reservoirs storage is 107% of average. As of February 28, 2018, Pardee was at 559.3 feet or 102% of average, and the Camanche was at 219.1 feet or 111% of average. Combined Pardee and Camanche reservoir storage was 489,000 acre-feet compared to 599,000 acre-feet last year.
East Bay reservoirs storage is 93% of average. As of February 28, 2018, USL was at 443.6 feet or 87% of average, San Pablo was at 306.3 feet or 96% of average, and Briones was at 566.2 feet or 94% of average. Total terminal reservoir storage was 125,000 acre-feet compared to 149,000 acre-feet last year.

Mokelumne Aqueducts and Raw Water Pumping Plants. The average rate of Mokelumne Aqueduct draft for February 2018 was 105 MGD. Mokelumne Aqueduct No. 1 was returned to service on February 13, following completion of the Pardee Tunnel inspection on February 8. Walnut Creek, Moraga and Briones Raw Water Pumping Plants remained out of service for the month.

Water Production. Average rate of gross water production for February:

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<tr>
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<tbody>
<tr>
<td>East of Hills</td>
<td>32 MGD</td>
<td>22 MGD</td>
<td>33 MGD</td>
<td>29 MGD</td>
</tr>
<tr>
<td>West of Hills</td>
<td>108 MGD</td>
<td>100 MGD</td>
<td>110 MGD</td>
<td>125 MGD</td>
</tr>
<tr>
<td>Total</td>
<td>140 MGD</td>
<td>122 MGD</td>
<td>143 MGD</td>
<td>154 MGD</td>
</tr>
<tr>
<td>Max Day Production</td>
<td>152 MGD</td>
<td>127 MGD</td>
<td>157 MGD</td>
<td>(2/2/2017)</td>
</tr>
</tbody>
</table>

Note: Data are all from preliminary daily operational reports and are subject to revision.

WATER QUALITY AND ENVIRONMENTAL PROTECTION

On February 12, staff attended a workshop hosted by the San Francisco Regional Water Quality Control Board to discuss the next steps and identify future learning opportunities on the State’s Mercury Drinking Water Reservoirs Program. A subsequent workshop is proposed in May 2018. Staff will continue to follow this issue for any impacts to the District.

On February 23, the District received a Pretreatment Compliance Inspection Report from the San Francisco Bay Regional Water Quality Control Board and the Environmental Protection Agency. This report is a follow up to an inspection conducted in January 2017 of the District’s wastewater pretreatment program. The report identified a number of potential improvements related to permitting, inspection, and reporting in the pretreatment program. Staff will prepare a response to the report by April 2018.

All authorized discharges from the Main Wastewater Treatment Plant (MWWTP) were in compliance with the permit limits for the month of February. This is the 222nd consecutive month that the MWWTP experienced no exceedances.

The District received no odor reports from the public in February.
INFRASTRUCTURE INVESTMENT

Sobrante and Upper San Leandro (USL) Water Treatment Plants Ozone Systems Improvement Project Update. A major milestone was achieved including delivery and installation of the liquid oxygen, ozone, hydrogen peroxide, and potassium permanganate equipment. Partnering with the contractor continues to strengthen the teamwork needed to complete the project on time.

Panoramic Hill Pipeline Replacement Project Update (Berkeley). Phase IV is in process, replacing existing 2,365 feet on Arden Road and 1,735 feet on Mosswood Road with 8-inch high-density polyethylene (HDPE) pipe. Estimated completion is mid-March. Phase V is on Orchard Lane, slip-lining 285 feet of 2-inch HDPE in existing 4-inch cast iron pipe. Completion of this phase is scheduled for early April.

Dam Inundation Modeling Analyses Update. Staff has plans to update inundation maps for all 23 of its dams (upcountry, terminal reservoirs, open cut reservoirs). An inter-departmental team has been assembled to perform the necessary inundation modeling analysis and prepare the reports for submittal to Division of Safety of Dams (DSOD). Staff anticipates completing the update to the bathymetry and finalizing the hydraulic model for USL and Chabot Reservoirs by April. Staff is currently performing final analyses in routing flows downstream of Chabot. Senate Bill 92 requires development of Emergency Action Plans (EAP) and updated inundation maps for dams regulated by DSOD. The inundation modeling analysis for the priority dams (17) is expected to take 14 months to complete.

