



**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Location Change

**REGULAR CLOSED SESSION
and
REGULAR BUSINESS MEETINGS
Tuesday, July 28, 2020
Teleconference**

Notice is hereby given that due to COVID-19 and in accordance with the most recent Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, the Regular Closed Session Meeting scheduled for 11:00 a.m., and the Regular Business Meeting scheduled for 1:15 p.m., **will be conducted via teleconference only**. In compliance with said orders, a physical location will not be provided for these meetings. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

Dated: July 23, 2020

A handwritten signature in blue ink that reads 'Rischa S. Cole'.

Rischa S. Cole
Secretary of the District

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**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

AGENDA

REGULAR CLOSED SESSION

Tuesday, July 28, 2020

11:00 a.m.

Location

Due to COVID-19 and in accordance with the most recent Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, **this meeting will be conducted via teleconference only.** In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson and President Marguerite Young will participate via teleconference

*****Please see appendix for public participation instructions*****

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(a):
 - a. Water Rights Hearing on Amador Water Agency's Petition for Partial Assignment of State Filed Application 5647 and Accompanying Application 5647X03, and Reversion of Rights Previously Assigned to Jackson Valley Irrigation District Under State Filed Application 5648 (Permit 12167)
2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
 - a. Bay Area Air Quality Management District Notices of Violation A56067, 56070, 56072, 56391, 58320 and 58828 Issued to East Bay Municipal Utility District
3. Threat to public services or facilities pursuant to Government Code section 54957:
Conference with David A. Briggs, Acting Director of Operations and Maintenance; and Laura A. Acosta, Manager of Human Resources.

(The Board will discuss Closed Session agenda items via teleconference.)

REGULAR BUSINESS MEETING

1:15 p.m.

Location

Due to COVID-19 and in accordance with the most recent Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, **this meeting will be conducted via teleconference only.** In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson and President Marguerite Young will participate via teleconference

*****Please see appendix for public participation instructions*****

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance

ANNOUNCEMENTS FROM CLOSED SESSION:

PRESENTATIONS:

- Acknowledging the East Bay Municipal Utility District's 2020 High School Virtual Internship Program

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

CONSENT CALENDAR: (Single motion and vote approving 12 recommendations, including 2 resolutions.)

1. Approve the Regular Meeting Minutes of July 14, 2020.
2. File correspondence with the Board.
3. Award a contract to the lowest responsive/responsible bidder, Integra Construction Services, Inc., in the amount of \$1,375,000 for construction of Sobrante Water Treatment Plant Control Systems Improvements under Specification 2134.
4. Award a contract to the lowest responsive/responsible bidder, TCB Industrial, Inc., in the amount of \$1,265,449 for construction of the Demonstration, Recharge, Extraction and Aquifer Management - Mokelumne Aqueduct Tie-In under Specification 2148A.
5. Authorize an agreement beginning on or after July 28, 2020 with Allied Crane, Inc. for an estimated annual amount of \$136,598 for crane certification and minor repairs for three years with two options to renew for additional one-year periods for a total cost of \$682,990 under Request for Proposal No. FMC736-20-04.

CONSENT CALENDAR: (Continued)

6. Authorize an agreement beginning on or after July 28, 2020 with Innovyze, Inc., to upgrade the District's hydraulic modeling software and to provide one year of software maintenance and support, with four options to renew the software maintenance and support for additional one-year periods in an amount not to exceed \$990,000.
7. Authorize an agreement beginning on or after July 28, 2020 with MoneyGram Payment Systems, Inc., in an amount not to exceed \$250,000 to provide customers with cash payment services for five years.
8. Authorize an agreement beginning on or after July 28, 2020 with Unico Mechanical Corporation in an amount not to exceed \$802,578 for the refurbishment of four 42-inch diameter ball valves for the Main Wastewater Treatment Plant Influent Pump Station.
9. Authorize amendments to agreements for paving, striping, sealing, and other related services.
 - 9a. Authorize amendments to agreements awarded under Board Motion No. 021-20 to seven vendors and various public agencies in the District's service area for an additional \$2,750,000, increasing the aggregate amount not to exceed \$4,000,000 for paving, striping, sealing, and other related services at locations throughout the District's service area through January 29, 2021: American Asphalt Repair & Resurfacing Co., Inc.; Bond Blacktop, Inc.; Bruce Enterprises; Carone & Company, Inc.; J.V. Lucas Paving, Inc.; O.C. Jones & Sons, Inc.; MCK Services, Inc.; and Public Agencies.
 - 9b. Authorize additional agreements with vendors that meet District standards to increase flexibility and ensure vendor availability during peak workload. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.
10. Approve the June 2020 Monthly Investment Transactions Report.
11. Adopt a debt management policy and approve revisions to Policy 4.02 – Cash Reserves and Debt Management. (Resolution)
12. Appointment of the Controller. (Resolution)

PUBLIC HEARING: **Please see appendix for participation instructions**

13. Authorize actions related to the transfer of delinquent EBMUD charges to Alameda and Contra Costa counties' 2020-2021 Property Tax Rolls. (Resolution)
 - 13.1. Conduct a public hearing to consider objections and protests to the General Manager's report to Transfer Delinquent EBMUD Charges to the 2020-2021 Property Tax Rolls.
 - 13.2. Adopt the General Manager's report (Report) dated June 23, 2020 and authorize the General Manager to exclude from the report any affected parcels or amounts as appropriate, including those that the District receives payment for on or before August 10, 2020, the date in which reports will be sent to Alameda and Contra Costa counties. A summary of the final Report will be included in the August 2020 General Manager's monthly report.

DETERMINATION AND DISCUSSION:

14. Approve the proposed financing plan for Fiscal Year 2021.
15. General Manager's Report:
 - Coronavirus Update

REPORTS AND DIRECTOR COMMENTS:

16. Committee Reports:
 - Planning
 - Legislative/Human Resources
 - Sustainability/Energy
 - Finance/Administration
17. Other Items for Future Consideration.
18. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, August 11, 2020.

Disability Notice

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

Document Availability

Materials related to an item on this agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours, and can be viewed on our website at www.ebmud.com.

BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Tuesday, July 28	Sustainability/Energy Committee Linney {Chair}, Katz, Mellon	9:00 a.m. <i>Teleconference</i>	<ul style="list-style-type: none"> Managing Fleet Emissions Main Wastewater Treatment Plant Electric Vehicle Charging Pilot Biogas to Hydrogen Grant Funding Opportunity Energy Policy Update
	Finance/Administration Committee Patterson {Chair}, Coleman, Katz	10:15 a.m. <i>Teleconference</i>	<ul style="list-style-type: none"> Monthly Investment Transactions Report Quarterly Financial Reports Annual Internal Audit Report Proposed Fiscal Year 2021 Financing Plan Review New Policy 4.27 – Debt Management and Revisions to Policy 4.02 – Cash Reserves
	Board of Directors	11:00 a.m. <i>Teleconference</i> 1:15 p.m. <i>Teleconference</i>	<ul style="list-style-type: none"> Closed Session Regular Meeting
Tuesday, August 11	Planning Committee Linney {Chair}, McIntosh, Mellon	9:15 a.m. TBD	
	Legislative/Human Resources Committee Coleman {Chair}, McIntosh, Patterson	10:15 a.m. TBD	
	Board of Directors	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> Closed Session Regular Meeting
Tuesday, August 25	Finance/Administration Committee Patterson {Chair}, Coleman, Katz		<ul style="list-style-type: none"> <i>Canceled</i>
	Board of Directors		<ul style="list-style-type: none"> <i>Canceled</i>



APPENDIX

Closed Session and Regular Business Meetings ***(11:00 a.m. and 1:15 p.m.)***

The EBMUD 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.

To participate in the public portion of the 11:00 a.m. Closed Session Meeting and the entirety of the 1:15 p.m. Regular Business Meeting via telephone, please:

DIAL 855-369-0450 and ENTER 49-281-364 # when prompted

To listen to the live audio stream of the public portion of the 11:00 a.m. Closed Session Meeting and the entirety of the 1:15 p.m. Regular Business Meeting, but not provide public comment, please visit: <https://www.ebmud.com/about-us/board-directors/board-meetings/>

If you participate via telephone and wish to speak on **an agenda or non-agenda item**, you will be asked to:

- State your name, affiliation if applicable, and topic
- The Secretary will compile a list of those who wish to make public comment and will call each speaker in the order received
- The Secretary will keep track of time and inform each speaker when his/her allotted time has concluded
- Each speaker is allotted 3 minutes to speak; the Board President has the discretion to amend this time based on the number of speakers
- Comments **on agenda items** will follow the same process and will be heard when the item is up for consideration.

Public Hearing on Agenda Item 13 **Transfer delinquent EBMUD charges to 2020-2021 Property Tax Rolls** ***(Noticed to start at 1:15 p.m.)***

To discuss your account without providing comment or objection to the actions being considered by the Board, please contact Teri Alderson, Customer Services Manager at 510-287-1824 or teri.alderon@ebmud.com; otherwise:

To participate in the public hearing via telephone, please:

DIAL 855-369-0450 and ENTER 49-281-364 # when prompted

If you participate via telephone and wish to 1) provide comment or 2) object or protest the actions being considered by the Board during the public hearing, you will be asked to:

- State your name and the Assessor Parcel Number (APN) for the affected property, if applicable
- The Secretary will compile a list of those who wish to speak and will call each speaker in the order received
- The Secretary will keep track of time and inform each speaker when his/her allotted time has concluded

- Each speaker is allotted 3 minutes to speak; the Board President has the discretion to amend this time based on the number of speakers

To listen to the live audio stream of the public portion of the 11:00 a.m. Closed Session Meeting and the entirety of the 1:15 p.m. Regular Business Meeting, *but not provide public comment*, please visit: <https://www.ebmud.com/about-us/board-directors/board-meetings/>

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MINUTES

Tuesday, July 14, 2020

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

Regular Closed Session Meeting

President Marguerite Young called to order the Regular Closed Session Meeting of the Board of Directors at 11:02 a.m. She announced that due to COVID-19 and in accordance with the latest Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, this meeting will be conducted via teleconference only. In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

ROLL CALL

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

Staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, Attorney Saji T. Pierce (Item 1a), Manager of Human Resources Laura A. Acosta (Items 1a and 2), Diversity and Inclusion Officer Dorian West Blair (Item 1a), Attorney Lourdes Matthew (Item 2), Director of Wastewater Eileen M. White (Item 2), Acting Director of Operations and Maintenance David A. Briggs (Item 2), and Manager of Risk Management Vladimir Bessarabov (Item 2).

PUBLIC COMMENT

- Addressing the Board were the following persons: 1) Eric Larsen, President, AFSCME Local 444 commented janitorial staff should be recognized for performing additional work in response to the COVID-19 pandemic and accommodations for Local 444 staff that are asymptomatic, but may be required to self-quarantine because of potential exposure to COVID-19 at work; and 2) Joseph Pangelinan, Chief Steward, AFSCME Local 444 commented on potential loss of pay and benefits for employees who may be deployed for extended periods during the pandemic.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

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

Regular Business Meeting

President Young called to order the Regular Business Meeting of the Board of Directors at 1:46 p.m. She announced that due to COVID-19 and in accordance with the latest Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act,

this meeting will be conducted via teleconference only. In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

ROLL CALL

Directors John A. Coleman, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson, and President Marguerite Young were present at roll call. Director Andy Katz joined the meeting at 1:48 p.m. (all via teleconference). Staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, and Secretary of the District Rischa S. Cole.

BOARD OF DIRECTORS

President Young led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

There was no public comment.

CONSENT CALENDAR

- Motion by Director Coleman, seconded by Director Mellon, to approve the recommended actions for Items 1-12 on the Consent Calendar carried (7-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
- 1. **Motion No. 130-20** – Approved the Regular Meeting Minutes of June 23, 2020.
- 2. The following correspondence was filed with the Board: **1)** Presentation entitled, “EBMUD’s Racial Equity and Justice Project Update,” dated July 14, 2020; and **2)** Speakers’ Bureau and Outreach Record CY20, dated July 14, 2020.
- 3. **Motion No. 131-20** – Authorized a direct award contract to Digital Map Products, L.P. in an annual amount not to exceed \$45,812 for Landvision parcel data, software, and support for three years, beginning on or after July 14, 2020, with two options to renew for additional one-year periods for a total cost of \$229,060.
- 4.1 **Motion No. 132-20** – Awarded a contract to the lowest responsive/responsible bidder, Golden Gate Freightliner, Inc. dba Golden Gate Truck Center in an annual amount, after the addition of taxes, not to exceed \$2,778,273 for supplying medium and heavy duty trucks for the District fleet for three years, beginning on or after July 15, 2020 with two options to renew for additional one-year periods for a total cost of \$13,891,365 under Request for Quotation (RFQ) No. 2002.

- 4.2. **Motion No. 133-20** – Authorized agreements in accordance with the timing and pricing specified in the relevant State of California's Statewide Contracts for Fleet Vehicles in the aggregate amount not to exceed \$12,566,200, after the addition of taxes, for the purchase of cars, trucks, vans, and sport utility vehicles that will remain in effect until June 30, 2025.
5. **Motion No. 134-20** – Authorized agreements beginning on or after July 14, 2020 with ten firms for inflow and infiltration investigations of the regional wastewater collection system for two years with three options to renew for additional one-year periods for a total combined cost not to exceed \$11,000,000. ADS Corp., Hoffman Southwest Corp dba Professional Pipe Services, Infrastructure Engineering Corporation, National Plant Services, Inc., Pipe and Plant Solutions, Inc., Sewer AI Corporation, Subtronic Corporation, Total Flow Inc., Trekk Design Group LLC, V &A Consulting Engineers, Inc.
- 6.1. **Motion No. 135-20** – Authorized a direct award agreement beginning on or after July 14, 2020 with Langan Engineering and Environmental Services, Inc. in an amount not to exceed \$971,025 for geotechnical, environmental and civil engineering design services for the Moraga Creek Flood and Erosion Control Project located in Moraga, California.
- 6.2. **Motion No. 136-20** – Authorized a direct award agreement beginning on or after July 14, 2020 with Wiss, Janney, Elstner Associates, Inc. in an amount not to exceed \$601,306 for structural engineering design services for the Moraga Creek Flood and Erosion Control Project located in Moraga, California.
- 7a-b. **Motion No. 137-20** – Authorized agreements with the following six vendors in the aggregate amount not to exceed \$600,000 annually during the period July 15, 2020 to July 15, 2023 for disposal and recycling of District asphalt, concrete, asphalt grindings, and petromat trench spoils with two options to renew for additional one year periods for a total cost of \$3,000,000: Argent Materials, Inc., Calmat Co. dba Vulcan Materials Company, County Quarry Products, LLC, The Dutra Group, Gallagher & Burk, Nor-Cal Rock, Inc.; and authorized additional agreements with other disposal and recycling vendors that meet District standards and offer pricing at or below the range described in the proposed agreements above. These additional agreements may be issued, on an as-needed basis, to increase flexibility. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.
8. **Motion No. 138-20** – Authorized an amendment to the contract awarded under Board Motion No. 044-19 with Honeywell International, Inc., doing business as Honeywell Process Solutions, extending the software support services for the completed Distributed Control System upgrades under this contract to include the same services at Orinda Water Treatment Plant, without change to the existing maximum agreement ceiling of \$3,700,000.
9. **Motion No. 139-20** – Authorized the execution of a 110-day ground lease with United Parcel Service, Inc. for approximately six acres of land located within the District's Oakport property for \$272,000.
- 10.1. **Motion No. 140-20** – Authorized the Office of General Counsel to continue the employment of the law firm of Foster Employment Law, for specialized legal services related to labor and employment law and litigation matters in an additional amount not to exceed \$120,000.

- 10.2. **Motion No. 141-20** – Authorized the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett LLP, for specialized legal services related to tax, public pension law, litigation, and construction matters in an additional amount not to exceed \$100,000.
11. **Motion No. 142-20** – Cancelled the August 25, 2020 Closed Session and Regular Meetings of the Board of Directors.
12. **Resolution No. 35191-20** – Amend Resolution No. 35145-19 Authorizing the Number and Character of Positions and Authorizing the General Manager to Take Action in Connection Therewith and Add One Limited-Term Senior Human Resources Analyst for Fiscal Year 2021.

DETERMINATION AND DISCUSSION:

13. **Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine reviewed three State bills and one Federal resolution in Legislative Report No. 06-20. Legislative/Human Resources Committee Chair John A. Coleman reported the Committee, in its meeting earlier today, supported the staff recommendations in the report. Ms. Dumaine discussed how the bills could potentially impact or benefit the District and explained how the Federal resolution supports Strategies 7 and 8 in Board Resolution No. 35190-20 – Authorizing Principles and Action Plan for EBMUD's Response to Racial Discrimination and Violence Against Black and African Americans as Most Recently Exemplified by the Killing of George Floyd. She responded to Board questions regarding AB 2060 and whether AB 2421 evaluated fire safety and potential effects on site security. Next, she provided an update on a potential federal COVID-19 relief package; State legislators impacted by COVID-19; State bills pending resolution; status of State legislators, the bills pending resolution and said staff will provide an update to the Board regarding ACA 5 in September.

- Motion by Director Patterson, seconded by Director Coleman, to approve the recommended actions for Item 13 carried (7-0), by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 143-20 – Received Legislative Report No. 06-20 and approved positions on the following bills: 1) SUPPORT AB 2060 (Holden) Drinking Water: Pipes and Fittings: Lead Content; 2) SUPPORT AB 2421 (Quirk) Land Use: Permitting: Wireless Communications: Emergency Standby Generators; 3) SUPPORT and AMEND SB 1348 (Stern) Fire Prevention: Vegetation Management: Public Education: Grants: Defensible Space: Fire Hazard Severity Zones: Forest Management; and 4) SUPPORT H. Res. 988 Condemning All Acts of Police Brutality, Racial Profiling, and the Use of Excessive and Militarized Force Throughout the Country; and received information on State and Federal Government Actions Related to the Corona virus Disease 2019 (COVID-19).

14. General Manager's Report.

Manager of Employee and Organizational Development Derry L. Moten presented an update on the District's Racial Equity and Justice Project. He reviewed the project management team and key stakeholders, actions taken to date, and staff plans to implement the project. At its June 23, 2020 meeting, the Board adopted Resolution No. 35190-20 – Authorizing Principles and Action Plan for EBMUD's Response to Racial Discrimination and Violence Against Black and African Americans as most Recently Exemplified by the Killing of George Floyd. Staff is developing an action plan that will address the eight strategies in the resolution in three phases. Mr. Moten reviewed processes implemented since the resolution was adopted and reported the District has contracted with a consultant to provide project management services. Additionally, recruitment will commence for the Limited-Term Senior Human Resources Analyst position approved under Agenda Item 12 to support the project. He discussed how the strategies will be sequenced in the three project phases, the Senior Management Advisory team members assigned to each strategy, and plans to coordinate project activities in conjunction with the District's Diversity and Inclusion Master Plan project. Based on feedback from the Legislative/Human Resources Committee earlier in the day, he reported staff will provide bi-monthly project updates to the Board.

The Board thanked staff for their work and reiterated the importance of maintaining the momentum to develop and execute the project action plan. Mr. Moten responded to Board questions on the approach staff will use to implement Resolution Strategy 8 and how the District's Employee Assistance Program can be used to implement Resolution Strategy 6. Following additional Board discussion, the Board requested monthly instead of bi-monthly project updates to the Legislative/Human Resources Committee and the full board, and for the updates to include information on staff concerns regarding the District's actions on this issue. Additionally, the Board asked staff to continue soliciting feedback from the Committee and the Board; to evaluate the Employee Assistance Program's ability to assist employees dealing with harassment by the public or law enforcement; and for an evaluation by the Office of General Counsel on whether current laws could potentially reinforce structural racism and how some laws might provide remedies to support employees.

General Manager Clifford C. Chan announced he was available to answer questions regarding the topics listed in the Six-Month Forecast of Board Committee and Workshop Agenda Topics for 2020 and Summary of 2020 Committee and Workshop Topics memorandum and the June 2020 General Manager's Monthly Report.

REPORTS AND DIRECTOR COMMENTS:

15. Committee Reports.

- Filed with the Board were the June 23, 2020 Finance/Administration Committee.
- Planning Committee Chair Doug Linney reported the Committee met earlier in the day (via teleconference) and received an update on the Pipeline Rebuild Program

- Legislative/Human Resources Chair John A. Coleman reported the Committee met earlier in the day (via teleconference) and received an update on Legislative Report No. 06-20 and the District's Racial Equity and Justice Project.

16. Other Items for Future Consideration.

None.

17. Director Comments.

- Director Coleman reported on plans to participate in the UMRWA Board meeting (remotely) on July 24.
- Directors Katz, Linney, McIntosh, Mellon, Patterson and President Young had no report.

ADJOURNMENT

President Young adjourned the meeting at 2:37 p.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: July 28, 2020

Marguerite Young, President of the Board



AGENDA NO. 3.
MEETING DATE July 28, 2020

**TITLE SOBRANTE WATER TREATMENT PLANT CONTROL SYSTEMS
IMPROVEMENTS**

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, Integra Construction Services, Inc., (Integra) in the amount of \$1,375,000 for construction of Sobrante Water Treatment Plant (WTP) Control Systems Improvements under Specification 2134.

