



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

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375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

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**AGENDA  
Tuesday, April 12, 2016**

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

**ROLL CALL:**

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

**ANNOUNCEMENT OF CLOSED SESSION AGENDA:**

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

*(The Board will hold Closed Session in Conference Room 8A/B)*

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

**ROLL CALL:**

**BOARD OF DIRECTORS:**

- Pledge of Allegiance.

**ANNOUNCEMENTS FROM CLOSED SESSION:**

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

**CONSENT CALENDAR:** (Single motion and vote approving 7 recommendations, and 2 Resolutions.)

1. Approve the Special Meeting and Regular Meeting Minutes of March 22, 2016.
2. File correspondence with the Board.
3. Award a contract to the lowest responsive/responsible bidder, Mark Lee and Yong Kay Inc., dba Bay Construction Co. in the amount of \$885,000 for construction of the Urban Runoff Diversion Pump System under Specification SD-376.
4. Authorize an agreement beginning on or after April 18, 2016 with Ameritech Computer Services, Inc. in an amount not to exceed \$40,000 annually for printer, plotter, and desktop scanner services for two years with three options to renew for an additional one-year period for a total of cost of \$200,000 under Request for Proposal No. PUR 097.
5. Approve an amendment to the Official Payments Corporation agreement for credit card, debit card, and electronic check services to extend the expiration date from April 23, 2016 to April 22, 2017.
6. Authorize the execution of an agreement with the city of Hayward (City) to delineate the Water Service Boundary within the City's boundary. (Resolution)
7. Approve implementation of the fourth year general salary increase of 3.7% in accordance with the 2013-2017 Memoranda of Understanding between the District and AFSCME Locals 2019 and 444, IUOE Local 39 and IFPTE Local 21, and authorize 3.7% general salary increase for managers, confidential employees and other non-represented employees in accordance with Resolution 34028-15. (Resolution)

**DETERMINATION AND DISCUSSION:**

8. Legislative Update:
  - Receive Legislative Report No. 05-16 and consider positions on the following bills: AB 2543 (Gordon) State Buildings: Efficiency; SB 163 (Hertzberg) Wastewater Treatment: Recycled Water; SB 1207 (Hueso) Energy: Conservation: Financial Assistance; SB 1398 (Leyva) Public Water Systems: Lead Pipes; and receive information on SB 814 (Hill) Drought: Excessive Water Use: Urban Retail Water Suppliers
  - Update on Legislative Issues of Interest to EBMUD
9. General Manager's Report:
  - Food Waste Program Update
  - Water Supply Update
  - Drought Financial Considerations
  - 2016 Critical Drought Action Plan Update – April
  - Monthly Report – March 2016

**REPORTS AND DIRECTOR COMMENTS:**

10. Committee Reports:
  - Planning
  - Legislative/Human Resources
11. Other Items for Future Consideration.
12. Director Comments.

**ADJOURNMENT:**

*The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, April 26, 2016 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.*

**Disability Notice**

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

**Document Availability**

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

## BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Tuesday, April 12	<b>Planning Committee</b> Linney {Chair}, McIntosh, Young	8:30 a.m. Training Resource Center	<ul style="list-style-type: none"> <li>Water Quality Program Semi-Annual Update</li> <li>Regulatory Compliance Semi-Annual Report</li> <li>Joint Exercise of Powers Agreement with the City of Alameda</li> <li>Current East Bay Watershed Land Issues</li> <li>2015 Mokelumne Fall-Run Chinook Salmon Returns</li> <li>West of Hills Northern Pipelines Project Update</li> <li>AC Transit Bus Rapid Transit Water Main Relocations</li> </ul>
	<b>Legislative/Human Resources Committee</b> Patterson {Chair}, Coleman, Young	10:15 a.m. Training Resource Center	<ul style="list-style-type: none"> <li>Update on District Values Project and Employee Recognition Programs</li> <li>Legislative Update</li> </ul>
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>Closed Session</li> <li>Regular Meeting</li> </ul>
Tuesday, April 26	<b>Sustainability/Energy</b> Katz {Chair}, Linney, Young	TBD	
	<b>Finance/Administration Committee</b> Coleman {Chair}, Katz, Patterson	10:00 a.m. Training Resource Center	
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>Closed Session</li> <li>Regular Meeting</li> </ul>
Tuesday, May 10	<b>Planning Committee</b> Linney {Chair}, McIntosh, Young	9:15 a.m. Training Resource Center	
	<b>Legislative/Human Resources Committee</b> Patterson {Chair}, Coleman, Young	10:15 a.m. Training Resource Center	
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>Closed Session</li> <li>Regular Meeting</li> </ul>
Tuesday, May 24	<b>Finance/Administration Committee</b> Coleman {Chair}, Katz, Patterson	10:00 a.m. Training Resource Center	
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>Closed Session</li> <li>Regular Meeting</li> </ul>