In February, a remotely operated vehicle (ROV) was deployed to inspect the Pardee Tunnel for structural defects in the lining. The ROV performed the inspection underwater with a reduced flow rate, avoiding a costly shutdown and dewatering of this critical facility. The inspection provided data that will be used to prepare a detailed condition assessment report. Once the report is complete, staff will develop recommendations to remediate any existing deficiencies.

In February, staff began infrastructure renewal on Penniman and Eastman Avenues in Oakland. This project will replace 2,500 feet of 6-inch cast iron pipe with PVC pipe and is expected to be completed in early April, with final paving to follow.

On February 5, staff met with the University of California Pavement Research Center (UCPRC) to discuss opportunities for future research and collaboration regarding pavement restoration methods. The District is hoping to work with the UCPRC to establish more sustainable pavement restoration methods, and with cities and counties to determine the loading impacts of various pavement rehabilitation methods on existing water mains.

Staff completed design of the Main Wastewater Treatment Plant Primary Sedimentation Tanks and Channels Rehabilitation Phase 5 under SD-396. This $13,000,000 project includes rehabilitation of the Primary Influent Channel C, two-thirds of the Primary Effluent Channel, and
two tanks. Electrical control panels will also be installed for three other tanks. The design includes an innovative gravity bypass system, eliminating the need for a costly temporary bypass pumping system. Procurement of a contractor is underway and construction will span over three dry weather seasons and is scheduled to be completed in the fall of 2020.

Staff completed a geotechnical investigation report for the Upper San Leandro Water Treatment Plant (WTP) Reliability Project under Specification 2128. The WTP is being rehabilitated to address capacity limitations, single points of failure, reliability issues and seismic deficiencies. The project includes rehabilitating the existing chlorine contact basin, adding a gravity thickener, replacing the clearwell roof, upgrading the sludge collection equipment and replacing the raw water control valve. The investigation included subsurface exploration, laboratory testing, and engineering analyses and provided design and construction recommendations for bearing capacities, settlement profiles, liquefaction, and other geotechnical issues. The report concluded that the site is suitable for the proposed structures and structure modifications.

Construction of the Orinda Water Treatment Plant Shutdowns, Hypochlorite, and Electrical Improvements project was completed under Specification 2089. The project involved major improvements to the plant including a new hypochlorite system, new electrical substation, and installation of a bifurcation valve that allows half of the plant to be shut down while the other half is in operation.

Pipeline Rebuild Update. As of February 21, pipe replacement reached 10.51 miles, on track for meeting the 15 mile goal.

Main Breaks in February totaled 60. The attached table lists the main breaks that were repaired by staff in February, sorted by city and street. The associated map shows the location of the breaks.

CUSTOMER AND COMMUNITY SERVICES

Biennial Report. In February, the 2016-2017 EBMUD Biennial Report – “Drought to Deluge” – was mailed to approximately 1,200 stakeholders and elected officials, and it will be distributed at select community events and tours. The report provides details about how EBMUD ensured reliable water delivery and wastewater treatment for East Bay customers, and provides insights into our focus and goals for the near future. The report was featured on Twitter and LinkedIn, and is available on our website.

Summit Pressure Zone 24-Inch Transmission Pipeline Project Outreach. On February 14, staff met with University of California, Berkeley administrators to continue discussing alternative meter locations for the Clark Kerr Campus. The project includes the relocation of a large-diameter transmission pipeline from a right-of-way that crosses the Clark Kerr Campus into city streets. A follow-up meeting will be scheduled in April 2018.
**Project Public Outreach.** Staff distributed approximately 200 construction notification postcards alerting residents about the Jensen and Fire Trail Pumping Plant construction in Castro Valley. Pre-work will begin end of February and rehabilitation work will begin in summer 2018.

**On February 2, staff assisted in teaching a Salmonid Ecology Field Course with Cramer Fish Sciences at the Mokelumne Day Use Area.** Attendees were fish biologists from the United States Fish and Wildlife Service.

**On February 8, staff held a third public meeting for the Leland Reservoir Replacement Project to present the Draft Environmental Impact Report (EIR) and receive public comment.** Staff responded to questions and concerns, to help residents understand needed infrastructure improvements and prepare for construction in their neighborhood. Staff directed the community members to the appropriate section of the Draft EIR in which their comments were addressed. All comments received will be included in the Response to Comments in the Final EIR. Community members were also encouraged to submit their comments in writing during the 45-day comment period which ends March 12, 2018. Construction is expected to occur over a three-year period from 2022-2025. Seventeen community members, including a representative from the City of Lafayette Public Works Department, were in attendance.