SUMMARY

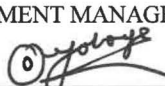

Integra will install a new distributed control system at Sobrante WTP and demolish existing control system components and cables. This project addresses the District's need to modernize the control system and improve reliability and overall efficiency of the Sobrante WTP facility operations. This project was discussed at the February 13, 2019 Planning Committee meeting.

DISCUSSION

The existing control system contains hardware and software components that are or will be obsolete soon. Continued reliance on the aging control system further increases the risk of failure as replacement parts and the technical expertise needed to perform repairs become less available.

The control system replacement project at the Sobrante WTP has two phases. Phase 1 was recently completed during the ozone system improvements project and included updating the computer platform and operator interface system. The scope of work for this project (Phase 2) includes replacing the existing control system hardware with Honeywell controllers, and integrating them into the Experion Distributed Control System.

This project supports the District's Water Quality and Environmental Protection and Long-Term Infrastructure Investment Strategic Plan goals.

Funds Available: FY21; CIP # 000437; Page 47		Budget Code: WSC/570/7999/5561/ 2011658:25
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR  Olujimi O. Yoloye	APPROVED  General Manager

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

BID RESULTS

Bid documents were issued to 21 resource organizations and 13 prospective bidders. Two bids were received, ranging from \$1,375,000 to \$1,489,000. The bid summary is attached. The engineer's estimate for this work is \$1,254,084.

The lowest responsive/responsible bidder, Integra, is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. Integra and its listed subcontractors are properly registered with the State DIR. In the past five years, Integra has not filed a Government Code Claim nor initiated any litigation against the District.

SUSTAINABILITY

Economic

Funding for this item is available in the FY21 budget for the Treatment Plant Upgrades Project.

Upon completion, the new control system for Sobrante WTP will improve the operational reliability of the facility and reduce the labor and equipment costs required to maintain the control system.

Social

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

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

Local 444 was notified of this work on October 17, 2019 and did not raise any specific issues related to this contract.

Environmental

A California Environmental Quality Act Notice of Exemption was posted with the Contra Costa County Clerk on October 16, 2019.

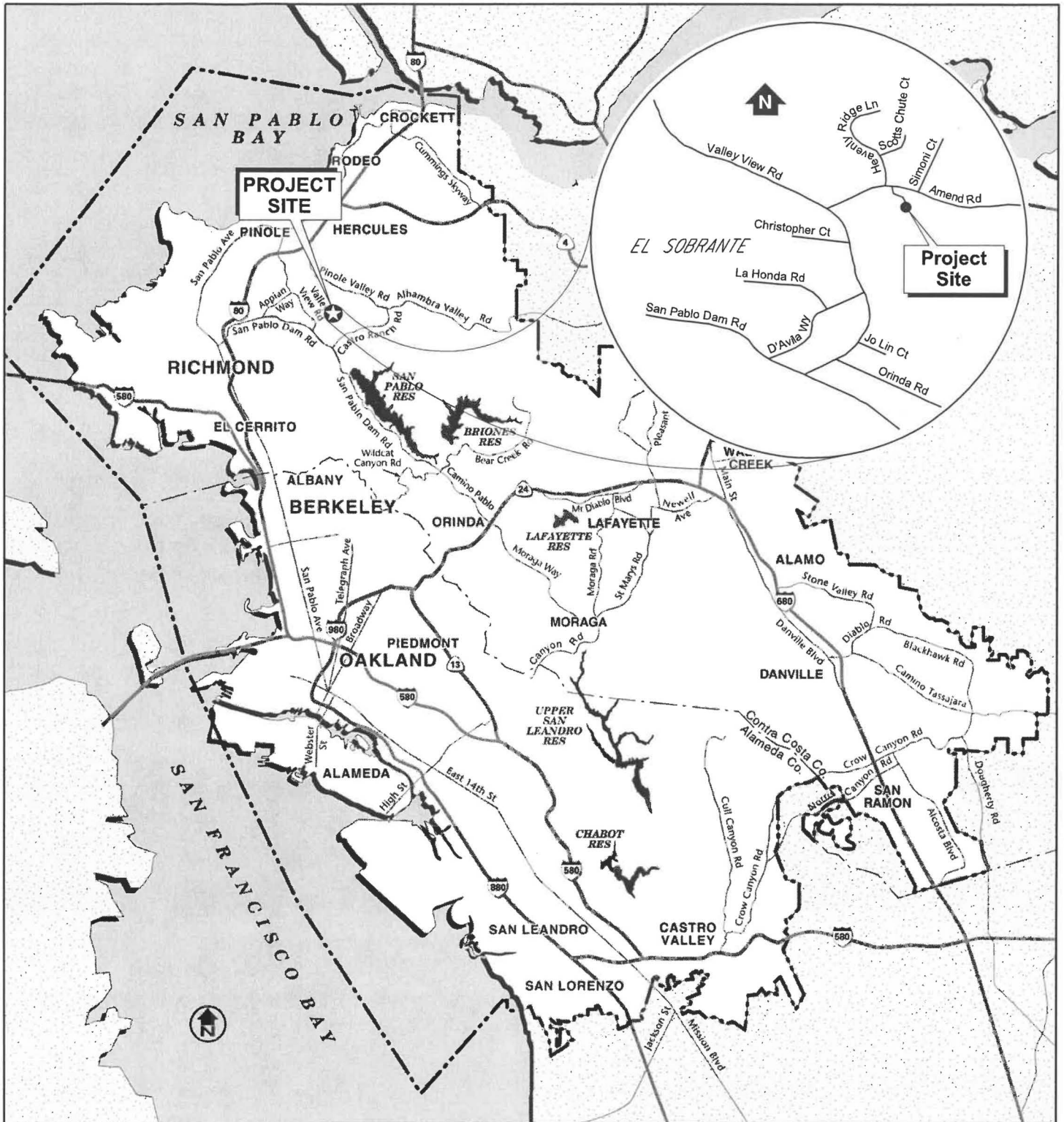
ALTERNATIVES

Do not proceed with the project. This alternative is not recommended because the existing control system components are obsolete or nearing obsolescence, costly to maintain, and at risk of failure.

Defer the project. This alternative is not recommended because components of the existing control system are unreliable and at risk of failure.

Perform the work with District forces. This alternative is not recommended because District forces do not possess the resources needed to perform the scope of this work.

Attachments Location Map
 Bid Summary
 Contract Equity Program Summary (P-035)
 Affirmative Action Summary (P-061)



PROJECT SITE LOCATION MAP

NOT TO SCALE

EAST BAY MUNICIPAL UTILITY DISTRICT

SOBRANTE
WATER TREATMENT PLANT
CONTROL SYSTEMS IMPROVEMENTS

SPECIFICATION 2134

EAST BAY MUNICIPAL UTILITY DISTRICT
SPECIFICATION 2134
SOBRANTE WTP CONTROL SYSTEMS IMPROVEMENTS
Bids Opened July 1, 2020

	BIDDER	TOTAL AMOUNT BID
1.	Integra Construction Services, Inc.(SBE/DVBE) 4133 Mohr Ave., Ste. D Pleasanton, CA 94566 (925) 596-5032	\$1,375,000 / \$1,278,750*
2.	Blocka Construction, Inc. 445 Boulder Ct. Pleasanton, CA 94566 (510) 657-3686	\$1,489,000

SBE/DVBE – Small Business Enterprise or Disabled Veteran Business Enterprise

*Effective Bid Amount due to SBE/DVBE discount (7% of the low bid amount, not to exceed \$150,000)

Engineer's Estimate: \$ 1,254,084

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CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE					DATE:						
SPECIFICATION NO.: 2134					July 14, 2020						
Sobranite Water Treatment Control Systems Improvements											
CONTRACTOR:					PERCENTAGE OF CONTRACT DOLLARS						
Integra Construction Services, Inc. Local / Small Business Pleasanton, CA 94566					Availability Group		Contracting Objectives		Participation		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP			White Men		25%		100.0%		
		Ethnicity		Gender	White Women		9%		0.0%		
		White		Men	Ethnic Minorities		25%		0.0%		
\$1,375,000											
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION					
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit
PRIME:											
Integra Construction Services, Inc.		\$475,000	White	X		34.5%					
SUBS:											
Con J. Franke Electric, Inc.		\$850,000	White	X		61.8%					
James Breneman		\$50,000	White	X		3.6%					
TOTAL		\$1,375,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		2		3		2		7			
Percent of Total Employees:		28.6%		42.9%		28.6%					
MSA Labor Market %:		24.5%		21.6%		53.9%					
MSA Labor Market Location:		Alameda									
COMMENTS											
Contract Equity Participation - 100% White Men participation.											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA				Beverly Johnson jj			



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Sobrante Water Treatment Control Systems Improvements		Ethnic Minority Percentages From U.S. Census Data						
			B	H	A/PI	AI/AN	TOTAL	
		National	10.5	10.7	3.7	0.7	27.3	
Spec. No.: 2134		DATE: 7/14/2020	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT
								MSA %
RP	WM: L/SBE	Company Wide	0	1	1	0	2	28.6%
Integra Construction Services, Inc. Alexander Giammona 4133 Mohr Avenue, Suite D Pleasanton, CA 94566 925-596-5032		Manager/Prof	0	1	1	0	2	40.0%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	0	0	0	0	0.0%
		Semi/Unskilled	0	0	0	0	0	0.0%
		Bay Area	0	1	1	0	2	28.6%
		AA Plan on File:	NA		Date of last contract with District:		NA	
		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		7 Bay Area: 0	
S	WM: LBE	Company Wide	3	41	5	1	50	36.2%
Con J. Franke Electric, Inc. Shannon Martin 317 N. Grant Street Stockton, CA 95202 209-462-0717		Manager/Prof	0	0	0	0	0	0.0%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	3	40	4	1	48	38.4%
		Semi/Unskilled	0	1	1	0	2	33.3%
		Bay Area	0	10	0	0	10	41.7%
		Co. Wide MSA:	California		# Employees-Co. Wide:		138 Bay Area: 24	
S	WM: LBE	Company Wide	INFORMATION NOT PROVIDED					
James Breneman P.O. Box 1055 Concord, CA 94522 925-457-2026		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:						
P	WW: L/SBE	Company Wide	4	17	4	1	26	39.4%
Blocka Construction, Inc. Robert A. Blocka 445 Boulder Court Pleasanton, CA 94566 510-657-3686		Manager/Prof	0	0	0	0	0	0.0%
		Technical/Sales	0	2	1	0	3	30.0%
		Clerical/Skilled	4	14	3	1	22	44.0%
		Semi/Unskilled	0	1	0	0	1	50.0%
		Bay Area	4	10	3	1	18	36.7%
		Co. Wide MSA:	California		# Employees-Co. Wide:		66 Bay Area: 49	

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



AGENDA NO.

4.

MEETING DATE

July 28, 2020

**TITLE DEMONSTRATION, RECHARGE, EXTRACTION, AND AQUIFER MANAGEMENT
– MOKELUMNE AQUEDUCT TIE-IN**☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____**RECOMMENDED ACTION**

Award a contract to the lowest responsive/responsible bidder, TCB Industrial, Inc., in the amount of \$1,265,449 for construction of the Demonstration, Recharge, Extraction and Aquifer Management - Mokelumne Aqueduct Tie-In under Specification 2148A.



SUMMARY

The Demonstration, Recharge, Extraction and Aquifer Management (DREAM) Project is a pilot groundwater banking partnership with San Joaquin County (County) and the North San Joaquin Water Conservation District (NSJWCD). Construction is expected to begin in October 2020 and be completed by May 2021.

DISCUSSION

Under DREAM, the District supplies up to 1,000 acre feet (AF) of Mokelumne River water for irrigation to NSJWCD in place of groundwater pumping, and then will extract up to 500 AF of the banked supplies during dry years. The extracted groundwater will be conveyed through a new pipeline and delivered to the Mokelumne Aqueduct east of Lodi and south of the Mokelumne River. The District is responsible for constructing the Mokelumne Aqueduct tie-in connection and related components. NSJWCD is responsible for constructing the new pipeline.

Work includes: furnishing and installing two precast concrete vaults and associated piping; modifying fittings and piping in Mokelumne Aqueducts No. 1 and No. 2 vaults; renting and installing a potable water equalization tank; furnishing and installing a skid mounted packaged pumping system; performing programmable logic controller programming and integration of the packaged pumping system; furnishing and installing approximately 355 feet of 6-inch to 8-inch steel pipe; performing related required work located at Mokelumne Aqueduct Station 1408; modifying the well control panel, furnishing and installing valve position switches, radio and antenna; and performing related required work at the well site located about three miles north of Station 1408.

Funds Available: FY21; CIP # 000460; Page 126		Budget Code: WSC/570/7999/5561/ 2012334:25
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR  Michael T. Tognolini	APPROVED  General Manager

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

The DREAM Project was delayed due to complications related to the pandemic and to accommodate NSJWCD's construction schedule for the new pipeline. The DREAM Project supports the District's Long-Term Water Supply Strategic Plan goal to ensure a reliable high quality water supply for the future.

BID RESULTS

Bid documents were issued to 21 resource organizations and 11 prospective bidders. Three bids were received, ranging from \$1,265,449 to \$1,470,000. The bid summary is attached. The engineer's estimate for this work is \$1,249,000.

The lowest responsive/responsible bidder, TCB Industrial, Inc., is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. TCB Industrial, Inc. and its listed subcontractors are properly registered with the State DIR. In the past five years, TCB Industrial, Inc. has not filed a Government Code Claim against the District, nor initiated any litigation against the District.

SUSTAINABILITY

Economic

This item is included in the FY21 budget for the Additional Supplemental Supply Projects.

Social

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

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

Locals 444 and 2019 were notified of this contract on June 11, 2019. Local 2019 did not raise any specific issues related to this contract. Local 444 issues were addressed at a meeting on August 1, 2019 and resolved.

Environmental

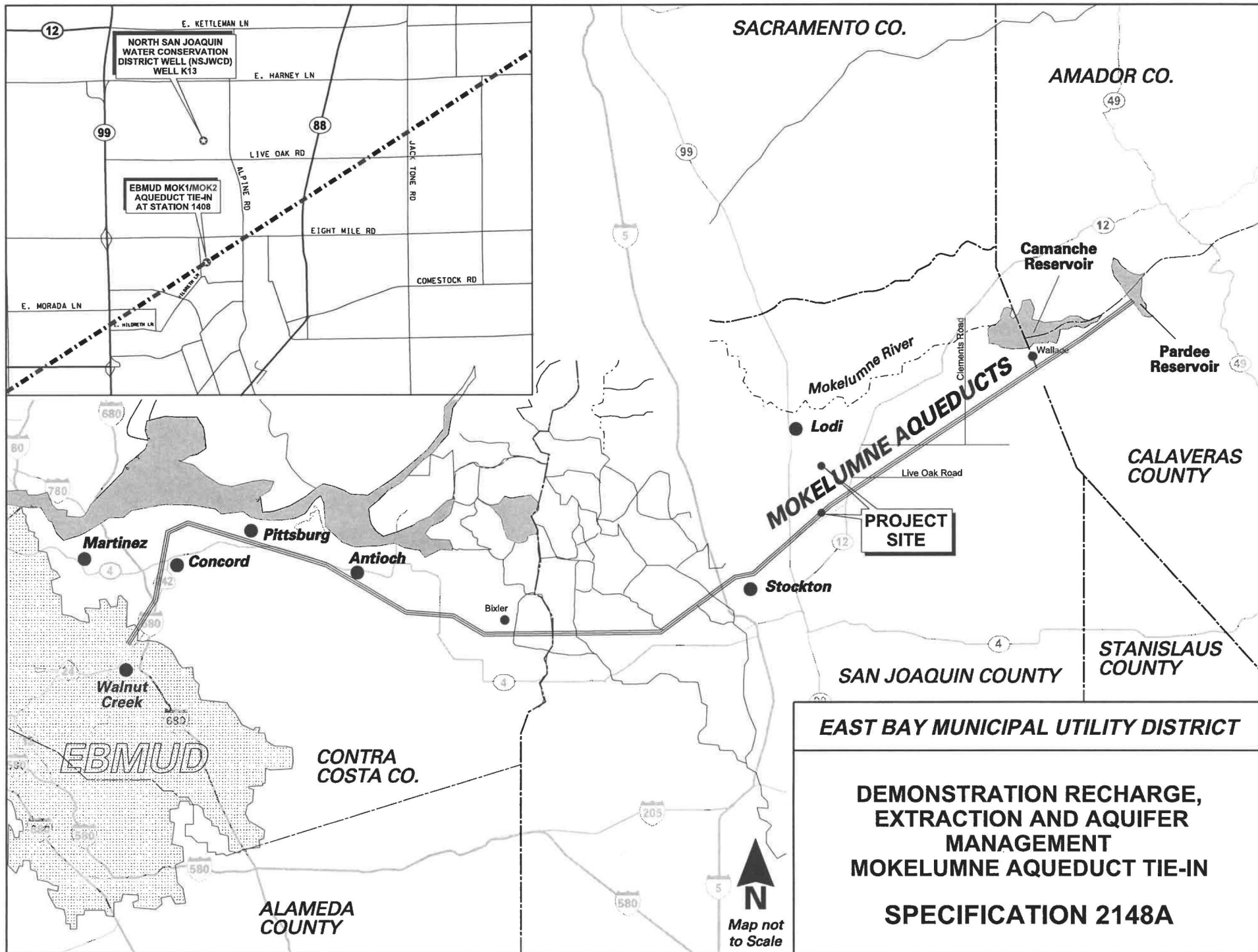
The County prepared environmental documents for the Project, including a Draft and Final Initial Study/Mitigated Negative Declaration. Acting as a responsible agency under the California Environmental Quality Act (CEQA), EBMUD's Board adopted the findings and the Mitigation Monitoring and Reporting Program for the Project on September 12, 2017. EBMUD posted the CEQA Notice of Determination (NOD) for the Project in Alameda, Contra Costa, and San Joaquin Counties on September 13, 2017. No challenges were filed following posting of the NOD.

ALTERNATIVES

Perform work with District forces. This alternative is not recommended because District forces are fully committed to other high-priority capital and maintenance work and cannot support the scope of work.

Delay or do not proceed with the work. This alternative is not recommended because the schedule for the DREAM Project is set by partnership agreements with the County and NSJWCD. Construction is scheduled for completion by May 2021.

