

MINUTES

Tuesday, March 11, 2014

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

Regular Closed Session Meeting

Vice-President Katy Foulkes called to order the Regular Closed Session Meeting of the Board of Directors at 11:03 a.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Doug Linney, Lesa R. McIntosh, Frank Mellon, and Vice-President Katy Foulkes, were present at roll call. President Andy Katz and Director William B. Patterson arrived at 11:10 a.m.

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins, Manager of Customer and Community Services Sherri A. Hong (Item 1a), Customer Services Manager Andrew L. Lee (Item 1a), Attorney Derek McDonald (Item 1a), Operations and Maintenance Department Manager Eileen M. White (Item 2), Assistant General Counsel Craig S. Spencer (Item 2), Director of Operations and Maintenance Michael J. Wallis (Item 3), Manager of Regulatory Compliance Michael R. Ambrose (Item 3), and Attorney Lourdes Matthew (Item 3).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

Vice-President Foulkes announced the Closed Session agenda. The Board convened to Conference Room 8A/B for discussion.

Regular Business Meeting

President Andy Katz called to order the Regular Business Meeting of the Board of Directors at 1:20 p.m. in the Administration Center Board Room.

ROLL CALL

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

BOARD OF DIRECTORS

President Katz led the Pledge of Allegiance.

President Katz announced that Director Lesa McIntosh had reached her fifteen-year service anniversary on the Board of Directors. He highlighted Director McIntosh's tenure on the Board noting that she was appointed in 1999 to fill the unexpired term of Director John Gioia, and was elected in 2000 and re-elected in 2004, 2008 and 2012. She has chaired key Board committees, served as Vice-President of the Board, and served as President of the Board from 2007 – 2009. She was the first African-American woman to head the District. In addition to her service on the EBMUD Board, she represents EBMUD on the Special Districts Association of Contra Costa County and on the 2014 Association of California Water Agencies (ACWA) Federal Affairs Committee. She also is serving as an elected member of the ACWA Region 5 Board.

President Katz presented Director McIntosh with her service award and thanked her on behalf of the Board, staff and customers for her fifteen years of leadership as a member of the EBMUD Board of Directors. Director McIntosh said that it has been an honor to serve on the Board.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

- Addressing the Board was Robert Burlin, Oakland resident, who expressed concern about his water bill, the City of Oakland sewer service charge, and a business in his neighborhood that is wasting water. President Katz explained that the sewer service charge was set by the City of Oakland and Director Linney suggested that he relay his concerns to his councilmember. Mr. Burlin was referred to staff for assistance about his EBMUD-related concerns.

CONSENT CALENDAR

- Items 3 and 6 were removed from the Consent Calendar by staff.
 - Motion by Director Coleman, seconded by Director Foulkes, to approve Items 1-2, 4-5, and 7-9 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Foulkes, Linney, McIntosh, Mellon, Patterson, and Katz); NOES (None), ABSTAIN (None), ABSENT (None).
1. **Motion No. 044-14** – Approved the Special and Regular Meeting Minutes of February 25, 2014