**On February 13, staff held a public meeting for the Central Reservoir Replacement Project to present the revised landscape design and solicit input on the scope of the EIR.** The community members’ primary questions and comments were related to site aesthetics, emergency preparedness, security, and construction impacts. Staff provided an initial response to all questions and is preparing a more detailed frequently-asked-questions write-up which will provide a thorough response to all questions and will be posted on the District’s website. Comments and questions related to the project’s potential environmental impacts will be considered as part of the EIR environmental analysis. Community members were also encouraged to attend the next public meeting following the release of the Draft EIR in summer 2019. Approximately 15 people attended the meeting.

**On February 14, staff attended the Exchange Club of the San Ramon Valley monthly meeting where copies of the District’s Biennial Report were provided and questions were fielded regarding the potential for a drought.** Forty people attended.

**On February 17, improvements and maintenance was performed on the John Bull Loop in the Pardee watershed.** Nine volunteers worked with staff to install a hitching rail and picnic table along the loop, which is part of the Mokelumne Coast to Crest Trail in the Pardee watershed. Trail maintenance was also done on the spur that leads up to the top of John Bull Peak.

**On February 21, staff attended the San Ramon State of the City address and presented on water infrastructure, current water supply status and provided copies of the District’s Biennial Report.** Approximately 200 people attended.
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**Media.** Staff responded to media inquiries on water supply, the potential for another drought, wild and scenic designations for the Mokelumne River, and water quality/lead testing in schools.

**Social Media.** On Nextdoor, staff provided information on a public meeting for the Draft Environmental Impact Report for the Leland Reservoir Replacement Project and to Berkeley neighborhoods regarding billing and conservation resources in response to questions about EBMUD bills.

The top tweet on Twitter, highlighted a customer’s appreciation of work on a main break repair in Lafayette, generating 3,700 impressions. Twitter followers reached 2,094 followers, an increase of 56 followers over last month.

The top post on LinkedIn featured career opportunities at EBMUD, generating 2,700 impressions and 65 clicks to ebmud.com. LinkedIn followers reached 3,833, an increase of 108 new followers over last month.

**Customer Assistance Program (CAP) Update.** The attached table list monthly statistics on CAP enrollment, delinquencies, payment plans, and shut-offs.

**Contract Equity**

**On February 9, staff participated in the Department of General Services’ Procurement Certification Workshop in Newark, CA.** Staff participated on the procurement certification discussion panel, informed participants of contracting opportunities with the District, and disseminated information on the Districts Contract Equity Program and its small business incentives. Approximately 65 participants attended.

**On February 23, the District hosted an Engineering Consultant Roster (ECR) Roundtable.** The ECR Roundtable is designed to improve the professional service contracting process and foster relationships with key prime consultants and their sub-consultants who do work or are interested in working with EBMUD. The ECR Roundtable focused on ways to improve the current roster solicitation process. Approximately 42 attended.

Staff participated in the following business community events:

- February 1 - Bay Area Business Round Table Business Round Table and Eastbay Mayoral Panel Discussion, Oakland, CA – 60 attended
- February 7 - California Black Chamber of Commerce 2018 Public Policy Luncheon, *Water & California’s Future*, Sacramento, CA – 150 attended

**Water Conservation**

**On February 15, staff participated in the California Native Plant Society’s (CNPS) Norcal Landscape and Nursery Tradeshow in San Mateo.** Staff shared the draft low- and very low-
water-use plant list. CNPS informed growers and nursery owners of a plant by location new website tool – Calscape. This tool allows nurseries to upload their native plant inventory on the site for customers to view and select plants native to a particular area. More than 500 people attended the event.

On February 17, staff hosted a two-hour presentation on Design Your Bay-Friendly Garden at the Lafayette Library. The guest speaker covered topics on how to build healthy soil, select plants by location, grow edible plants, and prevent pests with non-toxic and preventative measures. Staff also reviewed the District’s Lawn to Landscape Rebate Program. Thirty-five people attended this event and received a Bay-Friendly Guideline booklet.

WORKFORCE PLANNING AND DEVELOPMENT

Staff participated in events that support the District’s long-term efforts to develop a diverse pipeline of candidates for our future workforce needs and develop collaborative relationships with local partner organizations as follows:

- **February 1 - Bay Area Business Roundtable (BABRT) held in Oakland.** Staff presented on job opportunities at the District, the job application process, and met with a representative of BABRT regarding development of test preparation services for select District classifications.