Attachments: Location Map
Bid Summary
Contract Equity Program Summary (P-035)
Affirmative Action Summary (P-061)



EAST BAY MUNICIPAL UTILITY DISTRICT
SPECIFICATION 2148A
DEMONSTRATION, RECHARGE, EXTRACTION AND AQUIFER
MANAGEMENT – MOKELUMNE AQUEDUCT TIE-IN

Bids Opened July 1, 2020

	BIDDER	TOTAL AMOUNT BID
1.	TCB Industrial, Inc.(SBE/DVBE) 2955 Farrar Ave. Modesto, CA 95354 (209) 571-0569	\$1,265,449.00 / \$1,176,867.57*
2.	Sorocco, Inc. (SBE/DVBE) 903 E. Lodi Ave. Lodi, CA 95240 (209) 267-4030	\$1,310,015.00 / \$1,221,433.57*
3.	Integra Construction Services, Inc. (SBE/DVBE) 4133 Mohr Ave., Ste. D Pleasanton, CA 94566 (925) 596-5032	\$1,470,000.00 / \$1,381,418.57*

SBE/DVBE – Small Business Enterprise or Disabled Veteran Business Enterprise

*Effective Bid Amount due to SBE/DVBE discount (7% of the low bid amount, not to exceed \$150,000)

Engineer's Estimate: \$1,249,000.00

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CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE SPECIFICATION NO.: 2148A Demonstration, Recharge, Extraction, and Aquifer Management - Mokelumne Aqueduct Tie-In			DATE: July 14, 2020								
CONTRACTOR: TCB Industrial, Inc. Modesto, CA 95354			PERCENTAGE OF CONTRACT DOLLARS								
Small Business			Availability Group	Contracting Objectives	Participation						
BID/PROPOSER'S PRICE: \$1,265,449	FIRM'S OWNERSHIP		White Men	25%	100.0%						
	Ethnicity	Gender	White Women	9%	0.0%						
	White	Men	Ethnic Minorities	25%	0.0%						
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: TCB Industrial, Inc.	\$1,073,949	White	X		84.9%						
SUBS: CalWest Concrete Cutting	\$1,000	White	X		0.1%						
Stockton Fence & Material Co.	\$28,000	White	X		2.2%						
Delta Tech Service Inc.	\$13,500	White	X		1.1%						
Gold Electric, Inc.	\$149,000	White	X		11.8%						
TOTAL	\$1,265,449				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
	White Men	White Women	Ethnic Minorities	Total Employees							
No. of Employees:	26	4	15	45							
Percent of Total Employees:	57.8%	8.9%	33.3%								
MSA Labor Market %:	33.0%	28.4%	38.6%								
MSA Labor Market Location:	Modesto										
COMMENTS											
Contract Equity Participation - 100% White Men participation.											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				YES				<i>Beverly Johnson</i>			



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Demonstration, Recharge, Extraction, and Aquifer Management - Mokelumne Aqueduct Tie-In		Ethnic Minority Percentages From U.S. Census Data						
			B	H	A/PI	AI/AN	TOTAL	
		National	10.5	10.7	3.7	0.7	27.3	
Spec. No.: 2148A		DATE: 7/14/2020	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees						
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT
								MSA %
RP	WM: SBE	Company Wide	1	13	1	0	15	33.3%
TCB Industrial, Inc. Derek Todd Raybourn 2955 Farrar Avenue Modesto, CA 95354 209-571-0569		Manager/Prof	0	0	0	0	0	0.0%
		Technical/Sales	0	1	0	0	1	33.3%
		Clerical/Skilled	1	11	1	0	13	43.3%
		Semi/Unskilled	0	1	0	0	1	33.3%
		Bay Area	0	0	0	0	0	0.0%
		AA Plan on File:	NA		Date of last contract with District:		NA	
		Co. Wide MSA:	Modesto		# Employees-Co. Wide:		45	
					Bay Area:		0	
S	WM: L/SBE	Company Wide	INFORMATION NOT PROVIDED					
CalWest Concrete Cutting Larry Gielenfelat 3000 Tara Court Union City, CA 94587 209-823-2236		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:						
S	WM: L/SBE	Company Wide	INFORMATION NOT PROVIDED					
Stockton Fence & Material Co. Tony Bernardo 2007 N. Wilson Way Stockton, CA 95208 209-466-3166		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:						
S	WM	Company Wide	INFORMATION NOT PROVIDED					
Delta Tech Service Inc. Chris Morel 397 West Channel Road Benicia, CA 94510 707-745-2080		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:						
S	WM: L/SBE	Company Wide	0	1	0	1	2	11.8%
Gold Electric, Inc. Jim Heryford 821 Murphys Creek Road, Bldg. A2 Murphys, CA 95247 209-728-3371		Manager/Prof	0	0	0	0	0	0.0%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	1	0	1	2	14.3%
		Semi/Unskilled	0	0	0	0	0	0.0%
		Bay Area	0	0	0	0	0	0.0%
		Co. Wide MSA:	Stockton-Lodi		# Employees-Co. Wide:		17	
					Bay Area:		0	

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

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

[illegible]

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

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AGENDA NO.
MEETING DATE

5.
July 28, 2020

TITLE CRANE INSPECTION AND MINOR REPAIR

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Authorize an agreement beginning on or after July 28, 2020 with Allied Crane, Inc. for an estimated annual amount of \$136,598 for crane certification and minor repairs for three years with two options to renew for additional one-year periods for a total cost of \$682,990 under Request for Proposal No. FMC736-20-04.

In authorizing this agreement, the Board of Directors finds this work cannot be satisfactorily performed under civil service.

SUMMARY


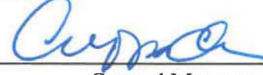
The District has 132 fixed cranes, over-head fixed cranes, and hoists. Cal/OSHA requires three quarterly inspections and one annual inspection per year for all cranes. Cranes over three tons require an additional inspection every four years. Under this agreement, the vendor will perform required inspections and the District can authorize the vendor to make minor repairs of \$1,500 or less as part of each inspection.

DISCUSSION

Many District pumping plants, treatment plants, and other structures have fixed overhead cranes that require periodic inspections and testing. Some of these inspections must be completed by certified and trained professionals. District staff does not possess the training or certifications to perform this work. Allied Crane Inc. will perform inspections for 73 cranes at the District's water treatment and distribution facilities and will perform inspections for 44 wastewater facility cranes. Additional cranes upcountry will be serviced by another vendor through a separate agreement. This agreement supports the District's Long-Term Infrastructure Investment Strategic Plan goal.

SERVICE PROVIDER SELECTION

A request for proposals was posted on the District website and sent to 63 vendors. Four bids were received. Allied Crane, Inc. was selected based on qualifications, experience, and the quality of the proposal.

Funds Available: FY21		Budget Code: WSO/736/5371/5312; WSO/762/6544/5312 WWO/911/0502250/5312
DEPARTMENT SUBMITTING Water Operations	DEPARTMENT MANAGER or DIRECTOR  David A. Briggs	APPROVED  General Manager

SUSTAINABILITY

Economic

Funding for this work is included in the FY21 operating budget.

Social

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

Local 444 was notified of this agreement on February 26, 2020 and did not raise any issues.

Environmental

Allied Cranes, Inc. utilizes low emissions technology to reduce greenhouse gasses, has practices in place to avoid disturbances of wildlife or landscapes, and purchases recycled materials when appropriate.

ALTERNATIVES

Re-bid the services. This alternative is not recommended because the District engaged in a fair and competitive bidding process yielding reasonable pricing.

Do not perform the work. This alternative is not recommended because without crane certification the District would be out of compliance with safety regulations.

Attachments

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE General Services Agreement - RFP No.: FMC736-20-04 Crane Inspection and Minor Repair Contract - Three-Year Contract with 2 One-Year Renewal Options						DATE: July 16, 2020					
CONTRACTOR: Allied Crane, Inc. Pittsburg, CA 94565				Local / Small Businesses		PERCENTAGE OF CONTRACT DOLLARS					
BID/PROPOSER'S PRICE: \$136,598 /yr.*		FIRM'S OWNERSHIP		Availability Group		Contracting Objectives		Participation			
		Ethnicity	Gender	White Men		25%		100.0%			
		White	Men	White Women		6%		0.0%			
				Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIMES: Allied Crane, Inc.	\$136,598	White	X		100.0%						
TOTAL											
		\$136,598				100.0%	0.0%	0.0%	0.0%	0.0%	
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		17		3		6		26			
Percent of Total Employees:		65.4%		11.5%		23.1%					
MSA Labor Market %:		33.3%		28.2%		38.5%					
MSA Labor Market Location:		Contra Costa									
COMMENTS											
Contract Equity Participation - 100% White Men participation.											
*Total not to exceed: \$682,990											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Crane Inspection and Minor Repair Contract - Three-Year Contract with 2 One-Year Renewal Options			Ethnic Minority Percentages From U.S. Census Data							
				B	H	A/PI	AI/AN	TOTAL		
			National							
General Services Agreement - RFP No.: FMC736-20-04 DATE: 7/16/2020			9 Bay Area Counties							
			Alameda/CC Counties							
R=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM: L/SBE		Company Wide	2	3	0	0	5	19.2%	38.5%
Allied Crane, Inc. Sandy Cariel 855 N. Parkside Drive Pittsburg, CA 94565 925-427-9200			Manager/Prof	0	0	0	0	0	0.0%	
			Technical/Sales	1	1	0	0	2	14.3%	
			Clerical/Skilled	1	2	0	0	3	75.0%	
			Semi/Unskilled	0	0	0	0	0	0.0%	
			Bay Area	2	2	0	0	4	15.4%	39.9%
			AA Plan on File: NA		Date of last contract with District: NA					
			Co. Wide MSA: Contra Costa		# Employees-Co. Wide: 26		Bay Area: 26			
P	WM: L/SBE		Company Wide	2	4	6	0	12	40.0%	48.4%
Doc Bailey Construction Equipment Inc. Donald Bailey 2584 Grant Avenue San Lorenzo, CA 94580 510-638-6243 ext. 304			Manager/Prof	0	0	3	0	3	37.5%	
			Technical/Sales	1	4	1	0	6	40.0%	
			Clerical/Skilled	1	0	1	0	2	40.0%	
			Semi/Unskilled	0	0	1	0	1	50.0%	
			Bay Area	1	3	2	0	6	35.3%	39.9%
			Co. Wide MSA: California		# Employees-Co. Wide: 30		Bay Area: 17			
P	WM: SBE		Company Wide	0	7	0	0	7	50.0%	39.9%
GP Crane and Hoist Services, Inc. Brian Pinckney P.O. Box 6497 Napa, CA 94581 866-973-5511			Manager/Prof	0	3	0	0	3	50.0%	
			Technical/Sales	0	4	0	0	4	50.0%	
			Clerical/Skilled	0	0	0	0	0	0.0%	
			Semi/Unskilled	0	0	0	0	0	0.0%	
			Bay Area	0	7	0	0	7	50.0%	39.9%
			Co. Wide MSA: 9 Bay Area Counties		# Employees-Co. Wide: 14		Bay Area: 14			

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



AGENDA NO.
MEETING DATE

6.
July 28, 2020

TITLE **HYDRAULIC MODELING SOFTWARE UPGRADE AND SUPPORT**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize an agreement beginning on or after July 28, 2020 with Innovyze Inc. (Innovyze) to upgrade the District's hydraulic modeling software and to provide one year of software maintenance and support, with four options to renew the software maintenance and support for additional one-year periods in an amount not to exceed \$990,000.

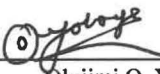
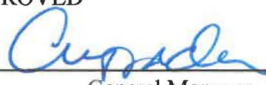
SUMMARY

This agreement will provide the District licenses for an upgraded version of the District's InfoWater™, InfoSurge™, and Info360™ hydraulic modeling software to improve software performance and ensure it is compatible with the latest geographical information system (GIS) software used by the District. The agreement will also provide continued annual software maintenance and support for the hydraulic modeling software.

DISCUSSION

The District currently uses Innovyze's InfoWater™, InfoSurge™, and Info360™ software to maintain and update hydraulic models and perform hydraulic modeling and surge analysis to simulate water flows and pressures through the distribution system. Hydraulic modeling is critical to accurately understand how the water distribution system operates, and to simulate changes to the water distribution system to support technical decisions on water system capital improvement projects and operational decisions, including emergency preparedness and response. This software is solely provided by Innovyze and is compatible with the District's GIS software (ArcGIS™), which is developed and distributed by the Environmental Systems Research Institute.

An upgrade to the hydraulic modeling software is needed to ensure it will remain compatible with the latest version of ArcGIS™, which is being implemented by the District in 2021. The hydraulic modeling software upgrade includes increased processing speed, improved user interface, and enhanced mapping. The annual software maintenance agreement provides technical support and periodic software updates.

Funds Available: FY21: CIP 001424, Page 34		Budget Code: WSC/524/7999/5243/2013045
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR  Olujimi O. Yolo	APPROVED  General Manager

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

Technical support provides District staff access to expert support from Innovyze for software “bug” fixes and technical questions regarding the software. The District has paid Innovyze for annual software maintenance and support for the past 12 years and would continue to do so under the four options on an annual basis.

In providing the software upgrade, maintenance, and support, Innovyze required the District to indemnify Innovyze from and against any and all claims arising from the District’s breach or violation of Innovyze’s standard license agreement (for example, the District copying, selling, or distributing the software to others or developing a similar software) and requires the District limit Innovyze’s liability for any breach of contract/warranty or negligence to the amount of fees paid to Innovyze by the District under the agreement. Although the indemnification and limitation of liability provisions present some potential risk to the District, staff supports this agreement because the District has a business need. This software tool has been used by staff for 12 years, is verified for accuracy against actual field data, and used to augment engineering judgment and standard practices when making decisions about the water system.

The hydraulic modeling software supports the District’s Long-Term Infrastructure Investment Strategic Plan goal.

SERVICE PROVIDER SELECTION

As permitted by California Public Contract Code, Section 3400, staff recommends a sole source award to Innovyze to upgrade the software, and provide maintenance and support services. Innovyze is the exclusive developer and distributor of the InfoWater™, InfoSurge™, and Info360™ software.

SUSTAINABILITY

Economic

Funding for this item is available in the FY21 budget for the Pressure Zone Planning Program Project.

Social

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

ALTERNATIVES

Select another software and replace the existing Innovyze software with another hydraulic modeling vendor. This alternative is not recommended because District staff researched software, attended vendor demonstrations and training, conducted real-model performance testing, solicited input from references and other water utilities, and developed cost estimates for hydraulic modeling software alternatives prior to the initial purchase of the hydraulic modeling software. Innovyze’s software was the only commercial, off-the-shelf hydraulic modeling software that met the District’s minimum performance criteria. In addition, the District’s hydraulic models have been developed using Innovyze’s software; it would take significant staff time to convert those hydraulic models and retrain staff. Innovyze is the

leading vendor in GIS-based hydraulic modeling software, which ensures continued support and technical improvements, and benefits the District.

Do not authorize the agreement. This alternative is not recommended because District staff does not have the necessary experience or expertise to maintain custom hydraulic modeling software. Efficient hydraulic modeling provides an important engineering and operational function.

Attachments

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

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CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE						DATE:					
General Services Agreement Hydraulic Modeling Software Upgrade and Support - One-Year Contract with 4 One-Year Renewal Options						May 28, 2020					
CONTRACTOR: Innovyze Inc. Portland, OR 97219				Sole Source		PERCENTAGE OF CONTRACT DOLLARS					
						Availability Group		Contracting Objectives		Participation	
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		100.0%			
		Ethnicity	Gender	White Women		6%		0.0%			
		White	Men	Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Innovyze Inc.	\$990,000	White	X		100.0%						
SUBS: None											
TOTAL		\$990,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		44		17		37		98			
Percent of Total Employees:		44.9%		17.3%		37.8%					
MSA Labor Market %:		45.5%		39.5%		15.0%					
MSA Labor Market Location:		Oregon									
COMMENTS											
Contract Equity Participation - 100% White Men participation.											
*Total rounded amount: \$990,000 = \$442,969 (Year 1), \$130,000 (Year 2), \$137,000 (Year 3), \$144,000 (Year 4), and \$152,000 (Year 5)											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA				Beverly Johnson jr			

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

[illegible]

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



AGENDA NO.
MEETING DATE

7.
July 28, 2020

TITLE EXPRESS PAYMENT SERVICES

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Authorize an agreement beginning on or after July 28, 2020 with MoneyGram Payment Systems, Inc. (MoneyGram) in an amount not to exceed \$250,000 to provide customers with cash payment services for five years.


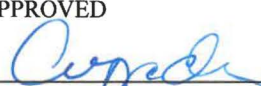
SUMMARY

The previous agreement with MoneyGram provided District customers the option of paying their water bills with cash at more than 30 District-selected pay stations in the service area at no cost to the customer. In 2019, MoneyGram collected approximately 46,000 cash payments from customers totaling over \$9,000,000 through its network of pay stations. The new agreement will provide District customers a greater level of service and convenience by allowing them to make cash payments, without a fee, at all pay stations within MoneyGram's network.

DISCUSSION

Prior to 2012, the District contracted with local businesses within the service area to provide in-person payment locations for customers to pay their water bills. In 2012, the District selected MoneyGram to consolidate cash payment collections with a single vendor. Under the 2012 agreement, customers paying their water bills at one of the District-selected pay stations were not charged a fee, and the District paid MoneyGram \$0.50 per transaction. Customers using pay stations outside the District-selected locations paid MoneyGram a \$1.50 transaction fee.

In March 2019, following a safety incident with staff, the District suspended field cash payment collection services. This change made MoneyGram pay stations the only option for customers to submit cash payments. To ensure cash payments remain a bill payment option for customers, the District selected MoneyGram to continue providing this service. This payment option will be free for customers using any pay station in MoneyGram's network. The District will continue to pay MoneyGram a \$0.50 per transaction cost. This service is essential to District customers and supports the District's Customer and Community Services Strategic Plan goal to provide responsive and high-quality customer service.

Funds Available: FY21		Budget Code: WSG/251/6021/5241	
DEPARTMENT SUBMITTING <u>Customer and Community Svcs.</u>	DEPARTMENT MANAGER or DIRECTOR  Andrew L. Lee	APPROVED  General Manager	

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

SERVICE PROVIDER SELECTION

A request for proposals was posted on the District's website and sent to four customer pay station service providers. Four proposals were received and MoneyGram was selected based on competitive costs, knowledge of the District's needs, experience, and its extensive nationwide network of more than 30,000 pay stations.

SUSTAINABILITY

Economic

Funding for this item is included in the FY21 operating budget.

Social

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

Environmental

With more than 30,000 pay stations available, customers have the option to pay their water bills at multiple locations and minimize travel distance.

ALTERNATIVE

Do not authorize the agreement with MoneyGram. This alternative is not recommended because customers who need to make cash payments have no other way to pay their water bill.

Attachments

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE General Services Agreement Express Payment Services - Five-Year Contract				DATE: June 23, 2020								
CONTRACTOR: MoneyGram Payment Systems, Inc. Dallas, TX 75012				PERCENTAGE OF CONTRACT DOLLARS								
BID/PROPOSER'S PRICE: \$50,000 /yr.*		FIRM'S OWNERSHIP Ethnicity: Publicly Held Gender: -		Availability Group White Men	Contracting Objectives 25%	Participation 0.0%						
				White Women	6%	0.0%						
				Ethnic Minorities	25%	0.0%						
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION							
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign	
PRIME: MoneyGram Payment Systems, Inc. SUBS: None	\$50,000	PHC								100.0%		
TOTAL			\$50,000		0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		60		63		77		200				
Percent of Total Employees:		30.0%		31.5%		38.5%						
MSA Labor Market %:		31.5%		26.1%		42.4%						
MSA Labor Market Location:		Texas										
COMMENTS												
Contract Equity Participation - Zero Contract Equity participation since firm is a Publicly Held Corporation. *Total not to exceed: \$250,000												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA				Beverly Johnson CW5				



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Express Payment Services - Five-Year Contract		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
		9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9		
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2		
General Services Agreement		DATE: 6/23/2020							
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	
MSA %									
RP	PHC	Company Wide	30	20	21	0	71	35.5%	42.4%
MoneyGram Payment Systems, Inc. Elizabeth Weathers-Nguyen 2828 North Harwood Dallas, TX 75012 214-999-8029		Manager/Prof	22	17	19	0	58	35.2%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	8	3	2	0	13	38.2%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	5	0	5	0.0%	
		AA Plan on File: NA	Date of last contract with District: NA						
		Co. Wide MSA: Texas	# Employees-Co. Wide: 200 Bay Area: 0						
P	PHC	Company Wide	8	11	2	0	21	52.5%	31.7%
Softgate Systems Inc. Cristina Biason 185 Hudson Street, Suite 1710 Jersey City, NJ 07311 604-298-4636 ext. 252		Manager/Prof	3	2	2	0	7	63.6%	
		Technical/Sales	2	3	0	0	5	55.6%	
		Clerical/Skilled	0	5	0	0	5	31.3%	
		Semi/Unskilled	3	1	0	0	4	100.0%	
		Bay Area	0	0	0	0	0	0.0%	
		Co. Wide MSA: New Jersey	# Employees-Co. Wide: 40 Bay Area: 0						
P	WM	Company Wide	1	7	0	0	8	88.9%	48.4%
Kubra America West Inc. Laura Iantorno 14105 S. Normandie Ave., Suite #2 Gardena, CA 90249 905-624-2220 ext. 310		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	1	0	0	1	100.0%	
		Semi/Unskilled	1	6	0	0	7	100.0%	
		Bay Area	0	0	0	0	0	0.0%	
		Co. Wide MSA: California	# Employees-Co. Wide: 9 Bay Area: 0						
P	PHC	Company Wide	INFORMATION NOT PROVIDED						
Fiserv Solutions, LLC Kevin Pennington 2900 Westward Pkwy. Alpharetta, GA 30004 678-375-3535		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							

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



AGENDA NO.
MEETING DATE

8.
July 28, 2020

TITLE **REFURBISHMENT OF FOUR INFLUENT PUMP STATION BALL VALVES**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize an agreement beginning on or after July 28, 2020 with Unico Mechanical Corporation (Unico) in an amount not to exceed \$802,578 for the refurbishment of four 42-inch diameter ball valves for the Main Wastewater Treatment Plant (MWWTP) Influent Pump Station (IPS).

SUMMARY



The MWWTP's IPS has five influent pumps which each have a 42-inch diameter ball valve. The ball valve serves as both the isolation valve and the check valve for the pump and is critical for the operation of the influent pump. The five ball valves were installed in 1994 and are in need of significant refurbishment to extend their useful lives. Refurbishment of one of the five ball valves was awarded to Unico in 2019. This agreement is for refurbishment of the remaining four valves.

DISCUSSION

The District inspected one of the five ball valves in 2018 and determined that refurbishment in lieu of replacement was the more cost-effective approach to ensure their operational reliability. The scope of work for this project includes the disassembly of each valve as well as the cleaning and inspecting of all valve components. All as-found conditions will be documented and drawings will be provided for all items to be repaired or manufactured. The District will approve the exact scope of refurbishment based on the inspection findings. This project supports the District's Long-Term Infrastructure Investment Strategic Plan goal, specifically to "meet operational needs and reliability goals by effectively maintaining infrastructure."

SERVICE PROVIDER SELECTION

A request for proposals was posted on the District's website. One proposal was received from Unico. Unico was selected based on its extensive experience working on large valves and its ability as a locally-based company to facilitate inspection by District staff. In addition, Unico has the capability to complete

Funds Available: FY21		Budget Code: WWC/911/7999/2013409/5312
DEPARTMENT SUBMITTING Wastewater	DEPARTMENT MANAGER or DIRECTOR  Eileen M. White	APPROVED  General Manager

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

the entire refurbishment in its shop in Benicia and is nationally known for its expertise in this type of work.