**MINUTES**

**Tuesday, March 22, 2016**

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

**Special Meeting**

President Frank Mellon called to order the Special Meeting of the Board of Directors at 9:35 a.m. in the Training Resource Center. The Board met in workshop session to receive a presentation on the District's Food Waste Program.

**ROLL CALL**

Directors John A. Coleman, Doug Linney, Lesa R. McIntosh, Marguerite Young, and Frank Mellon were present at roll call. Directors William B. Patterson and Andy Katz arrived at 9:36 a.m. and 9:52 a.m., respectively.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Wastewater Bennett K. Horenstein, Manager of Wastewater Environmental Services Jacqueline T. Zipkin, Manager of Wastewater Engineering Vincent P. De Lange, Principal Management Analyst Richard C. Lou, Assistant to the General Manager Rischa S. Cole, and Secretary of the District Lynelle M. Lewis.

**DISCUSSION**

- Filed with the Board was a presentation entitled "Food Waste Program" dated March 22, 2016.

General Manager Alexander R. Coate and Director of Wastewater Bennett K. Horenstein provided an overview of the workshop agenda. Manager of Wastewater Environmental Services Jacqueline T. Zipkin presented a status update on the Food Waste Program including the negotiations with Harvest Power for design, construction, and operation of food waste preprocessing facilities. She said the District has been negotiating terms of an agreement with Harvest Power focusing on capital cost, project schedule, and allocation of risks. The project would provide the preprocessing facilities to accept City of Oakland (City) food waste delivered via the District's contract with Waste Management of Alameda County (WMAC), as well as digested food waste dewatering and renewable compressed natural gas facilities. She pointed out that the District has initiated discussions with the City and WMAC regarding a Remedial Plan submitted to City staff requesting an extension to December 31, 2017. Staff continues to negotiate with Harvest Power to obtain assurance that it can meet the schedule requirements. She reported that the Harvest Power project presents an atypical set of risks and pointed out that the project has transitioned from a public-private partnership model to a design-build-operate concept.

Manager of Wastewater Engineering Vincent P. De Lange presented an overview of the key infrastructure elements required for the Harvest Power and Recology Projects. These include a food waste preprocessing building, solids dewatering building, renewable gas (RNG) production facility, and an odor control system. He pointed out that staff has completed design of utility and site improvements to support implementation of these projects. He noted that there is an aggressive construction completion schedule required to meet the \$4.8 million California Energy Commission grant requirement that Harvest Power would provide for this project. Some of the design and implementation challenges noted include: significant increases in the Harvest Power project design costs and its ability to provide a single performance bond for project construction and default provisions. Mr. De Lange reviewed the approach to managing risks that include requiring Harvest Power to meet performance guarantees and standards for equipment, performance deficiencies, and schedule delays.

Next, Principal Management Analyst Richard C. Lou presented an overview of the fiscal impact for the Food Waste Program. The recommended funding approach is to utilize Wastewater System cash reserves (built up from Resource Recovery revenue) and issue debt to fund non-food waste capital projects that were originally planned to be cash funded. Manager of Wastewater Environmental Services Jacqueline T. Zipkin concluded with an overview of the following proposed program alternatives: 1) RNG Facility only; 2) Recology plus RNG Facility; 3) Integrated Program (Harvest Power + Recology + 2 RNG Facilities); 4) Delayed Harvest Power/EBMUD Solo Food Waste; and 5) Delayed Integrated Program. She pointed out that the Integrated Program provided higher revenue potential (discounted payback 10 years). Next steps are for staff to continue negotiations with Harvest Power, continue discussions with the City of Oakland regarding a time extension, begin a pilot project with Recology, and prepare for Board consideration of contracts with Harvest Power on April 12 and 26.