- **February 1 - Royal Sunset High School Career Day held in Hayward.** With over 75 students present, staff provided information regarding the various trade careers at the District. Staff emphasized to future candidates the opportunities available, benefits offered and career ladders at the District.

- **February 13 - Civil and Environmental Engineering Career Fair held at the University of California, Berkeley.** Staff encouraged students to consider a career in the water industry and provided information about the District’s application and recruiting process.

- **February 16 - Amador Valley High School career fair held in Pleasanton.** Staff highlighted employment opportunities, educational requirements, and the hiring process with the students.

- **February 21 - Oakland High School Internship Fair.** Over 200 students attended the event and obtained information regarding the District’s Summer High School Internship Program and career opportunities at the District.

- **February 27 - Engineering and Science Career Fair held at San Jose State University.** Staff encouraged students to consider a career in the water industry and provided information about the District and the District’s application and recruiting process.
**Engineering Staff Rotation Program.** Five engineers commenced six-month rotations to their assigned work groups where they will broaden their experience and enhance their skills working in new work units, while gaining a better understanding of how their regular work assignments complement and connect with other District work groups; these assignments are scheduled to end in July 2018. Three engineers who completed the rotation program shared their work experiences and lessons learned.

**Tuition Reimbursement**

<table>
<thead>
<tr>
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<th>February 2018</th>
<th>FY18 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Employees</td>
<td>14</td>
<td>67</td>
</tr>
<tr>
<td># of Classes</td>
<td>23</td>
<td>229</td>
</tr>
<tr>
<td>Total Reimbursed</td>
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<td>$141,496</td>
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**Employment Information**

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<tr>
<th></th>
<th>February 2018</th>
<th>FY18 Total</th>
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</thead>
<tbody>
<tr>
<td>Retirements – Regular</td>
<td>10</td>
<td>43</td>
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<tr>
<td>Retirements – Vested</td>
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<tr>
<td>Hires/Rehires</td>
<td>22</td>
<td>115</td>
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<tr>
<td>Other Separations</td>
<td>4</td>
<td>54</td>
</tr>
</tbody>
</table>

**FINANCIAL STABILITY**

There were no material, supply or construction contracts over $70,001 and less than $100,000 approved by the General Manager in February 2018.

**The consulting agreement with InfraTerra, Inc. requires an increase to the contract limit.**

The District requires additional geologic services for development at Sobrante Water Treatment Plant. The District hired InfraTerra, Inc. in 2017 to perform an overall evaluation of geologic hazards to the Maloney Pumping Plant and Sobrante Water Treatment Plant (SWTP) Improvements Project, in addition to an assessment of an active landslide located south of the proposed improvement project in an amount not to exceed $50,000. The District is planning further development at SWTP, which is in the vicinity of the areas of potential sliding identified by InfraTerra during their 2017 study. Also, the existing buried 90-inch raw water pipeline that conveys water between San Pablo Reservoir and the SWTP is located adjacent to or crossing the newly mapped sliding areas and is vulnerable to undermining by potential landslides. In order to design and protect the facilities, further subsurface investigation and geologic characterization is necessary to confirm the location and depth of possible landslides. The additional work necessitates a change order of 40 percent ($20,000) raising the contract limit to $70,000.
The Net Mokelumne Power Revenue for February was $142,439. Inflows into Pardee Reservoir for February were 44% of plan. Generation was 30% of plan with Pardee Reservoir storage volume increasing over the month. The District sold Renewable power and related Renewable Energy Credits (REC) to Marin Clean Energy (MCE). Sales of RECs generated $32,120. Resource Adequacy capacity revenue from Shell North America totaled $15,389. The average electricity price was $32/MWh. Total net FY18 Mokelumne Power Revenue is an estimated $4,288,858 which is 115.9% of the budgeted $3,700,000 and 80.6% of the planned revenue of $5,319,300.