SUSTAINABILITY

Economic

This item is included in the FY21 budget for the Routine Capital Equipment Replacement Project.

Social

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

Refurbishment of the ball valves will increase operational reliability and improve worker safety.

Local 444 was notified of this work on February 13, 2019, and did not raise any specific issues related to this agreement.

Environmental

Refurbishment of the remaining four 42-inch diameter ball valves will ensure that the District is able to effectively manage flows and meet all regulatory requirements for protection of public health and the environment.

ALTERNATIVES

Select an alternate vendor. This alternative is not recommended because Unico has the experience and expertise to effectively refurbish the valves.

Procure four new valves in lieu of refurbishment. This alternative is not recommended because, based on the District's 2018 evaluation of the condition of the ball valves, refurbishment of all five valves in lieu of replacement will result in a cost savings of approximately \$500,000.

Attachments

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE General Services Agreement Refurbishment of Four Influent Pump Station Ball Valves						DATE: July 1, 2020					
CONTRACTOR: Unico Mechanical Corporation Benicia, CA 94510				Small Business / Sole Proposer		PERCENTAGE OF CONTRACT DOLLARS					
BID/PROPOSER'S PRICE: \$802,578 *		FIRM'S OWNERSHIP		White Men		25%		100.0%			
		Ethnicity	Gender	White Women		6%		0.0%			
		White	Men	Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Unico Mechanical Corporation	\$802,578	White	X		100.0%						
SUBS: None											
TOTAL		\$802,578				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		32		7		31		70			
Percent of Total Employees:		45.7%		10.0%		44.3%					
MSA Labor Market %:		30.2%		26.0%		42.9%					
MSA Labor Market Location:		Vallejo-Fairfield-Napa									
COMMENTS											
Contract Equity Participation - 100% White Men participation.											
*Total not to exceed: \$802,578											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA				<i>Beverly Johnson</i>			

AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

[illegible]

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



AGENDA NO.
MEETING DATE

9a.-b.
July 28, 2020

TITLE **AMEND PAVING, STRIPING, SEALING, AND OTHER RELATED SERVICES**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

- A. Authorize amendments to agreements awarded under Board Motion No. 021-20 to seven vendors and various public agencies in the District's service area for an additional \$2,750,000, increasing the aggregate amount not to exceed \$4,000,000 for paving, striping, sealing, and other related services at locations throughout the District's service area through January 29, 2021.

American Asphalt Repair & Resurfacing Co., Inc.
Bond Blacktop, Inc.
Bruce Enterprises
Carone & Company, Inc.



J.V. Lucas Paving, Inc.
O.C. Jones & Sons, Inc.
MCK Services, Inc.
Public Agencies

- B. Authorize additional agreements with vendors that meet District standards to increase flexibility and ensure vendor availability during peak workload. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.

In awarding these agreements, the Board of Directors finds this work cannot be satisfactorily performed under civil service.

SUMMARY

In repairing and replacing water distribution pipelines and appurtenances, the District performs approximately 3,500 street excavations annually. Restoring these street excavations in accordance with city permit requirements involves replacing asphalt pavement and related services such as striping and sealing. These agreements are required to meet peaks in workload and reimburse cities and counties for joint paving agreements in the service area. Joint paving projects and paving services were discussed at the November 26, 2019 Infrastructure Workshop as part of the Fully Maintained and Operated (FM&O) contracts.

Funds Available: FY21: CIP 000554, Page 30; 000108 Page 31; 000104 Page 32; 000110 Page 33		Budget Code: WSC & WSO 488-927/VAR/5311
DEPARTMENT SUBMITTING Maintenance and Construction	DEPARTMENT MANAGER or DIRECTOR  Michael R. Ambrose	APPROVED  General Manager

DISCUSSION

The District has utilized contract paving services and joint paving agreements with other public agencies since the early 1990s to meet peak workloads, pave streets curb to curb versus a single lane, and leverage economies of scale. Approximately 99 percent of paving projects have historically been completed with District forces. However, the District's paving backlog has exceeded the level that can be reasonably managed using District forces.

District paving activities are limited during the winter months, which create a seasonal backlog. Typically, staff addresses the backlog as the weather improves in the spring. Due to the pandemic, District staff did not perform paving services for six weeks this spring when staff sheltered at home to maintain worker safety and to comply with local public health orders. Consequently, the backlog of paving jobs grew to a level that cannot be addressed by District forces in a reasonable timeframe.

Additionally, two large and previously unplanned paving projects must now be paved by the District. The cities of Oakland and Berkeley were set to pave following District pipeline projects in exchange for the District paving other streets later through in-kind exchange. The cities recently declined to perform the work. The net effect is to increase District paving workload in the near term.

The District's goal is to complete final paving within 30 days of completion of pipeline construction to minimize safety risks, maintain customer service, and preserve relationships with the cities and counties in the service area. These contract resources supplement District crews and will help reduce the current backlog. Additionally, the District has no internal capability for pavement striping, marking, and slurry seal application work, as performing these ancillary services has been rare. These agreements support the District's Long-Term Infrastructure Investment Strategic Plan goal.

SERVICE PROVIDER SELECTION

The District requested qualifications from 11 previously qualified vendors, and seven provided the required submittals that met the minimum performance requirements. Additional vendors may be added as they are identified through other public agencies or the District's Equalizer Newsletter. Vendors will be selected for specific jobs on a rotational basis except in cases where the estimated cost of an individual job exceeds \$10,000. In those cases, at least three competitive quotes will be requested from vendors on the qualified list. The job will be awarded to the lowest responsive bidder.

SUSTAINABILITY

Economic

Funding for this work is available in the FY21 operating budget and the Pipeline Infrastructure Renewals Project, Pipeline Relocations Project, Pipeline System Extensions Project and Pipeline System Improvements Project.

The authorized funds also allow the District to participate in joint paving projects with local agencies. Advantages of joint projects include cost savings, transfer of responsibility to the infrastructure owner for the long-term pavement performance, and streamlined contract management.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached. The vendors are local and some are small businesses that provide jobs for the local economy.

Local 444 was notified in writing of these proposed amended agreements on June 30, 2020, and met with the District on July 9, 2020. Additional supporting information was provided to Local 444 via email on July 21, 2020. Local 444 objects to this work and recommends the District fill all vacant funded positions associated with paving work. All vacant, funded paving positions are in the recruitment process.

Environmental

The use of these services supports efficient pipe repairs and replacement projects, and reduces impacts to neighborhoods surrounding District job sites.

ALTERNATIVES

Do not amend agreements for these services. This alternative is not recommended because the backlog is temporary and restoration must be performed within certain time limits.

Perform work with District staff. This alternative is not recommended because the backlog has temporarily exceeded the District's ability to reasonably manage the work which would significantly extend completion of final paving.

Attachments

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

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CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE						DATE:					
General Services Agreement - Amendment Paving, Striping, Sealing, and Other Related Services - One-Year Contract						July 7, 2020					
CONTRACTOR: Various Firms (See Below)					PERCENTAGE OF CONTRACT DOLLARS						
					Availability Group		Contracting Objectives		Participation		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP			White Men		25%		75.0%		
		Ethnicity		Gender	White Women		6%		12.5%		
		See Below		-	Ethnic Minorities		25%		12.5%		
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION					
				M	W	White- Men	White- Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit
PRIMES:											
American Asphalt Repair & Resurfacing Co., Inc.		\$343,750	White	X		12.5%					
Bond Blacktop, Inc.		\$343,750	White		X		12.5%				
Bruce Enterprises		\$343,750	White	X		12.5%					
Carone & Company, Inc.		\$343,750	White	X		12.5%					
J.V. Lucas Paving, Inc.		\$343,750	Hispanic	X				12.5%			
O.C. Jones & Sons, Inc.		\$343,750	White	X		12.5%					
MCK Services, Inc.		\$343,750	White	X		12.5%					
Public Agencies		\$343,750	White	X		12.5%					
TOTAL		\$2,750,000				75.0%	12.5%	12.5%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
			White Men		White Women		Ethnic Minorities		Total Employees		
No. of Employees:			See Attached Form P-061								
Percent of Total Employees:											
MSA Labor Market %:											
MSA Labor Market Location:											
COMMENTS											
Contract Equity Participation - 75.0% White Men participation, 12.5% White Women participation, and 12.5% Ethnic Minority participation.											
*Total not to exceed: \$4,000,000 = \$1,250,000 (Original) + \$2,750,000 (Amendment)											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Paving, Striping, Sealing, and Other Related Services - One-Year Contract			Ethnic Minority Percentages From U.S. Census Data							
				B	H	A/PI	AI/AN	TOTAL		
			National	10.5	10.7	3.7	0.7	27.3		
General Services Agreement - Amendment		DATE: 7/7/2020	9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9		
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2		
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees								
Company Name, Owner/Contact Person, Address, and Phone Number				B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide		2	89	0	0	91	60.3%	39.9%
American Asphalt Repair & Resurfacing Co., Inc. Steve Aguirre 24200 Clawiter Road Hayward, CA 94545 510-723-0280			Manager/Prof	0	1	0	0	1	16.7%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	2	88	0	0	90	66.2%	
			Semi/Unskilled	0	0	0	0	0	0.0%	
			Bay Area	2	89	0	0	91	60.3%	39.9%
			AA Plan on File:	NA		Date of last contract with District:		NA		
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		151		Bay Area: 151
RP	WW: L/SBE	Company Wide		0	14	1	0	15	78.9%	53.9%
Bond Blacktop, Inc. Debbie Dillon 27607 Industrial Blvd. Hayward, CA 94545 510-783-9909			Manager/Prof	0	2	1	0	3	60.0%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	2	0	0	2	50.0%	
			Semi/Unskilled	0	10	0	0	10	100.0%	
			Bay Area	0	14	1	0	15	78.9%	39.9%
			Co. Wide MSA:	Alameda County		# Employees-Co. Wide:		19		Bay Area: 19
RP	WM: SBE	Company Wide		0	2	0	0	2	40.0%	23.4%
Bruce Enterprises Donna Simnick 1475 Petaluma Blvd. South Petaluma, CA 94952 707-781-9686			Manager/Prof	0	0	0	0	0	0.0%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	0	0	0	0	0.0%	
			Semi/Unskilled	0	2	0	0	2	66.7%	
			Bay Area	0	0	0	0	0	0.0%	39.9%
			Co. Wide MSA:	Sonoma		# Employees-Co. Wide:		5		Bay Area: 0
RP	WM: L/SBE	Company Wide		0	25	0	0	25	37.3%	46.2%
Carone & Company, Inc. Lloyd Carone 5009 Forni Drive, Suite A Concord, CA 94520 925-602-8800			Manager/Prof	0	0	0	0	0	0.0%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	7	0	0	7	18.9%	
			Semi/Unskilled	0	18	0	0	18	72.0%	
			Bay Area	0	13	0	0	13	19.4%	39.9%
			Co. Wide MSA:	Alameda/Contra Costa		# Employees-Co. Wide:		67		Bay Area: 67
RP	EMM: H - L/SBE	Company Wide		0	13	0	0	13	72.2%	38.5%
J.V. Lucas Paving, Inc. Alberto Perez 251 Lafayette Circle Lafayette, CA 94549 925-283-8027			Manager/Prof	0	2	0	0	2	66.7%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	0	0	0	0	0.0%	
			Semi/Unskilled	0	11	0	0	11	84.6%	
			Bay Area	0	13	0	0	13	72.2%	39.9%
			Co. Wide MSA:	Contra Costa County		# Employees-Co. Wide:		18		Bay Area: 18
RP	WM: LBE	Company Wide		18	137	16	3	174	66.4%	39.9%
O.C. Jones & Sons, Inc. Lisa Larratt 1520 Fourth Street Berkeley, CA 94710 510-526-3424			Manager/Prof	0	15	6	0	21	42.0%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	12	42	7	3	64	59.8%	
			Semi/Unskilled	6	80	3	0	89	84.8%	
			Bay Area	18	137	16	3	174	66.4%	39.9%
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		262		Bay Area: 262

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

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AGENDA NO.
MEETING DATE

10.
July 28, 2020

TITLE MONTHLY INVESTMENT TRANSACTIONS REPORT

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Approve the June 2020 Monthly Investment Transactions Report.

SUMMARY

In accordance with Policy 4.07 – Investment Policy, staff presents a monthly transactions report for the Finance/Administration Committee to review and for the Board to consider each month. The June 2020 report is being submitted for Board consideration. This report was reviewed with the Finance/Administration Committee on July 28, 2020.

DISCUSSION

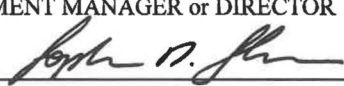
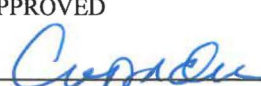
Pursuant to Policy 4.07 – Investment Policy, staff produces a monthly report of investment transactions generated by Treasury staff (buys, sales, deposits, withdrawals) as well as transactions that occur as a feature of the securities held (interest, calls, maturities). Information on portfolio performance, balances, and other factors are presented in the quarterly investment report.

In June 2020, the portfolio increased from \$727.0 million to \$745.9 million. Net transactions increased the total by \$18.8 million. Interest received added \$0.1 million to the portfolio. Deposits into short-term liquidity funds totaled \$21.4 million and \$87.4 million was withdrawn. The District purchased \$213.5 million in securities, \$108.0 million in securities matured, and \$9.8 million in securities were called. No securities were sold. Net transactions at the District's commercial bank resulted in a decrease of \$11.0 million.

This item supports the District's Long-Term Financial Stability Strategic Plan goal to ensure integrity, accountability and transparency in financial management.

Attachment

I:\Sec\2020 Board Related Items\072820 Board Agenda Items\FIN - Monthly Investment Transactions Report 072820.docx

Funds Available:		Budget Code:	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR		APPROVED
Finance	 Sophia D. Skoda		 General Manager

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

Monthly Investment Transactions Report
June 2020

This report is presented to the Board pursuant to Government Code Section 53607 and in accordance with the District's Investment Policy 4.07.

The attached report details transactions in the District's portfolio as follows:

- **Monthly Investment Transactions Summary** **Page 1**
- **Monthly Investment Activity** **Page 2**
 - Buys **Page 3**
 - Deposits **Page 4**
 - Matured **Page 5**
 - Calls **Page 6**
 - Sales **Page 7**
 - Withdrawals **Page 8**
- **Monthly Interest Activity** **Page 9**
 - Interest Received (Transferred to Wells Fargo) **Page 10**
 - Interest Received (Reinvested) **Page 11**


Approved by: Sophia D. Skoda, Finance Director

07/14/2020
Date

SDS:DSK:aw



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Transactions Summary
June 2020

Portfolio	Beginning Balance*	Monthly Net Transaction Activity	Monthly Interest Activity	Ending Balance
001 - Water System Consolidated	571,739,634.00	22,956,000.00	63,704.57	594,759,338.57
007 - Wastewater Consolidated	86,995,354.36	8,749,000.00	18,680.85	95,763,035.21
049 - Ferc Partnership	2,000,000.00	-	-	2,000,000.00
009 - BACWA	2,262,600.00	-	-	2,262,600.00
015 - DERWA	1,000,000.00	-	-	1,000,000.00
002 - FRWA	1,000,000.00	-	-	1,000,000.00
014 - IICP	150,500.00	-	-	150,500.00
010 - UMRWA	64,000.00	-	-	64,000.00
003 - Employees Retirement	6,493,746.15	(1,976,000.00)	-	4,517,746.15
099 - Wells Fargo**	55,323,000.76	(10,952,804.79)	31,281.20	44,401,477.17
Total	727,028,835.27	18,776,195.21	113,666.62	745,918,697.10

* Portfolio balance presented at face value.

**Wells Fargo's month-end available balance per bank statement. Gross amount; not allocated by fund and not included in balances above.

Anjanique Walsh
Prepared by: Anjanique Walsh, Accounting Technician
Sandy Lindley
Reviewed by: Sandy Lindley, Accounting Supervisor
D. Scott Klein
Approved by: D. Scott Klein, Controller

7/8/20
Date
7/10/20
Date
7/13/20
Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio	Buys	Deposits	Matured	Calls	Sales	Withdrawals	Non-Investment Transactions*	Net Transaction Activity
001 - Water System Consolidated	211,720,000.00	4,500,000.00	(108,000,000.00)	(9,764,000.00)	-	(75,500,000.00)	-	22,956,000.00
007 - Wastewater Consolidated	1,749,000.00	8,500,000.00	-	-	-	(1,500,000.00)	-	8,749,000.00
049 - Ferc Partnership	-	-	-	-	-	-	-	-
009 - BACWA	-	-	-	-	-	-	-	-
015 - DERWA	-	-	-	-	-	-	-	-
002 - FRWA	-	-	-	-	-	-	-	-
014 - IICP	-	-	-	-	-	-	-	-
010 - UMRWA	-	-	-	-	-	-	-	-
003 - Employees Retirement	-	8,427,000.00	-	-	-	(10,403,000.00)	-	(1,976,000.00)
065 - Water S2008A DSRF	-	-	-	-	-	-	-	-
068 - Water 2010A DSRF	-	-	-	-	-	-	-	-
Investment Activity Total	213,469,000.00	21,427,000.00	(108,000,000.00)	(9,764,000.00)	-	(87,403,000.00)	-	29,729,000.00
099 - Wells Fargo	(213,469,000.00)	(21,427,000.00)	108,000,000.00	9,764,000.00	-	87,403,000.00	18,776,195.21	(10,952,804.79)
Total	-	-	-	-	-	-	18,776,195.21	18,776,195.21

*Non-investment transactions are net receipts and expenditures in Wells Fargo resulting from activities other than investment and interest transactions detailed in this report.

Reviewed by: Damien Charléty, Principal Mgmt Analyst

Approved by: Robert L. Hannay, Treasury Manager

Date

7/14/2020

Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buys										
001 - Water System Consolidated	US Treasuries	T-Bill 0 7/30/2020	912796WY1	06/16/2020	06/17/2020	07/30/2020	34,000,000.00	33,994,314.44	0.00	33,994,314.44
001 - Water System Consolidated	US Treasuries	T-Bill 0 9/29/2020	9127964A4	06/16/2020	06/17/2020	09/29/2020	34,000,000.00	33,983,302.22	0.00	33,983,302.22
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB 0.145 10/15/2020	3130AJMP1	06/17/2020	06/18/2020	10/15/2020	34,900,000.00	34,896,161.00	3,654.81	34,899,815.81
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 2.875 10/30/2020	3135G0U84	06/17/2020	06/18/2020	10/30/2020	8,054,000.00	8,133,815.14	30,873.67	8,164,688.81
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.5 11/30/2020	3135G0F73	06/22/2020	06/23/2020	11/30/2020	14,756,000.00	14,841,289.68	14,141.17	14,855,430.85
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB 0.145 10/22/2020	3130AJN39	06/26/2020	06/26/2020	10/22/2020	20,000,000.00	19,999,400.00	2,336.11	20,001,736.11
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.875 11/17/2020	3137EAEK1	06/29/2020	06/30/2020	11/17/2020	22,010,000.00	22,153,505.20	49,293.23	22,202,798.43
001 - Water System Consolidated	US Treasuries	T-Bill 0 7/28/2020	9127963G2	06/29/2020	06/30/2020	07/28/2020	10,000,000.00	9,999,066.67	0.00	9,999,066.67
001 - Water System Consolidated	US Treasuries	T-Bill 0 8/25/2020	9127963Q0	06/29/2020	06/30/2020	08/25/2020	34,000,000.00	33,992,860.00	0.00	33,992,860.00
					Subtotal		211,720,000.00			
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FHLMC 1.875 11/17/2020	3137EAEK1	06/17/2020	06/18/2020	11/17/2020	1,749,000.00	1,761,260.49	2,823.91	1,764,084.40
					Subtotal		1,749,000.00			

213,469,000.00 213,754,974.84 103,122.90 213,858,097.74



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Deposits										
001 - Water System Consolidated	Money Market Mutual Funds	Fidelity Investments MI	MM4022	06/17/2020	06/17/2020	N/A	1,500,000.00	1,500,000.00	0.00	1,500,000.00
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	06/26/2020	06/26/2020	N/A	3,000,000.00	3,000,000.00	0.00	3,000,000.00
					Subtotal		4,500,000.00			
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	06/12/2020	06/12/2020	N/A	4,217,000.00	4,217,000.00	0.00	4,217,000.00
003 - Employees Retirement	LAIF	LAIF LGIP	LGIP1005	06/26/2020	06/26/2020	N/A	4,210,000.00	4,210,000.00	0.00	4,210,000.00
					Subtotal		8,427,000.00			
007 - Wastewater Consolidated	Money Market Mutual Funds	Fidelity Investments MI	MM4022	06/17/2020	06/17/2020	N/A	500,000.00	500,000.00	0.00	500,000.00
007 - Wastewater Consolidated	Money Market Mutual Funds	Federated MM	MM3767	06/26/2020	06/26/2020	N/A	7,500,000.00	7,500,000.00	0.00	7,500,000.00
007 - Wastewater Consolidated	Money Market Mutual Funds	Morgan Stanley MM	MM0852	06/26/2020	06/26/2020	N/A	500,000.00	500,000.00	0.00	500,000.00
					Subtotal		8,500,000.00			
							21,427,000.00	21,427,000.00	0.00	21,427,000.00