2. The following correspondence was filed with the Board: 1) Presentation entitled, "Amendment to the Position Resolution," dated March 11, 2014; 2) Presentation entitled, "Water Supply Briefing and Dry Year Planning," dated March 11, 2014; 3) Memorandum dated March 11, 2014 to Board of Directors from Michael J. Wallis, Director of Operations and Maintenance, regarding Stolen District Truck and Equipment; and 4) Memorandum dated March 11, 2014 to Board of Directors from Alexander R. Coate, General Manager, regarding General Manager Absence from Office.
3. Agreement with Kone, Inc. in an estimated amount of \$280,180 for elevator maintenance services at various District locations during the period April 1, 2014 to March 31, 2017, with two options to renew for an additional one-year period for a total cost of \$471,640 under Request for Proposal No. FAC 14-1.
 - Item 3 was pulled by staff due to a bid protest and will be considered on March 25, 2014.
4. **Motion No. 045-14** -- Awarded a contract to the lowest responsive/responsible bidder, Ray's Electric, in the amount of \$239,900 for construction of the Interceptor LMS-5/S3 Enclosure Relocation under Specification SD 353.
5. **Motion No. 046-14** -- Authorized an agreement with Innovyze, Incorporated in an amount not to exceed \$222,500 for the purchase of two licenses for a risk modeling software called InfoMaster™, installation of the software, and on-site training during the period March 12, 2014 to October 31, 2015, with optional services to add an extra floating seat license and to renew the license and maintenance agreements for an additional four years.
6. Agreement with Mail Finance, Inc. in an amount not to exceed \$245,000 to lease mailroom inserter equipment for a five-year term beginning May 1, 2014 through July 30, 2019 and retain ownership of the equipment upon conclusion of the lease.
 - Item 6 was pulled by staff to conduct an additional review of the terms in the agreement. This item will be considered at a future Board meeting.
7. **Motion No. 047-14** -- Authorized an agreement with JDH Corrosion Consultants, Incorporated in an amount not to exceed \$210,750 for asbestos cement pipe materials laboratory testing services during the period beginning April 1, 2014 and ending April 1, 2016.
8. **Motion No. 048-14** -- Authorized a second amendment to the existing Memorandum of Understanding (MOU) with the City of Orinda regarding recreational and watershed land use policies and objectives within the City of Orinda to extend the termination date from June 30, 2015 to June 30, 2018. Authorized renewals of the MOU on an annual basis thereafter by a written agreement between the City and the District.
9. **Motion No. 049-14** -- Authorized approval of a dispute resolution agreement with Sacramento Municipal Utility District (SMUD), the Freeport Regional Water Authority (FRWA), and its members the Sacramento County Water Agency (SCWA) and East Bay Municipal Utility District (EBMUD), to resolve their dispute and facilitate full beneficial use of the currently-constructed capacity of the Freeport Project while addressing the effect upon water in the Folsom South Canal (FSC) utilized by SMUD at its Rancho Seco Facilities.

DETERMINATION AND DISCUSSION

10. Legislative Update.

Legislative/Human Resources Chair Lesa R. McIntosh reported that the Committee met earlier in the day and voted unanimously to support the recommended positions in Legislative Report No. 02-14.

- Motion by Director Mellon, seconded by Director McIntosh, to approve the recommended positions in Legislative Report No. 02-14, carried (7-0) by the following voice vote: AYES (Coleman, Foulkes, Linney, McIntosh, Mellon, Patterson, and Katz); NOES (None), ABSTAIN (None), ABSENT (None).
- **Motion No. 050-14** -- Received Legislative Report No. 02-14 and approved positions on the following bills: SUPPORT AB 2636 (Gatto) CalConserve Water Use Efficiency Revolving Fund; SUPPORT AND AMEND SB 1014 (Jackson) Pharmaceutical Waste: Home-Generated; and SUPPORT SB 1230, SB 1231, and SB 1232 (Committee on Governance and Finance) Validations.

Manager of Legislative Affairs Marlaigne K. Dumaine reported on discussions related to state and federal drought-funding and legislation. The Board asked for additional information on efforts to obtain a contract with the U.S. Bureau of Reclamation to implement a long-term water transfer between EBMUD and Placer County Water Agency.

11. Amend Position Resolution 33936-13 (June 11, 2013) To Create a New Classification of Technical Training and Writing Administrator and Reallocate One Position of Management Analyst III to the New Classification.

Manager of Recruitment and Classification Richard G. Jung presented information on a proposed staffing change to create a new classification of Technical Training and Writing Administrator and to reallocate one position of Management Analyst III to the new classification. Mr. Jung said Local 21 was notified of the District's proposed staffing change on March 4, 2014 and their issues were resolved. He noted that there would be no additional costs to the budget for amending this position.

- Motion by Director Mellon, seconded by Director Linney, to approve the recommended action for Item 11, carried (7-0) by the following voice vote: AYES (Coleman, Foulkes, Linney, McIntosh, Mellon, Patterson, and Katz); NOES (None), ABSTAIN (None), ABSENT (None).

Resolution No. 33967-14 -- Amend Position Resolution No. 33936-13 To Create A New Classification Called Technical Training And Writing Administrator And Reallocate One Position Of Management Analyst III To The New Classification.

12. General Manager's Report.

Operations and Maintenance Department Manager Eileen M. White presented the water supply update. Water supply conditions are poor to critical at major reservoirs statewide and the EBMUD water supply conditions are fair. Snow water content statewide is 31% and 32% in the Mokelumne watershed. Cumulative precipitation as of March 9, 2014 is 9.50 inches for the East Bay watershed and 19.45 inches for the Mokelumne watershed. Total reservoir storage is 482,400 acre feet or 63% of capacity. Rainfall Year 2014 is the 6th driest year in the Mokelumne watershed and projected end of September storage with median precipitation is 450,000 acre-feet. Current water production is 143 million gallons per day (GPD) versus 146 MGD in 2013. Staff will continue to monitor and report on the District's water supply, continue to update the Bureau of Reclamation, and continue public outreach efforts.