<table>
<thead>
<tr>
<th>FY18</th>
<th>Net Revenue</th>
<th>Inflow (Acre Feet)</th>
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<tr>
<td></td>
<td>Plan</td>
<td>Actual</td>
</tr>
<tr>
<td>December 2017</td>
<td>$480,930</td>
<td>$629,582</td>
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<td>January 2018</td>
<td>$218,110</td>
<td>$456,909</td>
</tr>
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<td>February 2018</td>
<td>$403,310</td>
<td>$142,439</td>
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<td>FY18 YTD Total</td>
<td>$3,984,540</td>
<td>$4,288,858</td>
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</table>

Bold items are estimated

Water Sales (Consumption)

The following consumption information is the average water consumption in million gallons per day (MGD) for the first seven months of FY18. The budgeted average daily water consumption for FY18 is 137 MGD. Due to higher consumption in the summer months at the start of the fiscal year, the year to date consumption decreases as we move closer to the end of the fiscal year. The table below shows the average billed water consumption information by customer class with a comparison to FY17 data for the same period of time. Current fiscal year-to-date actuals through January are above prior fiscal year actuals for the same period.

<table>
<thead>
<tr>
<th>Fiscal Year-to-Date Billed Water Consumption</th>
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<tbody>
<tr>
<td>Usage Type</td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Residential</td>
</tr>
<tr>
<td>Commercial</td>
</tr>
<tr>
<td>Industrial</td>
</tr>
<tr>
<td>Public Authority</td>
</tr>
<tr>
<td><strong>Total Billed Water Consumption</strong></td>
</tr>
</tbody>
</table>
**Water Sales (Revenue)**

Water revenues billed through January were $304.2 million or 14.8% more than the FY17 revenue through January of $265.0 million. This increase reflects the net impact of higher consumption and the 9.25% rate increase for FY18. Note that the FY17 data includes $5.7 million of drought surcharge revenue and $0.1 million of drought excessive use penalty revenue. Total FY18 water revenues through January are $21.4 million (7.6%) greater than the budgeted water revenue of $282.8 million. FY18 actual revenue through January is 14.8% above FY17 January revenue.
CUMULATIVE BILLED WATER REVENUE
($ MILLIONS)

MILLIONS OF $

JULY AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN

FY18 YTD
FY18 BUDGET
FY17 ACTUAL

*Includes prorated drought surcharge revenue from the July and August billing cycles for consumption from May and June 2016.

Source: Customer Information System
<table>
<thead>
<tr>
<th>City</th>
<th>Pre</th>
<th>Street</th>
<th>Suf</th>
<th>Pipe Material</th>
<th>Pipe Diameter</th>
<th>Year Installed</th>
<th>Est Water Loss (Gal)</th>
<th>Identified On</th>
<th>Completed On</th>
<th>KPI Met?*</th>
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</thead>
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<td>BERKELEY</td>
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<td>CAST IRON</td>
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<td>1929</td>
<td>9,000</td>
<td>2/8/2018</td>
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<td>14,400</td>
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<td>1982</td>
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*KPI = turnaround time to repair the leak
<table>
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<tr>
<th>City</th>
<th>Pre</th>
<th>Street</th>
<th>Suf</th>
<th>Pipe Material</th>
<th>Pipe Diameter</th>
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<th>Est Water Loss (Gal)</th>
<th>Identified On</th>
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<td>Pipe Material</td>
<td>Pipe Diameter</td>
<td>Year Installed</td>
<td>Est Water Loss (Gal)</td>
<td>Identified On</td>
<td>Completed On</td>
<td>KPI Met?</td>
</tr>
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<td>WALNUT CREEK</td>
<td>1ST</td>
<td>AVE</td>
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<td>HIGH DENSITY POLYETHYLENE PIPE</td>
<td>6.00</td>
<td>1964</td>
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<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>495,450</strong></td>
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# Customer Account Delinquency Information

## February 2018

(Data collection began September 1, 2017)

### CUSTOMER ASSIST. PROGRAM (CAP) ENROLLMENT

<table>
<thead>
<tr>
<th></th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>Totals</th>
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</thead>
<tbody>
<tr>
<td>CAP Application Shut-off Distribution</td>
<td>1,218</td>
<td>1,215</td>
<td>727</td>
<td>6,232</td>
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<tr>
<td>New CAP Participants</td>
<td>121</td>
<td>177</td>
<td>153</td>
<td>896</td>
</tr>
<tr>
<td>CAP Renewals</td>
<td>118</td>
<td>128</td>
<td>151</td>
<td>837</td>
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<tr>
<td>CAP Departures</td>
<td>109</td>
<td>130</td>
<td>112</td>
<td>631</td>
</tr>
<tr>
<td><strong>Total Active CAP Participants</strong></td>
<td><strong>6,189</strong></td>
<td><strong>6,218</strong></td>
<td><strong>6,235</strong></td>
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### PAYMENT PLANS