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Matured										
001 - Water System Consolidated	US Treasuries	T-Note 1.375 5/31/2020	912828VF4	05/31/2020	05/31/2020	05/31/2020	30,000,000.00	30,000,000.00	0.00	30,000,000.00
001 - Water System Consolidated	US Treasuries	T-Note 1.5 5/31/2020	912828XE5	05/31/2020	05/31/2020	05/31/2020	8,000,000.00	8,000,000.00	0.00	8,000,000.00
001 - Water System Consolidated	US Treasuries	T-Note 1.5 5/31/2020	912828XE5	05/31/2020	05/31/2020	05/31/2020	30,000,000.00	30,000,000.00	0.00	30,000,000.00
001 - Water System Consolidated	US Treasuries	T-Note 1.5 5/31/2020	912828XE5	05/31/2020	05/31/2020	05/31/2020	40,000,000.00	40,000,000.00	0.00	40,000,000.00
Subtotal							108,000,000.00			

***CUSIP# 912828VF4 for \$30MM & CUSIP# 912828XE5 for \$78MM both Matured
5/31 transferred to WFB 6/1 . Total transfer for 6/1 totals \$108MM***

108,000,000.00	108,000,000.00	0.00	108,000,000.00
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Calls										
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.8 10/26/2021-15	3136G0Z87	06/26/2020	06/26/2020	10/26/2021	9,764,000.00	9,764,000.00	0.00	9,764,000.00
Subtotal							9,764,000.00			

9,764,000.00	9,764,000.00	0.00	9,764,000.00
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Sales										

No Transactions this Period

0.00	0.00	0.00	0.00
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Withdrawals										
001 - Water System Consolidated	Local Government Investment Pool	CalTRUST LGIP CALTRUST9230		06/17/2020	06/17/2020	N/A	10,000,000.00	10,000,000.00	0.00	10,000,000.00
001 - Water System Consolidated	Local Government Investment Pool	CAMP LGIP CAMP6035		06/17/2020	06/17/2020	N/A	31,500,000.00	31,500,000.00	0.00	31,500,000.00
001 - Water System Consolidated	Money Market Mutual Funds	Morgan Stanley MM0852		06/26/2020	06/26/2020	N/A	24,000,000.00	24,000,000.00	0.00	24,000,000.00
001 - Water System Consolidated	Local Government Investment Pool	CalTRUST LGIP CALTRUST9230		06/30/2020	06/30/2020	N/A	10,000,000.00	10,000,000.00	0.00	10,000,000.00
		Subtotal					75,500,000.00			
003 - Employees Retirement	LAIF	LAIF LGIP LGIP1005		06/29/2020	06/29/2020	N/A	10,403,000.00	10,403,000.00	0.00	10,403,000.00
		Subtotal					10,403,000.00			
007 - Wastewater Consolidated	Local Government Investment Pool	CAMP LGIP CAMP6035		06/17/2020	06/17/2020	N/A	1,500,000.00	1,500,000.00	0.00	1,500,000.00
		Subtotal					1,500,000.00			
							87,403,000.00	87,403,000.00	0.00	0.00



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
June 2020

Portfolio	Total Interest Received	Interest Transferred to Wells Fargo*	Net Interest Activity (Reinvested)**
001 - Water System Consolidated	94,578.89	(30,874.32)	63,704.57
007 - Wastewater Consolidated	19,087.73	(406.88)	18,680.85
049 - Ferc Partnership	-	-	-
009 - BACWA	-	-	-
015 - DERWA	-	-	-
002 - FRWA	-	-	-
014 - IICP	-	-	-
010 - UMRWA	-	-	-
003 - Employees Retirement	-	-	-
065 - Water S2008A DSRF	-	-	-
068 - Water 2010A DSRF	-	-	-
Interest Transactions Total	113,666.62	(31,281.20)	82,385.42
099 - Wells Fargo	-	31,281.20	31,281.20
Total	113,666.62	-	113,666.62

*Coupon and other interest received; reinvestment unavailable.

**Coupon and other interest payments reinvested in specific portfolio.

Anjanique Walsh

Prepared by: Anjanique Walsh, Accounting Technician

Sandy Lindley

Reviewed by: Sandy Lindley, Accounting Supervisor

D. Scott Klein

Approved by: D. Scott Klein, Controller

7/8/20

Date

7/10/20

Date

7/13/20

Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Interest Received (Transferred to Wells Fargo)										
001 - Water System Consolidated	Federal Agency Issues Coupon	FNMA 1.8 10/26/2021-15	3136GQZ87	06/26/2020	06/26/2020	10/26/2021	0.00	0.00	29,292.00	29,292.00
001 - Water System Consolidated	Money Market Mutual Funds	Fidelity Investments MM	MM4022	06/30/2020	06/30/2020	N/A	0.00	0.00	1,582.32	1,582.32
								Subtotal		30,874.32
007 - Wastewater Consolidated	Money Market Mutual Funds	Fidelity Investments MM	MM4022	06/30/2020	06/30/2020	N/A	0.00	0.00	406.88	406.88
								Subtotal		406.88
							0.00	0.00	31,281.20	31,281.20



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
June 2020

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Interest Received (Reinvested)										
001 - Water System Consolidated	Local Government Investment Pool	CalTRUST LGIP	CALTRUST923C	06/30/2020	06/30/2020	N/A	0.00	0.00	8,676.82	8,676.82
001 - Water System Consolidated	Local Government Investment Pool	CAMP LGIP	CAMP6035	06/30/2020	06/30/2020	N/A	0.00	0.00	47,724.61	47,724.61
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	06/30/2020	06/30/2020	N/A	0.00	0.00	4,932.87	4,932.87
001 - Water System Consolidated	Money Market Mutual Funds	Morgan Stanley IMM	0852	06/30/2020	06/30/2020	N/A	0.00	0.00	2,370.27	2,370.27
Subtotal										63,704.57
007 - Wastewater Consolidated	Local Government Investment Pool	CAMP LGIP	CAMP6035	06/30/2020	06/30/2020	N/A	0.00	0.00	17,308.55	17,308.55
007 - Wastewater Consolidated	Money Market Mutual Funds	Federated MM	MM3767	06/30/2020	06/30/2020	N/A	0.00	0.00	962.60	962.60
007 - Wastewater Consolidated	Money Market Mutual Funds	Morgan Stanley IMM	0852	06/30/2020	06/30/2020	N/A	0.00	0.00	409.70	409.70
Subtotal										18,680.85
							0.00	0.00	82,385.42	82,385.42

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AGENDA NO.
MEETING DATE

11.
July 28, 2020

TITLE **ADOPT A DEBT MANAGEMENT POLICY AND APPROVE REVISIONS TO
DISTRICT POLICY 4.02**

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Adopt a debt management policy and approve revisions to Policy 4.02 – Cash Reserves and Debt Management.

SUMMARY

Staff recommends removing all discussion of debt management from Policy 4.02 and adopting a separate debt management policy to more fully adhere to industry best practices.

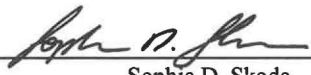
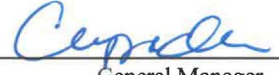
The new debt management policy and revisions to Policy 4.02 were reviewed with the Finance/Administration Committee on July 28, 2020.

DISCUSSION

Policy Recommended for Adoption

1. Policy 4.27 – Debt Management

This new policy represents a comprehensive update for the debt-related policy sections from the previous Policy 4.02 – Cash Reserve and Debt Management. This new policy follows the guidance provided by the California Debt and Investment Advisory Commission on debt policy best practices and adheres to California public agency debt policy legal requirements. While the District's current Policy 4.02 has met these legal requirements since their inception in 2017, the new policy provides a more robust set of debt management and issuance guidelines.

Funds Available: FY		Budget Code:
DEPARTMENT SUBMITTING Finance	DEPARTMENT MANAGER or DIRECTOR  Sophia D. Skoda	APPROVED  General Manager

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

Policy Recommended for Revision

2. Policy 4.02 – Cash Reserves and Debt Management

The suggested modifications to Policy 4.02 consist of removing debt-related elements and changing the title to “Policy 4.02 – Cash Reserves.”

SUSTAINABILITY

Economic

Policies 4.02 and 4.27 promote economic sustainability by ensuring the District has clear guidance on how to prudently manage its debt portfolio and adequately maintain reserves. Debt is a critical aspect of the District’s financial sustainability and these policies have important impacts on the District’s economic sustainability.

ALTERNATIVE

Do not update this policy and adopt new policy. This alternative is not recommended because it would leave in place a policy that does not fully adhere to industry best practices.

Attachments



Policy 4.27

EFFECTIVE 28 JUL 20

DEBT MANAGEMENT

SUPERSEDES NEW

IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Manage debt issuance and administration in a manner that is prudent, financially sustainable, in the best interest of ratepayers, and generally consistent with industry best practices.

Purpose

This policy describes and specifies the District's actions related to debt obligations. It is meant to outline what constitutes appropriate management of the District's debt portfolio. The District's Board of Directors (Board) may approve bonds that deviate from this policy. Failure of the District to comply with any provision of this policy will not affect the authorization, validity, or enforceability of any bonds or other forms of indebtedness that are otherwise issued in accordance with applicable law.

Purpose of Debt

The general purpose of long-term debt is to spread the cost of capital assets over a longer time period than simply paying as costs are incurred. This allows the impact on rates to be spread over time and aligns the cost of assets to the estimated life of those assets. It is the policy of the District to issue debt to finance previous or anticipated capital expenditures. District staff will identify the specific purpose of the debt issue into a debt obligation. The types of debt described in this policy will not be used to finance operating expenditures. The primary reasons for this are, firstly, to spread out the impact on rates of particularly large capital expenditures; and secondly, to more closely align the payment of asset costs to the estimated life of the assets.

Legal Authority

The District has the legal authority to enter into debt obligations. This authority is given to the District by various state and federal codes (tax law for tax-exemption) as well as the Municipal Utility District Act ("MUD Act"), certain provisions of which are referenced below.

1. Revenue Bond Authorization

Under the MUD Act (Article 6a of Chapter 6), the District has authority to issue bonds payable from revenues of the water or wastewater system in accordance with the Revenue Bond Law of 1941 (Bond Law) found in the California Government Code, with specified exceptions from the provisions of the Bond Law.

The Board must authorize the District to sell long-term revenue bonds through a formal resolution, specifying, among other things: the maximum principal amount of bonds proposed to be issued; the maximum term of the bonds; and the maximum interest rate to be payable on the bonds. The authorized bonds may be issued from time to time in series. The resolution adopted by the Board authorizing the issuance of revenue bonds is subject to the right of referendum. Staff will request this preliminary bonding authority from the Board periodically to ensure the amount authorized at any given time is sufficient to cover any expected bond sales.

In addition, staff will present and ask the Board to approve its expected debt financing plan annually at the beginning of each fiscal year.

2. Short-Term Borrowing Authorization

The MUD Act (Chapter 7.5) also authorizes the issuance of short-term bonds, notes and other forms of indebtedness (including through or with bank credit) with maturities not exceeding seven years. Short-term indebtedness must be authorized by resolution of the Board, which resolution is subject to a right of referendum. Under the MUD Act, the maximum amount of all such short-term indebtedness (including amounts drawn under available bank lines of credit), shall not at any one time exceed the lesser of either (1) the annual average of the total revenue for the three preceding years or (2) 25% of the District's total outstanding bonds issued pursuant to Chapter 6, Chapter 7 and Chapter 8 of the MUD Act. Successive issues of short-term indebtedness may be authorized from time to time.

3. Other Forms of Borrowing

From time to time, the District may incur other forms of indebtedness as authorized by the MUD Act, including loans and other arrangements with the State (Section 12802) or federal government (Section 12844), general obligation bonds (Chapter 7), assessment bonds (Section 12921 and 13010) and emergency financing (Chapter 7.1), subject to the limitations contained in the MUD Act.

Types of Debt

The District has the ability to enter into various types of debt obligations. Debt obligations can be short-term or long-term in nature, as well as tax-exempt or taxable. Brief descriptions of these financing instruments are provided below.

Long-Term Debt

Long-term debt generally encompasses debt issued to finance capital expenditures with the objective of structuring repayment to match the expected life of the asset financed. It can be used as a tool for maintaining rate stabilization as repayment is spread over the useful life of the project. Long-term bonds can be fixed or variable rate with serial or term maturities. Revenue bonds are historically the primary form of long-term debt obligation entered into by the District. The District has also issued General Obligation Bonds based on voter approved bond measures.

The repayment of long-term revenue bonds is secured by a lien on revenues of the District. In essence, it is the net revenues that are pledged to pay debt service. Net revenues are defined generally by the District's bond indentures as all System revenues less all operation and maintenance costs. The District may issue revenue bonds that are secured by liens on net revenues that are either senior or subordinate in relation to each other.

General obligation bonds are another type of long-term bonds available to the District. The issuance of general obligation bonds requires a two-thirds vote of the electorate. These bonds have been used less frequently by the District. General obligation bonds are payable by a dedicated property tax, and do not have a claim on the District's other operating revenues.

The District may also enter into long-term loans with state or federal agencies. These loans typically have fixed interest rates. Government loan programs can offer favorable interest rates, and should be considered as alternatives to market rate debt when available.

Short-Term Debt

Historically, short-term notes and commercial paper have been the most commonly issued by the District. Short-term debt, like long-term debt, can be issued by the District at various lien levels but is most typically secured by net revenues on a subordinate basis to the District's long-term bonds.

One common reason to issue short-term debt is to secure funding for a capital project or group of capital projects during the construction period. Once the construction period is complete, the short-term debt may be refinanced, or "taken out," with long-term debt that matures over a period of time more closely matching the lifespan of the assets that were built.

Direct bank loans are another type of short-term debt obligation the District may enter into over time, and could be issued with either fixed or variable rates and generally over a term extending from one to seven years.

Debt-Related Instruments

The District may enter into other debt-related arrangements that include interest rate swaps, letters of credit, and standby bond purchase agreements. Policy 4.23 (Interest Rate Swap Policy) sets forth the District's policy on swaps.

Because variable rate debt generally requires remarketing agents to periodically remarket the debt to investors, bank credit or liquidity facilities in the form of a letter of credit or standby bond purchase agreements or similar arrangements are required to provide credit and/or liquidity support. Such bank facilities are generally for terms that are shorter than the debt that they support, and therefore need to be renewed periodically throughout the life of the related debt. These renewals will be brought to the Board for approval in advance of expiration.

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The District may issue taxable or tax-exempt bonds. Tax-exempt bonds are usually the preferred type of bonds given that they typically provide the lowest interest cost. Tax-exempt issuance must adhere to all applicable federal tax laws.

Types of bond issuance include:

1. New Money

"New money" bonds are issued to provide the District with funding for capital expenditures. New money bonds may fund upcoming capital expenditures or reimburse the District for capital expenditures already incurred. Significant restrictions exist around public purpose versus private activity use of bond proceeds. Taxable bonds can be used for projects and structures where IRS tax-exempt regulations cannot be met, such as those with private benefit.

2. Refunding

Refunding bonds may be issued to refinance existing bonds to achieve debt service savings. Staff works with the District's financial advisor to assess potential savings and determine whether refunding bond issuance is warranted.

3. Restructuring

From time to time, the District may issue refunding bonds to restructure the type of debt outstanding, the "shape" of future debt service payments, or to take advantage of market opportunities.

Sale Method

The District may choose to issue bonds using either a competitive or negotiated sale process. The District may also sell bonds by means of a private placement or direct sale with a financial institution or other accredited investor when this method is demonstrated to result in cost savings or provide other advantages relative to a traditional public offering. Staff will work with the District's financial advisor to determine the most appropriate method of sale for each issuance.

Structure and Term

The repayment schedule of a bond issue can vary greatly from one sale to another. The same is true for other debt instruments. The District will consider which structures are most cost effective for ratepayers, the new debt's impact on the District's overall debt service schedule, future debt capacity, and other factors when deciding how to structure new debt. In addition to debt amortization terms, structuring options may include procuring credit enhancement, the establishment of reserves, the use of capitalized interest, and appropriate call options.

Goals and Objectives

Long-term financial stability is the primary underlying objective the District will consider when making decisions related to debt.

When it deems debt as the most appropriate source of funding, the District must seek to keep the cost of the debt, including the cost of issuance, as low as can be reasonably achieved. Given that interest costs can have a major impact on the District's budget and rates, efforts should be made to achieve low interest rates on new debt and to achieve interest rate savings when practicable. Short term variable rates will usually offer the lowest interest rates but do expose the District to long term interest rates risk to the extent those rates are left unhedged. Achieving the lowest interest rates must be carefully balanced against long-term financial stability.

Credit ratings have a significant impact on the interest rates at which the District borrows. Therefore, efforts should be made to maintain strong credit ratings through strong financial decision-making. In addition, marketing efforts should be undertaken when practical to ensure the District's name and credit are in good standing with municipal bond investors.

1. CIP and Budget

The District's capital and operating budgets are key to estimating the timing of and need for future borrowing. While debt will generally only fund capital expenditures, and not operating costs, the amount of debt issued can still have an indirect effect on operating performance due to its impact on cash reserves and water/wastewater rates. Staff will analyze the budget projections throughout each fiscal year, including expected cash reserves and required rate increases. This information will provide the basis for decisions regarding how much, if any, debt to issue in each year.

In addition, staff will monitor the capital improvement program to identify upcoming projects that may be appropriate candidates for state or federal loans.

2. Ratio Targets

When deciding on the amount of current and future debt to issue, staff must pay particularly close attention to certain financial ratios. The most important of these is the debt service coverage ratio, which is generally expressed as annual net revenues divided by annual debt service.

The District has a legal covenant to maintain the debt service coverage ratio at a minimum of 1.1. Under no circumstances should the District allow its debt service coverage ratio to fall below 1.1 as calculated under its bond indentures and other debt documents. State and federal loans also have coverage requirements that may differ from what is required by bond documents.

The District's long-term goal may evolve over time to target a debt service coverage ratio that allows for full cash funding of a base level of capital spending. In the meantime, it is the District's policy to maintain debt service coverage (as calculated under its bond indenture) at or above 1.6.

Another ratio that helps measure the District's financial health is the ratio of debt-funded capital to overall capital spending. This can be measured in any given fiscal year as well as over a rolling period of years. The ideal percentage of debt-funded capital will fluctuate over time. However, the District will strive to maintain this ratio below 65% in each five year planning period.

While variable rate debt typically has a lower cost of borrowing than fixed rate debt, it carries the risk of increasing interest rates and market volatility. Given the added risk that variable rate debt adds to the District's budgetary performance, the amount of variable rate debt outstanding in either the Water or Wastewater Systems will not exceed 25% of the total amount of long-term debt outstanding in either system.

Bond Sale Process The process of selling bonds takes the careful coordination of a number of participants including the District's staff, its financial advisors and bond counsel, third-party bond trustee or paying agent, verification agent, underwriters, broker-dealer, rebate consultant, bank liquidity and credit provider, and/or rating agencies.

1. Preparation

The District relies on its bi-annual budget as the basis for financial estimates that underlie how much, if any, new debt should be issued in any given year. In addition, staff monitors the municipal bond market to identify opportunities to save costs by issuing refunding bonds. In either case, once it is determined that debt issuance is appropriate staff begins the process by coordinating dates and milestones with the District's financial advisors and bond counsel.

While there are many different tasks to perform during the preparation, one of the most critical and involved is the preparation of the Official Statement and its accompanying Appendix A. These disclosure documents are distributed to potential investors in and purchasers of the District's bonds and provide information needed to make an informed investment decision. These documents are subject to federal securities laws and are required to be accurate and current, and not contain material misstatements or omissions. Policy 4.26 (Municipal Securities Disclosure Policy) sets forth the District's disclosure policies.

2. Board Authorization

Before the District can issue new bonds, the Board must authorize the sale. Staff will generally ask for the Board's authorization to approve documents and proceed in the financing transaction once the structure and major aspects of the sale are determined.

3. Execution

Once the Board has approved a particular bond issuance, staff is authorized to execute the transaction within the authorized parameters. Depending upon the method of sale chosen (negotiated or competitive), staff will work with its financial advisor along with any underwriters that may be involved to finalize the bond sale.

4. Handling of Bond Proceeds

Proceeds of debt should be held either by a third-party trustee or by the District. A third-party trustee will disburse bond proceeds to the District upon submission of one or more written requisitions signed by an authorized District officer. If the funds are held directly by the District, they must be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District and subject to established internal controls consistent with the District's applicable policies and procedures. These procedures will include, in connection with each requisition or expenditure of proceeds held by the District, a written record of the particular capital project or program or other expense to which the funds drawn were applied or allocated.