### **PUBLIC COMMENT**

Addressing the Board were the following persons: 1) Eric Larsen, representing AFSCME Local 444, commented that the union is concerned about the high risks and project financing for the Harvest Power project citing; and 2) Rueben Rodriguez, representing AFSCME Local 444, commented that the District should focus on operations, maintenance, and adequate staffing levels at the Main Wastewater Treatment Plant.

### **Board Discussion**

Staff responded to numerous questions from the Board regarding the capital costs, schedule requirements, financial implications of EBMUD's failure to meet the Waste Management contractual requirements, future staffing, constraints on the California Energy Commission grant, and incentive based revenue sharing. The Board expressed concern that Harvest Power representatives were not present to address its questions and suggested that staff schedule an upcoming meeting with them to include Board members.

**ADJOURNMENT**

President Mellon adjourned the Special Meeting at 11:39 a.m.

SUBMITTED BY:

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Lynelle M. Lewis, Secretary of the District

APPROVED: April 12, 2016

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Frank Mellon, President of the Board

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## **MINUTES**

**Tuesday, March 22, 2016**

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

### **Regular Closed Session Meeting**

President Frank Mellon called to order the Regular Closed Session Meeting of the Board of Directors at 12:29 p.m. in the Administration Center Board Room.

### **ROLL CALL**

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Assistant to the General Counsel Xanthe M. Berry (Items 1a and 1b); Management Analyst Michael J. Pattenau (Item 1a); Director of Wastewater Bennett K. Horenstein (Item 1b); Manager of Wastewater Engineering Vincent P. De Lange (Item 1b); Attorney Jonathan D. Salmon (Item 1b); Engineering Manager Elizabeth Z. Bialek (Item 1b); Senior Civil Engineer Atta B. Yiadom (Item 1b); Engineering Manager Serge V. Terentieff (Item 1b); Attorney Derek T. McDonald (Item 1b); Operations and Maintenance Department Manager Clifford C. Chan (Item 1b); and Attorney Lourdes Matthew (Item 1b).

### **PUBLIC COMMENT**

There was no public comment.

### **ANNOUNCEMENT OF CLOSED SESSION AGENDA**

President Frank Mellon announced the closed session agenda. The Board convened to Conference Room 8a/b for discussion.

### **Regular Business Meeting**

President Mellon called to order the Regular Business Meeting of the Board of Directors at 1:38 p.m. in the Administration Center Board Room.

### **ROLL CALL**

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, and Secretary of the District Lynelle M. Lewis.

## **BOARD OF DIRECTORS**

President Mellon led the Pledge of Allegiance.

## **ANNOUNCEMENTS FROM CLOSED SESSION**

There were no announcements required from closed session.

## **PRESENTATION**

General Manager Alexander R. Coate presented background information on the Champion of Youth Advocacy Award. He said that in the summer of 2015, the District's Diversity & Inclusion Office partnered for the first time with Earn & Learn East Bay and the Contra Costa County Office of Education to provide eight work-based learning experiences for high school students from the West Contra Costa County Unified School District. District supervisors and staff from Operations and Maintenance, Information Systems, and Customer and Community Services pledged their time to these students during a 6-week, 150-hour summer internship. The youth had the opportunity to explore many careers including those in the welding trades, information technology, customer service, and natural resources. He noted that the experience the District provided will undoubtedly impact these local youths' abilities to be successful in their future education and employment endeavors.

The Board recognized the following District staff who participated in this experience: Supervisor of Water Conservation Charles M. Bohlig (not present), Construction and Maintenance Superintendent James E. Bradley, Information Services Supervisor Leo M. Cinco, General Pipe Supervisor John L. Ford, Instrument Supervisor Clay L. Pace, Construction and Maintenance Superintendent Antonio Martinez, Human Resources Analyst Brian M. Noeth, Senior Human Resources Analyst Katherine S. Tate, Diversity and Inclusion Officer Dorian West Blair, and Manager of Human Resources Laura A. Brunson (not present). President Mellon and Director Patterson thanked staff and said their commitment to sharing EBMUD and our unique job opportunities supports the District's long-term efforts to develop a pipeline of diverse candidates for our future workforce needs. Director McIntosh presented the award to staff and the Board applauded staff for this recognition.

## **PUBLIC COMMENT**

- Addressing the Board was Tim Alford who commented on a recent landslide in Moraga involving District property and the subsequent damage to several homes in the area. He said that no one from EBMUD has responded to requests to meet regarding this incident. President Mellon said that the Board is limited in its response because of potential legal issues. Following discussion, General Manager Coate said he would follow up with Mr. Alford.