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<th>January</th>
<th>February</th>
<th>Totals</th>
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</thead>
<tbody>
<tr>
<td>Approved Payment Plans</td>
<td>4,902</td>
<td>5,408</td>
<td>4,387</td>
<td>32,513</td>
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<tr>
<td>Payment Plans Established After Shut-off</td>
<td>18</td>
<td>16</td>
<td>16</td>
<td>636</td>
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### SHUT-OFFS - RESIDENTIAL

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<th>February</th>
<th>Totals</th>
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</thead>
<tbody>
<tr>
<td>15-day Final Collection Notices</td>
<td>15,807</td>
<td>16,293</td>
<td>15,111</td>
<td>95,725</td>
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<tr>
<td>48-hr Shut-off Notices</td>
<td>8,008</td>
<td>9,142</td>
<td>8,183</td>
<td>51,389</td>
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<tr>
<td>Shut-off Orders Created</td>
<td>2,267</td>
<td>3,509</td>
<td>1,821</td>
<td>16,728</td>
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<td>Shut-offs Completed (Actual)</td>
<td>997</td>
<td>1,056</td>
<td>852</td>
<td>5,244</td>
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<tr>
<td>CAP Enrolled Shut-offs</td>
<td>37</td>
<td>50</td>
<td>37</td>
<td>221</td>
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### WATER THEFT

<table>
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<th>January</th>
<th>February</th>
<th>Totals</th>
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</thead>
<tbody>
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<td>No. of incidents</td>
<td>6</td>
<td>10</td>
<td>8</td>
<td>65</td>
</tr>
<tr>
<td>No. of 2nd or 3rd Occurrences</td>
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<td>-</td>
<td>-</td>
<td>1</td>
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<tr>
<td>No. Water Theft Penalties Issued</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td>40</td>
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<tr>
<td>No. of Appeals Received</td>
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<td>-</td>
<td>4</td>
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<td>No. of 1st Appeals Approved</td>
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<td>-</td>
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<tr>
<td>No. of 1st Appeals Denied</td>
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<td>-</td>
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### Multi-Family Liens¹

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<th>February</th>
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</thead>
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<td>Liens Filed</td>
<td>12</td>
<td>58</td>
<td>153</td>
<td>846</td>
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<tr>
<td>Released</td>
<td>14</td>
<td>54</td>
<td>28</td>
<td>276</td>
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<td>Transferred to Alameda Cty.</td>
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<td>-</td>
<td>-</td>
<td>1,356</td>
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<tr>
<td>Transferred to Contra Costa Cty.</td>
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<td>-</td>
<td>-</td>
<td>147</td>
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<tr>
<td><strong>Total/Month</strong></td>
<td><strong>26</strong></td>
<td><strong>112</strong></td>
<td><strong>181</strong></td>
<td><strong>2,625</strong></td>
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¹ Liens filed monthly represents delinquent accounts 4-6 months in arrears.

### BAD DEBT - WRITE OFFS

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<td>Total Referred to Collection Agency</td>
<td>$186,981</td>
<td>$176,853</td>
<td>TBD²</td>
<td>$781,756</td>
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<td>Write-Off % to Billed Revenue</td>
<td>0.4%</td>
<td>0.4%</td>
<td>TBD²</td>
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² Information not available until the 20th of the month and will lag one month

### Water Theft Type/City

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<th>Albany</th>
<th>Berkeley</th>
<th>Danville</th>
<th>Oakland</th>
<th>Pinole</th>
<th>Richmond</th>
<th>Rodeo</th>
<th>San Leandro</th>
<th>Total as of 8/1/2017</th>
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<td>Meter</td>
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<td>2</td>
<td>1</td>
<td>45</td>
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<td>1</td>
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<td>-</td>
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<td><strong>Total</strong></td>
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<td>46</td>
<td>1</td>
<td>12</td>
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ITEM 8

WATER SUPPLY UPDATE

WILL BE PROVIDED
AS AN ORAL REPORT
DATE: March 8, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager

FROM: Rischa S. Cole, Secretary of the District

SUBJECT: Finance/Administration Committee Minutes – February 27, 2018

Chair William B. Patterson called to order the Finance/Administration Committee meeting at 10:02 a.m. in the Training Resource Center. Director Frank Mellon was present at roll call. Director John A. Coleman was absent (excused) to attend the ACWA Conference in Washington, D.C. Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Finance Sophia D. Skoda, Manager of Budget Jeanne M. Chase, Principal Management Analyst Damien R. Charlton, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Monthly Investment Transactions Report. Director of Finance Sophia D. Skoda reviewed the report for January 2018 and noted there was nothing of significance to report. It was moved by Director Mellon, seconded by Director Patterson and carried (2-0) to forward the report to the Board for consideration. Director Coleman was absent.