For bond proceeds that are meant to reimburse the District for previous expenditures, District staff will certify that the reimbursing proceeds comply with all tax requirements and other regulations. To support this certification, staff will analyze capital expenditures and ensure that all requirements are met before the bond issuance takes place and maintain a written record of such analysis and the amount reimbursed to each particular capital project or program or other expense to which such reimbursed proceeds are to be allocated.

For bond proceeds meant to provide funding for ongoing or upcoming capital expenditures, District staff will ensure proceeds are spent according to their intended purpose as well as all regulations. Staff will analyze the use of proceeds on an annual basis or more frequently, if necessary, until the proceeds are completely spent and will perform monitoring and record-keeping in accordance with any applicable post-issuance compliance procedures and guidelines of the District.

For bond proceeds meant to refund existing bonds, such funds will generally be held by a third party trustee or fiscal agent to be applied in connection with written directions generally prepared by or in consultation with bond counsel to ensure funds are used according to legal requirements. The District will maintain records of the directions to, and will perform timely review of fund statements and other records received from, the third party agents.

**Post Issuance
Administration**

The District will comply with all requirements pertaining to initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, and investment of bond proceeds. This includes any continuing disclosure undertakings under SEC Rule 15c2-12; tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements; and all California State reporting requirements.

1. Financial Disclosure

The District must comply with all ongoing deliverable obligations and financial disclosure requirements, as specified in any and all bond and debt-related documents. Policy 4.26 (Municipal Securities Disclosure Policy) sets forth the District's disclosure policies. Staff has developed and will maintain an updated schedule of the requirements, and ensure there is redundancy in the internal processes to ensure compliance with all timelines and prevent any missed deadlines. The District will post required documents to the MSRB's EMMA website and deliver periodic deliverables on or before the dates by which it is required to do so by its bond documents. The District, at its discretion, may also post documents to EMMA that it believes are relevant to bondholders, but that are not required to be posted. The Treasury Division is responsible for ensuring all District actions related to financial disclosure are completed as required.

2. Tax Compliance

The District will comply with federal arbitrage and rebate regulations related to its bonds and other debt instruments. These responsibilities include monitoring the investment and expenditure of bond proceeds, maintaining a system of record-keeping and reporting and contracting for the services of outside arbitrage consultants as necessary. The District has established and implemented post-issuance procedures to guide its compliance with these requirements. The Treasury Division is responsible for ensuring all District actions related to tax compliance are completed as required.

Authority

Resolution XXXXX-20, July 28, 2020

References

Policy 4.23 – Interest Rate Swap Policy
Policy 4.26 – Municipal Securities Disclosure

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Policy 4.02

EFFECTIVE 25-APR-17

28-JUL-20

SUPERSEDES 25 OCT 16

CASH RESERVES ~~AND DEBT MANAGEMENT~~

IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Maintain operating and self-insurance reserves necessary to provide ongoing working capital by striving to meet the financial goals outlined below. ~~while maintaining a reasonable balance between debt and current revenue financing of capital projects. Maintaining adequate reserves along with sound financial policies promotes the District's good standing in the capital markets; provides financing flexibility; avoids potential restrictive debt covenants; maintains markets for District debt; and facilitates future financing of capital projects at reasonable costs.~~

~~Maintaining a reasonably conservative ratio between current funding sources and debt financing is critical to retaining the District's financing flexibility. Flexibility allows the District access to a variety of financing alternatives such as fixed and variable rate obligations as well as other types of debt such as State and Federal loans, direct bank loans, and other financial instruments which may be utilized by the District. Similarly, District financings may include taxable as well as tax-exempt alternatives. In addition to financing capital improvements, debt can be issued to refund outstanding obligations in order to achieve debt service savings or to further any other financial objectives authorized by the District Board. The District's debt should primarily be secured by its revenues, but may be secured by other sources such as, for example, voter-approved general obligation bonds secured by property taxes. The District's debt obligations may be short, medium, or long term as appropriate to achieve results consistent with the District's financial goals and taking into account the useful life of the assets financed. Proceeds of debt should be held either (a) by a third-party trustee, which will disburse bond proceeds to the District upon submission of one or more written requisitions signed by an authorized District officer, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District and subject to established internal controls consistent with the District's applicable policies and procedures. When issuing debt, the District will comply with all applicable requirements pertaining to initial bond disclosure, continuing disclosure, tax exemption, post-issuance compliance, and investment of bond proceeds (including, for example, any continuing disclosure undertakings under SEC Rule 15c2-12, and tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements). Issuance of all debt should conform to the District's overriding principle of exercising responsible financial management.~~

Financial Goals

- Maintain operating reserves at a level sufficient to meet working capital and unanticipated needs, specifically:
 - Maintain Working Capital Reserve of at least 3.0 times monthly net operating and maintenance expenses.
 - Maintain Self-Insured Liability Program Reserve based on the Actuarial Self-Insured Retention (SIR) funding recommendation for the following year's discounted loss and allocated loss adjustment expenses (ALAE) funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.
 - Maintain Workers' Compensation Program Reserve based on the Actuarial SIR funding recommendation for the following year's discounted loss and ALAE funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.

- Maintain Rate Stabilization Reserve for the Water System at a minimum of 20 percent of projected annual water volume revenues and for the Wastewater System at a minimum of 5 percent of operating and maintenance expenses.
 - ~~• Maintain a reasonably conservative ratio between current funding sources and debt financing:~~
 - ~~— Debt Service Coverage Ratio: Maintain an annual revenue bond debt service coverage ratio of at least 1.6 times.~~
 - ~~— Debt Funded Capital Spending: Limit debt-funded capital to no more than 65 percent of the total capital program over each five-year planning period.~~
 - ~~— Commercial Paper/Variable Rate Debt: Maintain an annual limit of 25 percent of outstanding long-term debt.~~
-

Authority

Motion No. 058-94, April 12, 1994
As amended by Resolution No. 33211-00, June 27, 2000
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33481-05, June 14, 2005
As amended by Resolution No. 33485-05, July 12, 2005
As amended by Resolution No. 34052-15, September 22, 2015
As amended by Resolution No. 35008-16, October 25, 2016
As amended by Resolution No. 35034-17, April 25, 2017
As amended by Resolution No. XXXXX-20, July 28, 2020



Policy 4.02

EFFECTIVE 28 JUL 20

SUPERSEDES 25 OCT 16

CASH RESERVES

IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Maintain operating and self-insurance reserves necessary to provide ongoing working capital by striving to meet the financial goals outlined below.

Financial Goals

- Maintain operating reserves at a level sufficient to meet working capital and unanticipated needs, specifically:
 - Maintain Working Capital Reserve of at least 3.0 times monthly net operating and maintenance expenses.
 - Maintain Self-Insured Liability Program Reserve based on the Actuarial Self-Insured Retention (SIR) funding recommendation for the following year's discounted loss and allocated loss adjustment expenses (ALAE) funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.
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RESOLUTION NO. _____

ADOPTING NEW POLICY 4.27, DEBT MANAGEMENT AND
ADOPTING REVISED POLICY 4.02, CASH RESERVES

Introduced by Director _____ ; Seconded by Director _____

WHEREAS, District Policy 4.02 states the policy of the District with respect to Cash Reserves and Debt Management; and

WHEREAS, it is the desire and the intention of the Board of Directors to treat its policy regarding Cash Reserves separate from its policy regarding Debt Management; and

WHEREAS, it is the intention and desire of the Board of Directors that Policy 4.02 continue to state the District's policy regarding Cash Reserves; and

WHEREAS, it is the intention and desire of the Board of Directors to create and adopt Policy 4.27 to state its policy regarding Debt Management; and

WHEREAS, it is the intention and desire of the Board of Directors to revise Policy 4.02 regarding Cash Reserves;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that New Policy 4.27, regarding Debt Management, attached hereto as Exhibit A, and Revised Policy 4.02 regarding Cash Reserves, attached hereto as Exhibit B, are hereby adopted.

ADOPTED this 28th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel

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Policy 4.27

EFFECTIVE 28 JUL 20

DEBT MANAGEMENT

SUPERSEDES NEW

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Purpose	This policy describes and specifies the District's actions related to debt obligations. It is meant to outline what constitutes appropriate management of the District's debt portfolio. The District's Board of Directors (Board) may approve bonds that deviate from this policy. Failure of the District to comply with any provision of this policy will not affect the authorization, validity, or enforceability of any bonds or other forms of indebtedness that are otherwise issued in accordance with applicable law.
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Purpose of Debt	The general purpose of long-term debt is to spread the cost of capital assets over a longer time period than simply paying as costs are incurred. This allows the impact on rates to be spread over time and aligns the cost of assets to the estimated life of those assets. It is the policy of the District to issue debt to finance previous or anticipated capital expenditures. District staff will identify the specific purpose of the debt issue into a debt obligation. The types of debt described in this policy will not be used to finance operating expenditures. The primary reasons for this are, firstly, to spread out the impact on rates of particularly large capital expenditures; and secondly, to more closely align the payment of asset costs to the estimated life of the assets.
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The District may choose to issue bonds using either a competitive or negotiated sale process. The District may also sell bonds by means of a private placement or direct sale with a financial institution or other accredited investor when this method is demonstrated to result in cost savings or provide other advantages relative to a traditional public offering. Staff will work with the District's financial advisor to determine the most appropriate method of sale for each issuance.

Structure and Term

The repayment schedule of a bond issue can vary greatly from one sale to another. The same is true for other debt instruments. The District will consider which structures are most cost effective for ratepayers, the new debt's impact on the District's overall debt service schedule, future debt capacity, and other factors when deciding how to structure new debt. In addition to debt amortization terms, structuring options may include procuring credit enhancement, the establishment of reserves, the use of capitalized interest, and appropriate call options.

Goals and Objectives

Long-term financial stability is the primary underlying objective the District will consider when making decisions related to debt.

When it deems debt as the most appropriate source of funding, the District must seek to keep the cost of the debt, including the cost of issuance, as low as can be reasonably achieved. Given that interest costs can have a major impact on the District's budget and rates, efforts should be made to achieve low interest rates on new debt and to achieve interest rate savings when practicable. Short term variable rates will usually offer the lowest interest rates but do expose the District to long term interest rates risk to the extent those rates are left unhedged. Achieving the lowest interest rates must be carefully balanced against long-term financial stability.

Credit ratings have a significant impact on the interest rates at which the District borrows. Therefore, efforts should be made to maintain strong credit ratings through strong financial decision-making. In addition, marketing efforts should be undertaken when practical to ensure the District's name and credit are in good standing with municipal bond investors.

1. CIP and Budget

The District's capital and operating budgets are key to estimating the timing of and need for future borrowing. While debt will generally only fund capital expenditures, and not operating costs, the amount of debt issued can still have an indirect effect on operating performance due to its impact on cash reserves and water/wastewater rates. Staff will analyze the budget projections throughout each fiscal year, including expected cash reserves and required rate increases. This information will provide the basis for decisions regarding how much, if any, debt to issue in each year.

In addition, staff will monitor the capital improvement program to identify upcoming projects that may be appropriate candidates for state or federal loans.

2. Ratio Targets

When deciding on the amount of current and future debt to issue, staff must pay particularly close attention to certain financial ratios. The most important of these is the debt service coverage ratio, which is generally expressed as annual net revenues divided by annual debt service.

The District has a legal covenant to maintain the debt service coverage ratio at a minimum of 1.1. Under no circumstances should the District allow its debt service coverage ratio to fall below 1.1 as calculated under its bond indentures and other debt documents. State and federal loans also have coverage requirements that may differ from what is required by bond documents.

The District's long-term goal may evolve over time to target a debt service coverage ratio that allows for full cash funding of a base level of capital spending. In the meantime, it is the District's policy to maintain debt service coverage (as calculated under its bond indenture) at or above 1.6.

Another ratio that helps measure the District's financial health is the ratio of debt-funded capital to overall capital spending. This can be measured in any given fiscal year as well as over a rolling period of years. The ideal percentage of debt-funded capital will fluctuate over time. However, the District will strive to maintain this ratio below 65% in each five year planning period.

While variable rate debt typically has a lower cost of borrowing than fixed rate debt, it carries the risk of increasing interest rates and market volatility. Given the added risk that variable rate debt adds to the District's budgetary performance, the amount of variable rate debt outstanding in either the Water or Wastewater Systems will not exceed 25% of the total amount of long-term debt outstanding in either system.

Bond Sale Process The process of selling bonds takes the careful coordination of a number of participants including the District's staff, its financial advisors and bond counsel, third-party bond trustee or paying agent, verification agent, underwriters, broker-dealer, rebate consultant, bank liquidity and credit provider, and/or rating agencies.

1. Preparation

The District relies on its bi-annual budget as the basis for financial estimates that underlie how much, if any, new debt should be issued in any given year. In addition, staff monitors the municipal bond market to identify opportunities to save costs by issuing refunding bonds. In either case, once it is determined that debt issuance is appropriate staff begins the process by coordinating dates and milestones with the District's financial advisors and bond counsel.

While there are many different tasks to perform during the preparation, one of the most critical and involved is the preparation of the Official Statement and its accompanying Appendix A. These disclosure documents are distributed to potential investors in and purchasers of the District's bonds and provide information needed to make an informed investment decision. These documents are subject to federal securities laws and are required to be accurate and current, and not contain material misstatements or omissions. Policy 4.26 (Municipal Securities Disclosure Policy) sets forth the District's disclosure policies.

2. Board Authorization

Before the District can issue new bonds, the Board must authorize the sale. Staff will generally ask for the Board's authorization to approve documents and proceed in the financing transaction once the structure and major aspects of the sale are determined.

3. Execution

Once the Board has approved a particular bond issuance, staff is authorized to execute the transaction within the authorized parameters. Depending upon the method of sale chosen (negotiated or competitive), staff will work with its financial advisor along with any underwriters that may be involved to finalize the bond sale.

4. Handling of Bond Proceeds

Proceeds of debt should be held either by a third-party trustee or by the District. A third-party trustee will disburse bond proceeds to the District upon submission of one or more written requisitions signed by an authorized District officer. If the funds are held directly by the District, they must be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District and subject to established internal controls consistent with the District's applicable policies and procedures. These procedures will include, in connection with each requisition or expenditure of proceeds held by the District, a written record of the particular capital project or program or other expense to which the funds drawn were applied or allocated.

For bond proceeds that are meant to reimburse the District for previous expenditures, District staff will certify that the reimbursing proceeds comply with all tax requirements and other regulations. To support this certification, staff will analyze capital expenditures and ensure that all requirements are met before the bond issuance takes place and maintain a written record of such analysis and the amount reimbursed to each particular capital project or program or other expense to which such reimbursed proceeds are to be allocated.

For bond proceeds meant to provide funding for ongoing or upcoming capital expenditures, District staff will ensure proceeds are spent according their intended purpose as well as all regulations. Staff will analyze the use of proceeds on an annual basis or more frequently, if necessary, until the proceeds are completely spent and will perform monitoring and record-keeping in accordance with any applicable post-issuance compliance procedures and guidelines of the District.

For bond proceeds meant to refund existing bonds, such funds will generally be held by a third party trustee or fiscal agent to be applied in connection with written directions generally prepared by or in consultation with bond counsel to ensure funds are used according to legal requirements. The District will maintain records of the directions to, and will perform timely review of fund statements and other records received from, the third party agents.

**Post Issuance
Administration**

The District will comply with all requirements pertaining to initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, and investment of bond proceeds. This includes any continuing disclosure undertakings under SEC Rule 15c2-12; tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements; and all California State reporting requirements.

1. Financial Disclosure

The District must comply with all ongoing deliverable obligations and financial disclosure requirements, as specified in any and all bond and debt-related documents. Policy 4.26 (Municipal Securities Disclosure Policy) sets forth the District's disclosure policies. Staff has developed and will maintain an updated schedule of the requirements, and ensure there is redundancy in the internal processes to ensure compliance with all timelines and prevent any missed deadlines. The District will post required documents to the MSRB's EMMA website and deliver periodic deliverables on or before the dates by which it is required to do so by its bond documents. The District, at its discretion, may also post documents to EMMA that it believes are relevant to bondholders, but that are not required to be posted. The Treasury Division is responsible for ensuring all District actions related to financial disclosure are completed as required.

2. Tax Compliance

The District will comply with federal arbitrage and rebate regulations related to its bonds and other debt instruments. These responsibilities include monitoring the investment and expenditure of bond proceeds, maintaining a system of record-keeping and reporting and contracting for the services of outside arbitrage consultants as necessary. The District has established and implemented post-issuance procedures to guide its compliance with these requirements. The Treasury Division is responsible for ensuring all District actions related to tax compliance are completed as required.

Authority

Resolution XXXXX-20, July 28, 2020

References

Policy 4.23 – Interest Rate Swap Policy
Policy 4.26 – Municipal Securities Disclosure

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Policy 4.02

EFFECTIVE 25 APR 17

28 JUL 20

SUPERSEDES 25 OCT 16

CASH RESERVES ~~AND DEBT MANAGEMENT~~

IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Maintain operating and self-insurance reserves necessary to provide ongoing working capital by striving to meet the financial goals outlined below. ~~while maintaining a reasonable balance between debt and current revenue financing of capital projects. Maintaining adequate reserves along with sound financial policies promotes the District's good standing in the capital markets; provides financing flexibility; avoids potential restrictive debt covenants; maintains markets for District debt; and facilitates future financing of capital projects at reasonable costs.~~

~~Maintaining a reasonably conservative ratio between current funding sources and debt financing is critical to retaining the District's financing flexibility. Flexibility allows the District access to a variety of financing alternatives such as fixed and variable rate obligations as well as other types of debt such as State and Federal loans, direct bank loans, and other financial instruments which may be utilized by the District. Similarly, District financings may include taxable as well as tax exempt alternatives. In addition to financing capital improvements, debt can be issued to refund outstanding obligations in order to achieve debt service savings or to further any other financial objectives authorized by the District Board. The District's debt should primarily be secured by its revenues, but may be secured by other sources such as, for example, voter approved general obligation bonds secured by property taxes. The District's debt obligations may be short, medium, or long term as appropriate to achieve results consistent with the District's financial goals and taking into account the useful life of the assets financed. Proceeds of debt should be held either (a) by a third party trustee, which will disburse bond proceeds to the District upon submission of one or more written requisitions signed by an authorized District officer, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District and subject to established internal controls consistent with the District's applicable policies and procedures. When issuing debt, the District will comply with all applicable requirements pertaining to initial bond disclosure, continuing disclosure, tax exemption, post-issuance compliance, and investment of bond proceeds (including, for example, any continuing disclosure undertakings under SEC Rule 15c2-12, and tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements). Issuance of all debt should conform to the District's overriding principle of exercising responsible financial management.~~

Financial Goals

- Maintain operating reserves at a level sufficient to meet working capital and unanticipated needs, specifically:
 - Maintain Working Capital Reserve of at least 3.0 times monthly net operating and maintenance expenses.
 - Maintain Self-Insured Liability Program Reserve based on the Actuarial Self-Insured Retention (SIR) funding recommendation for the following year's discounted loss and allocated loss adjustment expenses (ALAE) funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.
 - Maintain Workers' Compensation Program Reserve based on the Actuarial SIR funding recommendation for the following year's discounted loss and ALAE funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.

EXHIBIT B

- Maintain Rate Stabilization Reserve for the Water System at a minimum of 20 percent of projected annual water volume revenues and for the Wastewater System at a minimum of 5 percent of operating and maintenance expenses.
 - ~~Maintain a reasonably conservative ratio between current funding sources and debt financing:~~
 - ~~— Debt Service Coverage Ratio: Maintain an annual revenue bond debt service coverage ratio of at least 1.6 times.~~
 - ~~— Debt Funded Capital Spending: Limit debt funded capital to no more than 65 percent of the total capital program over each five-year planning period.~~
 - ~~— Commercial Paper/Variable Rate Debt: Maintain an annual limit of 25 percent of outstanding long-term debt.~~
-

Authority

Motion No. 058-94, April 12, 1994
As amended by Resolution No. 33211-00, June 27, 2000
As amended by Resolution No. 33429-04, June 8, 2004
As amended by Resolution No. 33481-05, June 14, 2005
As amended by Resolution No. 33485-05, July 12, 2005
As amended by Resolution No. 34052-15, September 22, 2015
As amended by Resolution No. 35008-16, October 25, 2016
As amended by Resolution No. 35034-17, April 25, 2017
As amended by Resolution No. XXXXX-20, July 28, 2020



Policy 4.02

EFFECTIVE 28 JUL 20

SUPERSEDES 25 OCT 16

CASH RESERVES

IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Maintain operating and self-insurance reserves necessary to provide ongoing working capital by striving to meet the financial goals outlined below.

Financial Goals

- Maintain operating reserves at a level sufficient to meet working capital and unanticipated needs, specifically:
 - Maintain Working Capital Reserve of at least 3.0 times monthly net operating and maintenance expenses.
 - Maintain Self-Insured Liability Program Reserve based on the Actuarial Self-Insured Retention (SIR) funding recommendation for the following year's discounted loss and allocated loss adjustment expenses (ALAE) funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.
 - Maintain Workers' Compensation Program Reserve based on the Actuarial SIR funding recommendation for the following year's discounted loss and ALAE funding guidelines. Reserve amount should be calculated at a high (85%) confidence level. If an actuarial study is not available before close of the prior fiscal year end, the reserve shall equal 1.15 times the prior year reserve.
 - Maintain Rate Stabilization Reserve for the Water System at a minimum of 20 percent of projected annual water volume revenues and for the Wastewater System at a minimum of 5 percent of operating and maintenance expenses.