Next, Senior Public Information Representative Abby J. Figueroa presented an update on District efforts to educate customers on identifying leaks in their home. This includes coordinated efforts with the Environmental Protection Agency's Fix-a-Leak week which runs March 17-23, "Customer Pipeline" bill inserts, EBMUD website information, facility signage, a leak hotline, handouts at community events, and billboard information. Board members requested notification of presentations being made by staff in their wards. The Board also requested updates on the effectiveness of the Fix-a-Leak program.

Manager of Distribution Maintenance and Construction Leann M. Gustafson reported on the District's increased efforts to detect and repair pipeline leaks. Currently the District is using acoustic monitoring "loggers" to identify non-surface leaks and plans to increase the number of devices in use.

General Manager Alexander R. Coate reported that the February 2014 Monthly Report had been provided in the Board packets. Also at Board places, staff provided memoranda related to a stolen District truck and equipment and the General Manager's upcoming travel to attend meetings in Washington, D.C. Next, Mr. Coate reported that the City of Oakland Public Works Committee approved a resolution for EBMUD to be considered as a processor for Oakland's food waste, and he thanked the Board Members for their assistance with this effort.

REPORTS AND DIRECTOR COMMENTS

13. Committee Reports.

There were no Committee Reports filed with the Board.

14. **Director Comments.**

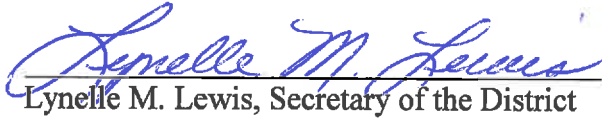
- Director Coleman reported attending/participating in the following events: ACWA teleconference call for California State Chamber Panel on February 18; ACWA 2014 D.C. conference from February 23-27 in Washington, D.C.; meeting with National Water Resources Association officials on February 27, in Washington, D.C.; lunch with Barry Nelson and Peter Yolles on March 4 in Oakland; ACWA Executive Committee teleconference meeting on March 4 in Oakland; ACWA annual legislative meeting on March 5 in Sacramento; panelist at ACWA California State Chamber of Commerce on March 6 in Santa Monica; meeting with Troop 243 Eagle Court of Honor on March 8 in Lafayette; panelist for Sunset Magazine on March 10 in Menlo Park; and an Upper Mokelumne Watershed Authority Advisory Board teleconference meeting in Oakland and an ACWA Executive Committee teleconference meeting on March 11. He reported on plans to attend the following upcoming events: Contra Costa County Realtors on March 13 in San Ramon; Lafayette Rotary Club on March 13 in Lafayette; Freeport Regional Water Authority teleconference meeting on March 17; and ACWA Executive Committee teleconference meeting on March 18.
- Director Foulkes reported attending the EBMUD Asian Pacific Employees Association luncheon on February 26 in Oakland and the Orinda Mayors' meeting on March 3 in Orinda.
- Director Linney had no comment.
- Director McIntosh reported attending the ACWA 2014 D.C. Conference from February 23-27 in Washington, D.C.
- Director Mellon had no comment.
- Director Patterson had no comment.
- President Katz had no comment.

ADJOURNMENT


President Katz announced that the meeting would be closed in memory of former District employee John Plumb who passed away on March 8, 2013 after a long illness. He was 90 years old. In 1959 Mr. Plumb joined EBMUD as a Customer Relations Representative. Later, as Customer Relations Director, he served as a lobbyist on state and federal legislative matters. In 1962 he became Assistant Secretary of the District and in 1967 he was promoted to Secretary of the District. During the period that he served as the District's Secretary, he also managed Public Affairs and Legislative Affairs. He retired in 1979 as Assistant to the General Manager. Mr. Plumb is survived by his wife, Marie, who retired from the District after 42 years of service.

President Katz adjourned the meeting at 2:24 p.m.

SUBMITTED BY:


Lynelle M. Lewis, Secretary of the District

APPROVED: March 25, 2014


Andy Katz, President of the Board

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