Fiscal Year 2018 (FY18) Semi-Annual Budget Performance Report. Manager of Budget Jeanne M. Chase presented an overview of the Water and Wastewater Systems’ budget performance for the first half of FY18 ending December 31, 2017. She reported the District is in a strong financial position and staff anticipates strong year-end net revenues and expenses savings for both systems. Total Water System year-end revenues are projected to be $66.9 million greater than budget primarily due to higher than budgeted water charges and SCC. Because water charges are projected to be $29.3 million greater than budget, staff is considering eliminating the draw of $26 million from the Rate Stabilization Fund (RSF) which was included in the budget to lower the rate impact on customers. Total Wastewater System year-end revenues are projected to be $10.1 million greater than budget primarily due to higher revenues associated with capacity charges and Resource Recovery. Ms. Chase advised staff is considering a variety of alternatives to manage potential funds including eliminating the need to draw from the RSF, making a deposit to the RSF, and various debt management strategies. The Board will receive an additional update at the Strategic Plan and FY19 Mid-Cycle Budget Workshop in May 2018. The Committee asked staff to provide information on potential impacts to District property tax revenue from commercial properties if proposed reforms are made to Proposition 13. It was moved by Director Mellon, seconded by Director Patterson and carried (2-0) to accept the report. Director Coleman was absent.
Annual Update on Employees’ Retirement System. Principal Management Analyst Damien R. Charlepy provided an update on Retirement System activities in 2017. Over the past year, the Retirement System’s funding ratio improved from 68.8 percent as of the end of Fiscal Year (FY) 2016 to 72.3 percent as of the end of FY17 following strong investment results (+14.5%) compared to the long-term actuarially-expected rate of return (7.25%). As a result, Retirement System assets surpassed the $1.5 billion mark, an increase of over $100 million from the prior year and the unfunded liability decreased by over $50 million to $605 million. Contribution rates for the coming year will remain at FY18 levels. He reported on a short-term imbalance in the system’s cash flow attributable to payments regularly exceeding contributions, and explained the plan to address the situation by periodically withdrawing additional funds from investments. The Retirement Board was updated on this plan at its January 18 meeting. Next, he highlighted current Environmental, Social, and Governance involvement; plan allocations; historical system performance over the past 20 years; 2016 CEM Benchmarking results; revisions in proxy voting practices; and ongoing activities including a quadrennial Asset/Liability Study and an actuarial audit to assess the methodology and calculations of the District’s current actuaries. The audit findings will be reported at the March 15 Retirement Board meeting. Addressing the Committee was John Hayden, President, IFPTE Local 21, who commented on employee contributions, historical plan performance and impacts of previous adjustments to the actuarial assumed rate of return. The Committee thanked Mr. Charlepy for the report and asked that staff include the actuarial assumed rate of return on the Historical Performance chart on presentation slide number 7 before posting the presentation online and to include this information in future presentations. It was moved by Director Mellon, seconded by Director Patterson and carried (2-0) to accept the report. Director Coleman was absent.

Adjournment. Chair Patterson adjourned the meeting at 10:43 a.m.
DATE: March 8, 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 – February 13, 2018 - Revised