Authority

Motion No. 058-94, April 12, 1994
As amended by Resolution No. 33211-00, June 27, 2000
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As amended by Resolution No. 34052-15, September 22, 2015
As amended by Resolution No. 35008-16, October 25, 2016
As amended by Resolution No. 35034-17, April 25, 2017
As amended by Resolution No. XXXXX-20, July 28, 2020

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AGENDA NO.
MEETING DATE

12.
July 28, 2020

TITLE APPOINTMENT OF CONTROLLER

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Appoint Andrea M. Miller as the Controller effective August 3, 2020.

SUMMARY



Following a comprehensive recruitment process, Andrea M. Miller is recommended for appointment as the Controller of the District. The Controller position is exempt from civil service provisions of the MUD Act in accordance with Section 12055(b) which excludes officers, assistant officers and other persons and employees appointed by the Board of Directors.

DISCUSSION

The Controller is responsible for managing a professional team charged with administering the financial reporting activities of the District. Areas of responsibility include financial reporting, accounting systems control, customer accounting, accounts receivable, special accounting projects, retirement system, accounts payable, plant records, grants accounting, and payroll. After a competitive and comprehensive recruitment, Ms. Miller is recommended for appointment to this position.

Ms. Miller has years of experience in accounting and finance with close to 15 years in the public sector. In her roles both as Director of Finance at the City of Pinole and Assistant Director of Finance at the City of Pleasanton, she managed the procurement and implementation of new finance and human resources software to replace aging systems. This experience will be valuable as the District is currently replacing its purchasing and financial reporting systems and is planning for replacement of its human resources system. Ms. Miller's education includes a Bachelor of Arts degree in Human Development with a minor in Business Administration from California State University Hayward and a Master's degree in Public Administration from Golden Gate University.

I:\Sec\2020 Board Related Items\072820 Board Agenda Items\HRD\Appointment of Controller.doc

Funds Available: FY		Budget Code:	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR		APPROVED
Human Resources	 Laura A. Acosta		 General Manager

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

RESOLUTION NO. _____

APPOINTING ANDREA M. MILLER AS CONTROLLER

Introduced by Director

; Seconded by Director

WHEREAS, the Board of Directors has established the position of Controller in the Finance Department and such position has been assigned the salary range under the Management Salary Plan heretofore established for District Officers, Assistant Officers, civil service exempt and certain civil service classes; and

WHEREAS, the Controller position is exempt from the District civil service pursuant to State of California Public Utility Code section 12055; and

WHEREAS, the General Manager has recommended that Andrea M. Miller be appointed to serve as the Controller of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Andrea M. Miller to serve as Controller effective August 3, 2020.

Adopted this 28th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Secretary

APPROVED AS TO FORM AND PROCEDURE

General Counsel



AGENDA NO.
MEETING DATE

13.1.-13.2.
July 28, 2020

**TITLE TRANSFER DELINQUENT EBMUD CHARGES TO THE ALAMEDA AND CONTRA
COSTA COUNTIES' 2020-2021 PROPERTY TAX ROLLS**

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Conduct a Public Hearing to consider objections and protests to the General Manager's report to Transfer Delinquent EBMUD Charges to the 2020-2021 Property Tax Rolls. Adopt the General Manager's report (Report) dated June 23, 2020 and authorize the General Manager to exclude from the report any affected parcels or amounts as appropriate, including those that the District receives payment for on or before August 10, 2020, the date in which reports will be sent to Alameda and Contra Costa counties. A summary of the final Report will be included in the August 2020 General Manager's monthly report.

SUMMARY

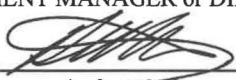
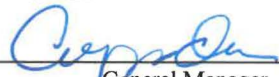
Staff recommends the Board adopt the report filed at the Public Hearing on July 28, 2020, to transfer the District's multi-family residential (MFR) delinquent charges to the 2020-2021 property tax rolls, and authorize the General Manager to transfer the delinquent charges if unpaid by August 10, 2020, and includes the following:

Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll
(Attachment 1)

- The Assessor's Parcel Number (APN) and delinquent charges excluded by the Board at the Public Hearing on July 28, 2020;
- Any APN and delinquent charges excluded by the General Manager after July 28, 2020; and
- Any APN and delinquent charges that the District receives payment for on or before August 10, 2020.

Delinquent EBMUD Charges for Transfer to the Contra Costa County 2020-2021 Property Tax Roll
(Attachment 2)

- The Assessor's Parcel Number (APN) and delinquent charges excluded by the Board at the Public Hearing on July 28, 2020;
- Any APN and delinquent charges excluded by the General Manager after July 28, 2020; and
- Any APN and delinquent charges that the District receives payment for on or before August 10, 2020.

Funds Available: FY21		Budget Code:
DEPARTMENT SUBMITTING Customer and Community Svcs.	DEPARTMENT MANAGER or DIRECTOR  Andrew L. Lee	APPROVED  General Manager

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

DISCUSSION

Since January 1, 2011, under the authority of Municipal Utility District (MUD) Act Section 12811.1, the District has collected MFR delinquent charges by monthly lien filings or annual transfers to the property tax rolls. District-sponsored legislation (Senate Bill 188) removed the sunset date from the MUD Act, effective January 1, 2016, allowing the District to transfer these delinquent charges on a yearly basis. The District has used this authority as an alternative to terminating water service provided to tenants, when the property owner or customer of record fails to pay delinquent charges of \$100 or more.

The District filed 1,204 liens totaling \$970,244 on parcel owners' properties for unpaid MFR delinquent charges from July 1, 2019 to June 30, 2020. The Report filed with the Board on June 23, 2020 identified 350 affected parcels and the associated delinquent charges recommended for transfer to the Alameda and Contra Costa counties' 2020-2021 Property Tax Rolls. Staff will file a revised Report on July 28, 2020, reflecting payments received after June 23, 2020 and remaining affected parcels.

State law requires a public hearing be held before unpaid delinquent charges are transferred to the property tax rolls, and owners of affected parcels must be given 14 days advance notice of the specific day, time and place of the public hearing. Notices of the July 28, 2020 public hearing were mailed to the property owners of 350 affected parcels on or before July 6, 2020. Newspaper ads regarding the public hearing were published in prominent newspapers in both counties on July 3, 2020 and July 10, 2020.

This action supports the District's Long-Term Financial Stability Strategic Plan goal by managing the District's finances to meet funding needs and maintain fair and reasonable water and wastewater rates.

SUSTAINABILITY

Economic

The District expects to recover approximately 85 to 90 percent (\$630,558 to \$677,650) of the unpaid MFR delinquent charges in FY21 after transferring them to the counties' 2020-2021 property tax rolls.

Social

The lien process is an effective alternative to terminating water service to tenants at MFR accounts when the customer of record fails to pay delinquent charges.

Attachments

ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll

APN Number						Legend Number	Tax Amount
00	032		2058	023		00	897 \$5,266.24
00	040	A	3427	029	01	00	897 \$3,152.81
00	038		3177	005		00	897 \$1,570.86
00	032		2105	022		00	897 \$2,742.97
00	005		0463	003	02	00	897 \$1,526.75
00	040	A	3427	029	02	00	897 \$1,287.92
00	019		0019	014		00	897 \$1,713.49
00	020		0188	011		00	897 \$2,005.49
00	020		0189	011	01	00	897 \$4,700.98
00	049		1079	011	03	00	897 \$1,907.58
00	038		3236	025		00	897 \$2,408.04
00	042		4269	001		00	897 \$2,387.95
00	034		2272	021		00	897 \$1,028.40
00	020		0204	043		00	897 \$2,116.54
00	019		0056	020	02	00	897 \$2,730.11
00	014		1213	007		00	897 \$3,833.70
00	037	A	2770	003		00	897 \$3,812.42
00	036		2430	002		00	897 \$1,678.34
00	044		4971	019		00	897 \$1,512.20
00	006		0033	011		00	897 \$1,647.08
00	046		5430	004		00	897 \$3,317.40
00	021		0242	003		00	897 \$2,781.39
00	013		1094	009		00	897 \$4,799.45
00	043		4609	016		00	897 \$1,503.71
00	044		4978	015		00	897 \$941.20
00	015		1297	013		00	897 \$3,690.83
00	005		0453	017		00	897 \$1,975.53
00	043		4589	024	01	00	897 \$1,833.64
00	042		4268	003		00	897 \$1,263.48
00	005		0452	008		00	897 \$1,911.69
00	053		1618	012	01	00	897 \$5,130.53
00	037		2552	026		00	897 \$4,343.87
00	032		2064	013		00	897 \$1,452.82
00	016		1446	016		00	897 \$768.01
00	049		1079	011	02	00	897 \$909.07
00	034		2257	002	01	00	897 \$565.06
00	046		5457	023		00	897 \$1,032.33
00	040		3317	024		00	897 \$1,842.80
00	005		0372	010		00	897 \$470.66
00	043		4552	001		00	897 \$543.62
00	044		4967	010	02	00	897 \$571.30
00	077		0549	029		00	897 \$540.76
00	016		1465	017		00	897 \$343.97
00	041		3883	001		00	897 \$463.48
00	039		3291	011		00	897 \$441.69

ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll

APN Number					Legend Number	Tax Amount
00	022	0315	014	00	897	\$2,151.81
00	012	0996	024	00	897	\$1,368.57
00	016	1437	018	00	897	\$2,074.91
00	004	0033	022	00	897	\$1,922.04
00	005	0378	010	00	897	\$1,622.39
00	005	0382	008	00	897	\$2,003.18
00	013	1184	009	00	897	\$2,026.93
00	012	1018	020	01	00	\$1,831.49
00	012	0935	004	00	897	\$1,880.00
00	052	1548	013	00	897	\$3,658.76
00	004	0033	009	00	897	\$1,613.53
00	014	1193	014	00	897	\$1,508.68
00	049	1177	006	05	00	\$1,652.16
00	015	1300	018	00	897	\$2,173.40
00	015	1300	003	01	00	\$1,560.22
00	015	1291	015	00	897	\$1,760.23
00	016	1515	008	00	897	\$2,658.56
00	015	1352	024	00	897	\$1,946.88
00	053	1612	024	00	897	\$1,635.42
00	015	1281	003	00	897	\$1,683.39
00	015	1361	015	00	897	\$2,427.06
00	059	2326	005	00	897	\$3,168.40
00	041	4146	002	00	897	\$2,262.84
00	058	2195	018	00	897	\$4,033.64
00	020	0178	011	00	897	\$3,404.78
00	022	0356	003	01	00	\$1,361.01
00	021	0290	038	00	897	\$2,048.63
00	022	0297	030	00	897	\$1,428.47
00	024	0531	028	00	897	\$1,426.94
00	026	0789	005	00	897	\$2,059.69
00	059	2335	013	00	897	\$4,096.99
00	072	0321	011	00	897	\$2,352.40
00	026	0778	021	00	897	\$2,288.01
00	045	5246	003	01	00	\$2,236.17
00	044	5012	004	00	897	\$2,030.40
00	039	3308	015	00	897	\$1,634.07
00	040	A 3422	036	00	897	\$1,497.04
00	002	0009	004	00	897	\$2,054.37
00	029	A 1302	005	00	897	\$2,659.03
00	048	H 7672	010	02	00	\$2,823.19
00	016	1425	053	02	00	\$2,115.88
00	005	0377	012	00	897	\$1,991.64
00	432	0008	006	00	897	\$3,232.81
00	052	1580	007	00	897	\$2,207.43
00	014	1196	024	00	897	\$2,008.81

ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll

APN Number						Legend Number	Tax Amount
00	015	1361	002	06	00	897	\$3,464.81
00	012	0944	010		00	897	\$1,752.62
00	012	0944	042		00	897	\$2,154.68
00	021	0286	025		00	897	\$2,152.66
00	041	4133	017		00	897	\$1,798.57
00	022	0357	026	01	00	897	\$1,591.99
00	039	3245	056	02	00	897	\$2,540.40
00	032	2069	020		00	897	\$1,548.60
00	032	2107	010		00	897	\$1,615.82
00	032	2057	014		00	897	\$9,642.00
00	029	0993	006	04	00	897	\$1,705.46
00	005	0382	007		00	897	\$2,828.15
00	061	2551	023		00	897	\$1,874.18
00	080	0069	056		00	897	\$2,324.48
00	037	A 2737	013		00	897	\$2,677.00
00	052	1584	035		00	897	\$1,914.82
00	014	1275	011	02	00	897	\$1,707.59
00	006	0009	021		00	897	\$2,216.48
00	020	0218	007		00	897	\$2,189.96
00	015	1283	028		00	897	\$2,097.16
00	047	5498	009	13	00	897	\$3,240.62
00	036	2420	011		00	897	\$9,346.40
00	040	3366	001		00	897	\$1,648.87
00	005	0382	003		00	897	\$1,650.91
00	052	1364	003		00	897	\$1,787.32
00	052	1522	023		00	897	\$2,008.46
00	049	1079	010	01	00	897	\$1,176.75
00	016	1385	022		00	897	\$918.23
00	015	1301	015	03	00	897	\$1,289.26
00	015	1282	043		00	897	\$1,376.42
00	015	1353	022	02	00	897	\$1,239.13
00	050	4558	008		00	897	\$1,830.21
00	075	0085	003		00	897	\$1,259.58
00	020	0149	005		00	897	\$2,065.82
00	039	3259	020		00	897	\$2,143.34
00	071	0277	010		00	897	\$1,490.72
00	043	4557	016		00	897	\$1,500.67
00	040	3374	013	02	00	897	\$2,771.73
00	009	0724	026		00	897	\$2,285.01
00	044	4961	021	01	00	897	\$1,743.50
00	044	4979	013		00	897	\$4,872.39
00	035	2364	010	01	00	897	\$1,599.74
00	035	2387	009		00	897	\$1,798.35
00	035	2387	010		00	897	\$2,478.65
00	040	3363	021		00	897	\$1,548.32

**ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the
Alameda County 2020-2021 Property Tax Roll**

APN Number						Legend Number	Tax Amount
00	045	5191	016	01	00	897	\$1,770.48
00	047	5583	014	01	00	897	\$3,174.33
00	010	0801	004		00	897	\$3,054.12
00	038	3237	038		00	897	\$9,007.86
00	035	2358	035	03	00	897	\$2,561.29
00	032	2030	095		00	897	\$3,074.90
00	027	0888	001		00	897	\$2,339.84
00	076	0274	038		00	897	\$1,651.37
00	076	0274	039		00	897	\$1,483.36
00	028	0906	020		00	897	\$1,278.22
00	036	2438	055		00	897	\$2,972.03
00	036	2503	098		00	897	\$2,681.77
00	016	1427	027	01	00	897	\$1,993.27
00	060	2485	014	01	00	897	\$3,904.62
00	039	3280	009	01	00	897	\$3,245.75
00	004	0087	017		00	897	\$2,648.35
00	004	0063	030		00	897	\$3,040.95
00	005	0386	011		00	897	\$2,269.82
00	008	0677	007		00	897	\$3,164.67
00	009	0724	021		00	897	\$2,170.99
00	009	0738	027		00	897	\$1,882.02
00	009	0715	050		00	897	\$2,080.04
00	010	0794	037		00	897	\$2,437.24
00	010	0793	010		00	897	\$2,733.49
00	009	0709	014	01	00	897	\$3,740.41
00	009	0709	015		00	897	\$2,227.72
00	054	1790	022		00	897	\$1,917.08
00	040	A 3443	029		00	897	\$3,881.98
00	045	5320	024	02	00	897	\$1,912.35
00	022	0332	007		00	897	\$2,764.02
00	023	0498	030	01	00	897	\$2,494.59
00	023	0390	024		00	897	\$3,328.28
00	021	0264	001		00	897	\$2,260.66
00	023	0414	002		00	897	\$4,972.29
00	057	2081	024		00	897	\$3,027.94
00	057	2073	017		00	897	\$21,044.27
00	059	2292	025	01	00	897	\$1,927.98
00	021	0251	005		00	897	\$2,027.63
00	020	0204	014		00	897	\$2,428.06
00	025	0733	014	01	00	897	\$6,136.54
00	027	0877	035	04	00	897	\$1,787.59
00	027	0877	002	02	00	897	\$4,090.76
00	026	0769	008		00	897	\$3,303.81
00	027	0872	005	06	00	897	\$1,634.31
00	057	2053	012		00	897	\$2,631.37

**ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the
Alameda County 2020-2021 Property Tax Roll**

APN Number					Legend Number	Tax Amount
00	053	1592	014		00	897 \$1,248.71
00	048	5661	026		00	897 \$1,430.16
00	021	0290	031		00	897 \$1,456.06
00	041	4052	029	01	00	897 \$2,678.91
00	035	2384	003	03	00	897 \$3,175.33
00	053	1676	004		00	897 \$1,944.33
00	057	2081	025		00	897 \$3,617.82
00	023	0433	012		00	897 \$3,184.24
00	005	0384	022		00	897 \$1,871.57
00	020	0191	012		00	897 \$1,419.91
00	036	2419	026	01	00	897 \$2,014.59
00	041	3887	046		00	897 \$2,502.68
00	044	4983	010	01	00	897 \$1,695.60
00	052	1522	017		00	897 \$804.19
00	023	0496	010		00	897 \$1,604.63
00	032	2079	022		00	897 \$1,222.04
00	052	1538	009		00	897 \$767.64
00	046	5477	024	14	00	897 \$1,541.90
00	012	0973	034		00	897 \$1,367.93
00	015	1347	026		00	897 \$1,100.82
00	015	1277	124	01	00	897 \$3,424.72
00	072	0343	006		00	897 \$1,407.54
00	020	0187	005		00	897 \$1,144.81
00	053	1672	005	01	00	897 \$13,913.38
00	022	0330	013		00	897 \$866.05
00	022	0296	002		00	897 \$1,350.97
00	042	4266	004	01	00	897 \$2,145.75
00	042	4260	016		00	897 \$2,097.19
00	412	0085	061		00	897 \$1,139.39
00	070	0161	056	02	00	897 \$915.25
00	040	3330	019		00	897 \$1,655.49
00	038	3227	004		00	897 \$1,506.14
00	040	3389	005		00	897 \$1,426.97
00	052	1575	002		00	897 \$1,711.23
00	052	1573	021		00	897 \$1,231.43
00	033	2136	024		00	897 \$1,577.27
00	043	4572	016		00	897 \$1,592.23
00	027	0863	031	02	00	897 \$1,398.17
00	036	2413	024		00	897 \$1,833.41
00	016	1428	007		00	897 \$1,923.53
00	035	2367	007		00	897 \$1,973.30
00	007	0554	005		00	897 \$1,614.37
00	005	0455	017		00	897 \$979.17
00	005	0405	003		00	897 \$1,808.58
00	070	0182	050		00	897 \$1,269.57

ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll

APN Number					Legend Number	Tax Amount
00	053	1679	010		00	897 \$841.65
00	012	0959	037		00	897 \$1,153.82
00	010	0828	011		00	897 \$1,095.77
00	035	2356	017	02	00	897 \$5,230.60
00	048	C 7191	004	02	00	897 \$2,565.21
00	426	0070	030	04	00	897 \$1,637.07
00	023	0416	008	02	00	897 \$1,010.69
00	007	0596	014		00	897 \$1,751.55
00	041	3895	045		00	897 \$1,620.01
00	046	5478	018	03	00	897 \$1,527.87
00	026	0829	005		00	897 \$1,027.27
00	043	4553	004		00	897 \$2,579.79
00	040	3338	001	04	00	897 \$4,265.10
00	039	3312	016	01	00	897 \$1,037.51
00	027	0875	001		00	897 \$1,904.66
00	032	2078	007		00	897 \$942.34
00	073	0414	026		00	897 \$2,682.11
00	037	A 2742	011	01	00	897 \$1,230.96
00	009	0714	015		00	897 \$1,324.39
00	010	0793	001		00	897 \$918.62
00	009	0726	030		00	897 \$3,389.91
00	010	0829	010		00	897 \$1,363.85
00	015	1347	030		00	897 \$1,749.99
00	057	2079	004		00	897 \$1,374.96
00	077	0600	002		00	897 \$3,460.87
00	035	2402	006	04	00	897 \$7,403.00
00	013	1156	003	01	00	897 \$1,905.91
00	013	1170	004		00	897 \$802.53
00	006	0037	001		00	897 \$7,594.76
00	016	1436	017	02	00	897 \$824.56
00	052	1538	030		00	897 \$561.71
00	054	1725	005		00	897 \$652.25
00	003	0047	022	03	00	897 \$584.16
00	049	1174	002		00	897 \$416.39
00	012	0970	013		00	897 \$578.56
00	013	1170	001		00	897 \$485.56
00	015	1301	011		00	897 \$280.47
00	036	2420	003	02	00	897 \$1,904.15
00	053	1616	036		00	897 \$374.06
00	072	0332	003		00	897 \$1,143.09
00	020	0141	005		00	897 \$1,538.85
00	019	0035	020		00	897 \$595.36
00	048	A 7052	020		00	897 \$662.08
00	044	4975	016		00	897 \$573.12
00	046	5428	020		00	897 \$988.27