### **CONSENT CALENDAR**

- Motion by Director Coleman, seconded by Director Patterson, to approve the recommended actions for Items 1-7 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 056-16** – Approved the Special and Regular Meeting Minutes of March 8, 2016.
  2. The following correspondence was filed with the Board: 1) Presentation entitled “Adopt Revised Drought Management Program Guidelines,” dated March 22, 2016; and 2) Presentation entitled “Water Supply Board Briefing,” dated March 22, 2016.
  3. **Motion No. 057-16** – Awarded a contract to the lowest responsive/responsible bidder, KW Emerson, in an amount not to exceed \$359,316 for construction of an Americans with Disabilities Act accessible ramp for visitors to the Camanche South Shore marina.
  4. **Motion No. 058-16** – Authorized a sole source contract with GE Energy Power Conversion USA, Inc. in an amount, after the addition of taxes, not to exceed \$250,000 for the purchase of spare parts for the main pump drive systems at the Main Wastewater Treatment Plant influent and effluent pump stations.
  5. **Motion No. 059-16** – Authorized a sole source agreement beginning on or after April 1, 2016 with Sanexen Water, Inc. in an amount not to exceed \$1,850,000 for structural rehabilitation of Asbestos Cement water mains using a cured-in-place pipe lining system.
  6. **Motion No. 060-16** – Authorized an agreement with AECOM Technical Services, Inc. in an amount not to exceed \$224,127 to perform a geophysical survey, potholing, soil characterization, and a pipeline condition assessment for the Crockett Aqueduct Realignment Study.
  7. **Motion No. 061-16** – Extended the contract awarded to Sage Designs, Inc. on April 14, 2009 under Board Motion 042-09 from April 14, 2016 to April 14, 2021 to continue supplying Remote Terminal Units and accessories to the District for an estimated annual amount of \$70,804 and a total amount of \$354,020.

### **DETERMINATION AND DISCUSSION**

#### **8. Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine said that Legislative Report No. 04-16 contained three bills for consideration.

- Motion by Director McIntosh, seconded by Director Patterson, to approve the recommended actions in Legislative Report No. 04-16, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 062-16** – Received Legislative Report No. 04-16 and approved positions on the following bills: SUPPORT AB 1928 (Campos) Water Efficiency: Landscape Irrigation Equipment; SUPPORT ACA 8 (Bloom) Local Government Financing: Water Facilities and Infrastructure: Voter Approval; and SUPPORT SB 995 (Pavley) Well Standards.

9. **Adopt Resolution Supporting Measure AA, the “San Francisco Bay Clean Water, Pollution Prevention and Habitat Restoration Program.”**

- Motion by Director Young, seconded by Director Coleman, to approve the recommended action for Item 9, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

**Resolution No. 34074-16** – Supporting Measure AA, The San Francisco Bay Restoration Authority’s Cleanwater, Pollution Prevention And Habitat Restoration Special Parcel Tax Measure.

10. **Adopt Resolution Supporting the Ratification of SB 270 on the “Referendum to Overturn Ban on Single-Use Plastic Bags.”**

- Motion by Director Coleman, seconded by Director Young, to approve the recommended action for Item 10, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

**Resolution No. 34075-16** – Supporting Ratification Of SB 270 On Referendum To Overturn Ban On Single-Use Plastic Bags.

11. **Adopt Revised Drought Management Program (DMP) Guidelines.**

Director of Water and Natural Resources Richard G. Sykes presented the recommended action. This action would revise the District’s current DMP Guidelines to allow flexibility in the first year of a drought when considering District response to customer demand reduction levels, acquiring Central Valley Project and supplemental water supply, and State Water Resources Control Board’s (SWRCB) mandatory conservation requirements. Staff is recommending changes to the DMP Guidelines based on experience gained during this current drought. The recommended changes would provide additional flexibility to enable the District to consider earlier drought actions which are advantageous and to meet the SWRCB’s mandatory water reduction targets. There was discussion about the trigger to establish the level of customer water use reduction for Stages 1 and 2.