Chair John A. Coleman called to order the Legislative/Human Resources Committee at 9:50 a.m. in the Training Resource Center. Directors William B. Patterson and Marguerite Young were present at roll call. Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Legislative Affairs Marlaigne K. Dumaine, Manager of Human Resources Laura A. Brunson, Manager of Employee and Organizational Development Derry L. Moten, Diversity and Inclusion Officer Dorian West Blair, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Consider Revised Policy Position on Statewide Statewide Retail Water User Fees.
Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the proposed revisions to the District’s existing policy position on statewide retail water user fees. The policy, adopted by the Board in May 2015, opposes the imposition of any statewide retail water user fees and was discussed at the January 9, 2018 Legislative/Human Resources Committee meeting during which staff was directed to bring policy revisions to the Committee for consideration. The policy was revised to provide staff with a consistent baseline criterion for analyzing individual proposals for Board consideration including consideration of proposals to implement a retail water user surcharge. Ms. Dumaine noted that the revised policy is not intended to replace a Board-adopted position on individual proposals. The Committee discussed the revisions but did not share a common perspective nor did they come to consensus on the revised policy. Committee comments included concerns about the Board’s responsibility to protect District assets and ratepayers; opposition to volumetric rates; potential negative impacts to District bond ratings and future Board decisions regarding infrastructure maintenance; considering societal benefits when analyzing proposals; and the policy’s goal to function as a framework for evaluating all proposals brought before the Board. The Committee requested additional policy revisions in an attempt to address the disparate views of the members which include: not taking an initial position on proposals; generalizing the policy criterion for six key areas (equity, affordability, beneficiary pays, local control and infrastructure investment, efficiency and accountability, and effect on ratepayers) and adding social benefits as an additional key area; using the policy criterion as the basis for a position recommendation when considering proposals to implement retail water user surcharges on customer bills; and adding language stating the Board will either not consider or will oppose legislative proposals that will result in financial impacts to the District’s budget or its ratepayers. Staff will bring revisions back to the Committee for review on March 13. Addressing the Committee was Jennifer Clary, Clean Water Action, who commented the Board should consider having more discussion included in the policy and expressed opposition to the proposed policy revisions and Juliet Christian-Smith who commented on a Fairbank, Maslin, Maullin, Metz and Associates survey that showed 59-66 percent of those polled in the Bay Area, Los Angeles and rural north are willing to
pay a fee on their water bill to fix drinking water in communities with unsafe levels of contaminants in their water supply.

- Filed with the Committee was a document entitled, “One-third in the Bay Area, LA and rural north are “very willing” to pay a few dollars” prepared by Fairbank, Maslin, Maullin, Metz and Associates.

**Update on District Values and Organizational Improvements Programs.** Manager of Employee and Organizational Development Derry L. Moten presented an overview of the District’s values and organizational improvements efforts. He reviewed the work that has been completed since August 2017 and upcoming efforts in: 1) capacity building and training of managers and supervisors with a values-focused leadership model (Creating a Culture of Engagement); 2) leveraging the grassroots work of the original values groups through the work of the Values Advocate Program; and 3) working through the original series of organizational improvement recommendations and existing team charters to improve the District’s ability to fulfill its mission. He highlighted the progress made to date on the New Employee Onboarding project, development of the 2018 State of the District Address and the Creating a Culture of Engagement workshop which will be rolled out to all managers and supervisors in Fiscal Year 2018. It was moved by Director Patterson, seconded by Director Young, and carried (3-0) to accept the report.

**Fiscal Year (FY) 2018 Diversity and Inclusion Program.** Diversity and Inclusion Officer Dorian West Blair reviewed the District’s progress on FY17 program goals and provided an overview of the proposed FY18 program. In FY17, job placement efforts were focused on 6 out of the 22 District job groups where the incumbency of minorities was below availability in the recruitment area. The District achieved its placement goal for the Mechanical Maintenance job group and improved on its minority placement rate from the previous year for the Heavy Equipment/Truck Operators and Pipeline Maintenance job groups. She reported the District continued to make progress on the hiring benchmark for protected veterans and its utilization goal for individuals with disabilities. In FY17, total job placements were 287, with the District placing 95 women and 145 minorities. In FY18, program efforts will continue to focus on placement goals for the Rangers, Pipeline Maintenance, Heavy Equipment/Truck Operators, Electrical/Structural Maintenance, Mechanical Maintenance and Service Maintenance job groups and will include the Supervising Engineering job group due to a minor shift in the incumbency. In addition, staff will continue partnering with agencies to plan a trades apprenticeship program and explore developing candidate test preparation workshops as well as develop and launch a District Diversity Committee to assist with outreach, recruitment and identifying potential barriers to diversity in the District’s hiring process. The Board of Directors will be asked to consider adopting the FY18 Diversity and Inclusion Program at its regular meeting later in the day. The Committee asked questions about the District’s Affinity Groups and the full blind recruitment process and requested staff to explore developing and posting additional test study materials and resources on the District’s website. Addressing the Committee was Mark Foley, President, AFSCME Local 2019 who commented that the union is looking forward to working with the District to meet its hiring goals for protected veterans. It was moved by Director Young, seconded by Director Patterson, and carried (3-0) to recommend adoption of the FY18 Diversity and Inclusion Program to the full Board.

**Adjournment.** Chair Coleman adjourned the meeting at 11:00 a.m.