ATTACHMENT 1 – Delinquent EBMUD Charges for Transfer to the Alameda County 2020-2021 Property Tax Roll

APN Number					Legend Number	Tax Amount
00	429	0014	028	00	897	\$559.02
00	414	0081	018	00	897	\$2,012.45
00	038	3181	004	00	897	\$2,662.89
00	030	1980	091	00	897	\$603.23
00	032	2039	012	01	00	\$446.86
00	066	2732	006	00	897	\$623.54
00	004	0087	034	00	897	\$639.67
00	005	0395	011	03	00	\$1,061.65
00	052	1521	019	00	897	\$360.78
00	009	0698	027	00	897	\$502.87
00	009	0718	009	00	897	\$349.98
00	012	0949	031	00	897	\$1,157.54
00	013	1139	022	00	897	\$934.00
00	014	1208	014	00	897	\$1,342.71
00	016	1526	011	00	897	\$496.44
00	073	0404	032	00	897	\$349.17
00	025	0671	006	00	897	\$767.03
00	022	0339	017	01	00	\$1,607.54
00	060	2450	025	02	00	\$1,141.87
00	047	5498	017	00	897	\$1,768.58
00	032	2110	012	01	00	\$384.94
00	028	0960	017	00	897	\$257.97
00	061	2556	037	00	897	\$1,084.41
00	040	3355	022	00	897	\$908.71
00	013	1160	043	00	897	\$4,732.69
00	041	4189	023	00	897	\$658.85
00	022	0357	024	00	897	\$839.52
00	429	0010	061	00	897	\$317.46
00	058	2142	017	00	897	\$313.53
00	040	3378	022	02	00	\$1,754.20
00	021	0232	008	00	897	\$1,253.42
00	040	A 3410	034	00	897	\$2,029.90
00	021	0236	003	00	897	\$10,201.75
00	016	1432	003	00	897	\$530.89
00	020	0137	016	00	897	\$1,196.16
00	038	3189	056	00	897	\$2,453.54
00	070	0166	017	00	897	\$2,004.20
00	033	2135	033	00	897	\$4,548.69
00	049	1175	011	00	897	\$2,954.41
00	057	2088	012	00	897	\$6,992.54
						\$671,994.64

**ATTACHMENT 2 – Delinquent EBMUD Charges for Transfer to the
Contra Costa County 2020-2021 Property Tax Roll**

	Parcel Number	Levy Code	Fund	Revenue	Levy Amount
A	550151029	AD	4001	9895	\$2,787.04
A	544232015	AD	4001	9895	\$2,221.95
A	410023007	AD	4001	9895	\$1,812.67
A	540260030	AD	4001	9895	\$4,723.70
A	5292300273	AD	4001	9895	\$1,226.09
A	426222002	AD	4001	9895	\$1,212.53
A	435035035	AD	4001	9895	\$416.71
A	510094024	AD	4001	9895	\$221.26
A	503246013	AD	4001	9895	\$2,890.08
A	544161011	AD	4001	9895	\$1,993.76
A	544322021	AD	4001	9895	\$4,055.39
A	4011730092	AD	4001	9895	\$1,534.68
A	540340008	AD	4001	9895	\$1,682.35
A	550331001	AD	4001	9895	\$2,013.49
A	4092910183	AD	4001	9895	\$1,453.25
A	5053510185	AD	4001	9895	\$3,045.52
A	435061010	AD	4001	9895	\$4,522.21
A	169172003	AD	4001	9895	\$1,136.67
A	5141200252	AD	4001	9895	\$4,536.14
A	514130011	AD	4001	9895	\$1,236.48
A	514110010	AD	4001	9895	\$1,302.43
A	529130032	AD	4001	9895	\$2,312.57
A	538050030	AD	4001	9895	\$1,080.31
A	413330024	AD	4001	9895	\$2,213.92
A	538350040	AD	4001	9895	\$2,473.28
A	534193012	AD	4001	9895	\$1,505.87
A	411047009	AD	4001	9895	\$1,384.06
A	431131010	AD	4001	9895	\$1,298.14
A	513164006	AD	4001	9895	\$1,158.69
A	550211015	AD	4001	9895	\$779.34
A	544091004	AD	4001	9895	\$462.37
A	538310002	AD	4001	9895	\$3,578.46
A	354124007	AD	4001	9895	\$596.15
A	518380006	AD	4001	9895	\$434.31
A	508242008	AD	4001	9895	\$553.45
A	513084009	AD	4001	9895	\$418.28
A	426221014	AD	4001	9895	\$453.19
A	540350029	AD	4001	9895	\$395.38
A	5383100103	AD	4001	9895	\$763.44
A	4100800160	AD	4001	9895	\$1,952.87
					\$69,838.48

RESOLUTION NO. _____

APPROVING TRANSFER OF UNPAID DELINQUENT CHARGES TO ALAMEDA AND
CONTRA COSTA COUNTIES' 2020-2021 PROPERTY TAX ROLLS

Introduced by Director

; Seconded by Director

WHEREAS, the East Bay Municipal Utility District (District) approved the Program for Delinquent Charge Collection Through Liens and Property Tax Bills for Multi-Family Accounts (the Program) effective January 1, 2011, pursuant to Municipal Utility District (MUD) Act section 12811.1; and

WHEREAS, the Program is intended to collect from multi-family residential (MFR) customers, delinquent fees, tolls, rates, rentals, or other charges for services (delinquent charges) by lien filings and annual transfers of delinquent charges to the property tax rolls in lieu of service termination; and

WHEREAS, on June 9, 2020, the District mailed to MFR customers of record with delinquent charges and corresponding property owners notices of intent to transfer delinquent charges from unpaid liens to the property tax bills; and

WHEREAS, on June 23, 2020, and again on July 28, 2020, the General Manager filed with the Board of Directors (Board) the Report and Recommendation of the General Manager to Transfer Unpaid Delinquent Charges to the 2020-2021 Property Tax Rolls (Report), copies of which are on file with the Secretary of the District and available for public inspection and review; and

WHEREAS, on July 28, 2020, the Board conducted a public hearing, noticed in the manner and for the time required by law, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the transfer of delinquent charges from unpaid liens to the property tax rolls, as well as to the Report; and

WHEREAS, all comments, objections, and protests to the Report have been given full opportunity to be heard by the Board, and the Board has fully considered the Report;

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

1. Incorporation of Recitals. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.
2. Objections Overruled and Report Approved. All objections and protests to the Report and Recommendation of the General Manager to Transfer Unpaid Delinquent Charges to the 2020-2021 Property Tax Rolls are hereby overruled and denied and said Report is hereby accepted and approved as final; provided,

however, that the General Manager or his designee is hereby authorized to revise the Report prior to submitting it to the Alameda County and Contra Costa County Auditors in order to reflect: (i) the payment of delinquent charges, in whole or in part, for any of the parcels identified in the Report, or (ii) any other downward adjustments applicable to any of the parcels identified in the Report for any other appropriate reason, such as correction of error.

3. Filing of the Report with the Counties. On or before the 10th day of August 2020, the General Manager or his designee is hereby authorized and directed to file a copy of the Report with the Alameda County and Contra Costa County Auditors, indicating that the Report has been adopted by the Board in order to request that the delinquent charges rendered by the District be collected on the property tax bills for the taxable parcels identified in the Report; and such delinquent charges, together with any interest and penalties thereon, shall be collected for the District at the same time and in the same manner and by the same persons as, together with and not separately from, general taxes, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties to be levied on and collected from the owners of said parcels.

ADOPTED this 28th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

ATTEST:

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel



AGENDA NO.
MEETING DATE

14.
July 28, 2020

TITLE **PROPOSED FISCAL YEAR 2021 FINANCING PLAN**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Approve the proposed financing plan for Fiscal Year 2021 (FY21).

SUMMARY

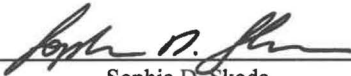
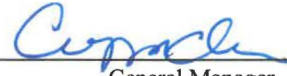
The management and issuance of debt is an important element of the District's overall financial stability. Both the Water System and Wastewater System have a history of strong financial positions and prudent debt management, as evidenced by high credit ratings and strong investor demand for the District's bonds. During FY21, the District is proposing a possible revenue bond issuance in addition to pursuing a State Revolving Fund (SRF) loan and a federal Water Infrastructure Finance and Innovation Act (WIFIA) loan. Staff will also continue to monitor the market for opportunities to restructure existing debt for de-risking and debt service savings. Any refunding or restructuring opportunity would be brought to the Board for consideration.

This plan was presented to the Finance/Administration Committee on July 28, 2020.

DISCUSSION

The District's financing activities generally fall into three basic categories:

- A. Administration of Existing Debt Portfolio – The District's debt portfolio requires payment of debt service, payment of ongoing debt-related fees, periodic renewal or replacement of liquidity facilities, and ongoing continuing disclosure activities.
- B. New Money Issuance – The District finances its capital plan through a combination of cash on hand and the issuance of debt. Periodically, the District sells bonds in the municipal debt market to raise funds for capital needs. This debt is secured by the revenue the District receives. The District also pursues other financing sources like SRF loans or federal WIFIA loans.

Funds Available: FY21		Budget Code:
DEPARTMENT SUBMITTING Finance	DEPARTMENT MANAGER or DIRECTOR  Sophia D. Skoda	APPROVED  General Manager

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

- C. Market Opportunities – Changes in the financial markets may afford the District opportunities to achieve debt service savings and/or reduce certain risks of the debt portfolio.

The table below summarizes the planned financing transactions for FY21 in each of the three categories.

Description	Issue/Approximate Size	Date of Board Action	Pricing or Issuance Date
Administration of Existing Debt Portfolio			
No transactions planned	N/A	N/A	N/A
New Money Issuance			
New money revenue bond issuance	Water: Up to \$160 million Wastewater: None	2 nd half of FY	TBD
Pursue SRF and WIFIA loans	SRF: \$10 - \$20 million WIFIA: TBD	TBD	TBD
Market Opportunities			
Issue refunding and de-risking financings	Based on market opportunities	TBD	TBD

A. Administration of Existing Debt Portfolio

The District's outstanding Variable Rate Demand Bonds (VRDBs) and Water System Commercial Paper require liquidity support from commercial banks. These types of debt are generally remarketed every 7 to 90 days depending on the debt. In times of turmoil, it is theoretically possible that the District would find no buyers in the market on a day where debt is scheduled to be remarketed. Because of this, the District must enter into bank agreements that require the associated bank to purchase the debt in the case of a failed remarketing.

Because the District has several outstanding agreements of this nature, in most years, the District has one or more scheduled to expire. However, in FY21 there are no upcoming expiring liquidity agreements. While the District's liquidity agreement with Sumitomo Mitsui Banking Corporation (SMBC) was scheduled to expire in December of 2020, the District was able to proactively extend this agreement for three years in March of 2020 at a lower rate.

B. New Money Issuance – Financing Capital Plan

Water System new money revenue bonds possible in second half of FY21

The FY21 budget projects debt needs of \$160 million. Given the strong FY19 year-end financial results, the June 2019 bond issue, and strong projected FY20 year-end financial results, debt issuance may not be needed in FY21. However, the ultimate outcome of the financial uncertainties facing the District with regard to the COVID-19 pandemic will largely inform the decision of when to next issue new money revenue bonds as well as what amount of proceeds will be needed. At this time, staff strongly believes that no new money revenue bond issuance will be needed until at least the second half of FY21.

For the Wastewater System, the FY21 budget projects no bond proceeds needed in FY21 to pay for capital projects. This is due in part to recent high capacity charge revenues and corresponding high reserve levels.

Pursue State Revolving Fund and WIFIA loans

While revenue bonds remain the District's primary source of debt, staff also seeks alternative sources of cost-effective debt funding. Currently the State Water Resources Control Board's (SWRCB) SRF program offers loans at low interest rates. While loan applications and administration require a significant amount of staff time and the loans are not guaranteed to be approved by the SWRCB, if approved, they offer a way for the District to save on interest costs. The interest rate for SRF loans is set annually based on one half of the State's general obligation bond rate.

The District entered into two Water System Drinking Water SRF loans in 2017 for the South Reservoir Replacement Project and the MacArthur Davenport Pipeline Replacement Project at an interest rate of 1.7 percent. The District also submitted a loan application for the Wastewater System for the Third Street Interceptor Project for \$27.3 million. Due to a backlog of Clean Water SRF applications, the SWRCB cannot specify when this loan might be funded. Staff continues to work with the SWRCB on providing required information and refining the application as circumstances change, and is hopeful that the loan will be finalized in FY21. A significant amount of time has passed since the District submitted the initial Third Street Interceptor application. During this time, the District has completed elements of the project that were included in the application, and has also changed some other elements of the project. Because of this, any potential loan will be smaller than the original loan application amount.

Staff is also exploring the use of federal WIFIA loans for lower cost borrowing. The interest rate on a WIFIA loan is based on U.S. Treasury rates. In the current market environment, this rate would be significantly below the District's cost of borrowing. However, market conditions can change substantially during the long lead time required to submit a WIFIA application and get a loan funded. Therefore, staff expects to move forward cautiously with at least the initial steps of the application process. WIFIA loans can also offer greater repayment flexibility and longer terms compared with typical revenue bonds.

C. Market Opportunities – Achieving Debt Service Savings/De-risk Debt Portfolio

In recent years the Board has authorized bond financings resulting in a successful program of reducing both cost and risk while simplifying the debt portfolio. As a result, only 3.7 percent (\$105.3 million) of the Water debt portfolio remains as variable rate debt hedged with interest rate swaps (synthetically fixed) and the Wastewater debt portfolio contains no synthetically fixed debt. Staff will continue to monitor the market to identify opportunities for de-risking and/or refunding for savings. Should any such opportunities prove attractive, they will be brought to the Board for consideration.

This item supports the District's Long-Term Financial Stability Strategic Plan goal.

SUSTAINABILITY

Economic

The proposed financings are consistent with the FY21 budget.

Social

The District's financings are conservatively structured to minimize costs to ratepayers and achieve intergenerational equity.

ALTERNATIVE

Do not approve the proposed financing plan for FY21. This alternative is not recommended. The planned transactions are designed to provide a cost-effective debt portfolio, minimizing cost and risk to the District and ratepayers.

ITEM 15

CORONAVIRUS UPDATE

WILL BE PROVIDED
AS AN ORAL REPORT

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: July 23, 2020

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager *CC*

FROM: Rischa S. Cole, Secretary of the District *RC*

SUBJECT: Planning Committee Minutes – July 14, 2020

Chair Doug Linney called to order the Planning Committee meeting at 9:15 a.m. He announced that in light of the COVID-19 pandemic, the meeting would be conducted pursuant to California Executive Order N-29-20 which suspends certain requirements of the Ralph M. Brown Act and allows Board members and the public to participate telephonically while social distancing requirements are in effect. Directors Lesa R. McIntosh and Frank Mellon were present at roll call. All Committee members participated via teleconference. Staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, Director of Engineering and Construction Olujimi O. Yoloye, Senior Civil Engineer David H. Katzev, Construction and Maintenance Superintendent Benjamin D. Ricketts-Mann, Special Assistant to the General Manager Kelly A. Zito, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Pipeline Rebuild Program Update. Senior Civil Engineer David H. Katzev and Construction and Maintenance Superintendent Benjamin D. Ricketts-Mann presented an update on the program's four-year pilot phase which was completed in 2019 and an overview of the findings and recommendations from the Pipeline Rebuild Pilot Report. The program's pilot was launched to test, evaluate, and refine alternative approaches to completing pipeline replacement projects and in Fiscal Year 2020 (FY20), transitioned from pilot to production mode. The District has steadily increased its pipeline replacement goal from 10 miles per year prior to the start of the pilot to 17.5 miles per year in FY20. Mr. Katzev reviewed the program background; case studies completed during the pilot that focused on efficiency, cost reduction, productivity, process improvements, and safety; and planned future pilots. Next, Mr. Ricketts-Mann reviewed Fiscal Year 2020 pipeline replacement results and highlighted how improved workflows and practices help staff enhance collaboration and communication while maximizing resource use across crews. He discussed construction efficiencies and how the use of fully-maintained and operated services help crews achieve increased production. Mr. Katzev concluded with information on project metrics used to gauge and identify improvements in costs, productivity, safety and community impacts and the District's long-term plan to increase its pipeline replacement rate. In FY21, an additional pipeline crew will be added to assist with achieving the District's goal of replacing 20 miles of pipe per year. Increased pipeline replacement rates and associated staffing levels beyond FY21 will continue to be evaluated and refined, as needed. Mr. Katzev and Mr. Ricketts-Mann responded to Committee questions regarding COVID-19's impact on pipe replacement goals; how staff is addressing social distancing for work crews; additional information on the benefits of using fully-maintained and operated services; and the status of District construction work in Castro Valley.

Adjournment. Chair Linney adjourned the meeting at 10:02 a.m.

CCC/RSC

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DATE: July 23, 2020

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager *CCC*

FROM: Rischa S. Cole, Secretary of the District *RC*

SUBJECT: Legislative/Human Resources Committee Minutes – July 14, 2020

Chair John A. Coleman called to order the Legislative/Human Resources Committee meeting at 10:08 a.m. He announced that in light of the COVID-19 pandemic, the meeting would be conducted pursuant to California Executive Order N-29-20 which suspends certain requirements of the Ralph M. Brown Act and allows Board members and the public to participate telephonically while social distancing requirements are in effect. Directors Lesa R. McIntosh and William B. Patterson were present at roll call. All Committee members participated via teleconference. EBMUD staff participants included General Manager Clifford C. Chan, General Counsel Craig S. Spencer, Manager of Legislative Affairs Marlaigne K. Dumaine, Manager of Human Resources Laura A. Acosta, Manager of Employee and Organizational Development Derry L. Moten, Special Assistant to the General Manager Kelly A. Zito, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Legislative Update. Manager of Legislative Affairs Marlaigne K. Dumaine provided an overview of four bills in Legislative Report No. 06-20. She highlighted AB 2060 (Holden) which is intended to bolster EBMUD's sponsored landmark "Get the Lead Out" legislation; clarified AB 2421 (Quirk) requirements for cell tower owners to obtain approval from property owners prior to installing emergency standby generators at macro cell towers; discussed how SB 1348 (Stern), as amended, would impact District operations and staff's recommendation to the bill author to consider convening a stakeholder process to create a public database relating to defensible space inspections and assessments conducted by CAL FIRE, local agencies, or volunteers; and pointed out how House Resolution 988 supports Strategies 7 and 8 in Board Resolution No. 35190-20 – Authorizing Principles and Action Plan for EBMUD's Response to Racial Discrimination and Violence Against Black and African Americans as Most Recently Exemplified by the Killing of George Floyd. It was moved by Director McIntosh, seconded by Director Patterson, and carried (3-0) via roll call vote to support the staff recommendations for AB 2060 and SB 1348. It was moved by Director Patterson, seconded by Director McIntosh, and carried (3-0) via roll call vote to support the staff recommendations for AB 2421 and House Resolution 988. Next, Ms. Dumaine provided an update on state and federal actions related to COVID-19 including discussions on another federal relief package. Chair Coleman asked staff to provide the bill analysis for AB 2421 and SB 1348 to the Upper Mokelumne River Watershed Authority for its July 24 meeting.

EBMUD's Racial Equity and Justice Project Update. Manager of Employee and Organizational Development Derry L. Moten presented a project update, the project management team and key stakeholders, actions taken to date, and staff plans to implement the project. At its June 23, 2020 meeting, the Board adopted Resolution No. 35190-20 – Authorizing Principles and Action Plan for EBMUD's Response to Racial Discrimination and Violence Against Black and African Americans as

most Recently Exemplified by the Killing of George Floyd. The resolution contains eight strategies and staff is developing an action plan that will address the strategies in three phases. Mr. Moten reviewed processes implemented since the resolution was adopted and reported the District has contracted with a consultant to provide project management services. In addition, the Board will be asked to consider approving a Limited-Term Senior Human Resources Analyst position at its meeting in the afternoon to support the project. He discussed how the strategies will be sequenced in the three project phases, the Senior Management Advisory team members assigned to each strategy, and plans to coordinate project activities in conjunction with the District's Diversity and Inclusion Master Plan project. Mr. Moten requested feedback from the Committee regarding the information presented. The Committee requested project updates every two months, clarification on how employees who wish to participate will be included in the project, and based on the makeup of the Senior Management Advisory teams, assurance that other Black and African American employees will be included to avoid overextending the current Black and African American senior managers assigned to work on the project. Director Patterson recommended staff contact the Urban Strategies Council for potential assistance on project components involving the external community. It was moved by Director Patterson, seconded by Director McIntosh, and carried (3-0) via roll call vote to support the staff recommendations.

Adjournment. Chair Coleman adjourned the meeting at 10:46 a.m.

CCC/RSC