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

**Motion No. 063-16** – Adopted the Revised Drought Management Program Guidelines.

**12. General Manager's Report.**

Operations and Maintenance Department Manager Eileen M. White presented updates on the statewide and local water supply. She reported on the following Water Year 2016 results: Mokelumne River basin runoff is 284 thousand acre feet (TAF); projected end of water year storage is 610-630 TAF (90% - 10% exceedance); Mokelumne River watershed season to date precipitation is 114% of average; East Bay watershed season to date precipitation is 107% of average; and the precipitation accumulation season is 80% complete. She also reported that snowpack has improved significantly since 2015 (88% of normal on March 21 compared to 10% in 2015). As a result of the above normal precipitation in the Mokelumne watershed, the Pardee Reservoir has risen significantly and full power generation operations are occurring.

The upcoming water supply schedule activities include: U. S. Bureau of Reclamation initial water allocation in late March; water supply updates and continued public outreach March through April; Department of Water Resources Snow Survey April 1; and Water Supply Availability and Deficiency Report presentation and consideration of changes in the drought stage on April 26. There was discussion about how the District would be communicating its conservation message if our system is full and how the excessive use penalty would be applied. General Manager Coate said that the District is waiting for the state to issue its drought guidelines before considering any modification to EBMUD's Drought Management Program.

General Manager Coate reported that staff had provided the Board with information on the 2016 Critical Drought Action Plan Update and the Excessive Use Penalty report. He announced that the California Water Policy Conference would be held April 20-21 at U.C. Davis and that staff would be scheduling a Water Conservation Workshop on May 10.

**REPORTS AND DIRECTOR COMMENTS**

**13. Committee Reports.**

- Filed with the Board were the Legislative/Human Resources Committee Minutes of March 8, 2016.

**14. Other Items for Future Consideration.**

None.

**15. Director Comments.**

- Director Coleman reported attending/participating in the following events: Presentation to the Walnut Creek Garden Club on March 8 in Walnut Creek; Dublin San Ramon/EBMUD Recycled Water Authority Board of Directors teleconference meeting on March 14 from Washington, D.C.; meetings from March 14-18 in Washington, D.C.; Association of California Water Agencies (ACWA) Excellence In Leadership teleconference call on March 21 in Oakland; and the Water Advisory Council meeting with Assemblywoman Catharine Baker on March 21 in Oakland. He reported on plans to attend/participate in the following upcoming

events: ACWA Executive Board meeting on March 24 in San Ramon; ACWA Board of Directors meeting on March 25 in Sacramento; East Bay Council Task Force meeting on April 1 in Oakland; ACWA teleconference meeting on April 6 in Oakland; and Freeport Regional Water Authority Board of Directors meeting on April 7.

- Director Katz had no comment.
- Director Linney announced that he would be traveling to the Grand Canyon from March 30 through April 7.
- Director McIntosh announced that she would not be able to attend the Contra Costa County Special Districts Association meeting on April 20.
- Director Patterson reported attending/participating in the following events: ACWA 2016 Legislative Symposium on March 9 in Sacramento; Oakland Unified School District meeting on March 10 in Oakland; Urban Strategies Council Retreat on March 12 in Oakland; meeting with EBMUD Board member Marguerite Young on March 14 in Oakland; Oakland Unified School District meeting on March 17 in Oakland; and the UniverSoul Circus event receiving honor as an Oakland Civil Rights Legend on March 20 in Oakland.
- Director Young announced that it was World Water Day.
- President Mellon reported attending/participating in the following events: Presentation on drought and water issues to the Hispanic Realtors Association on March 11 in Castro Valley; presentation on water supply and water issues to the East Bay Realtors Association on March 16 in Castro Valley; and presentation on the Chabot Dam Upgrade Project to the City of San Leandro on March 21.

## **ADJOURNMENT**

President Mellon closed the meeting in recognition of World Water Day which is celebrated on March 22. The day focuses attention on the importance of fresh water and advocates for the sustainable management of freshwater resources.

President Mellon adjourned the meeting at 2:47 p.m.

SUBMITTED BY:

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Lynelle M. Lewis, Secretary of the District

APPROVED: April 12, 2016

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Frank Mellon, President of the Board



AGENDA NO.  
MEETING DATE

3.  
April 12, 2016

**TITLE** CONSTRUCTION OF THE URBAN RUNOFF DIVERSION PUMP SYSTEM

☒ **MOTION** \_\_\_\_\_ ☐ **RESOLUTION** \_\_\_\_\_ ☐ **ORDINANCE** \_\_\_\_\_

**RECOMMENDED ACTION**

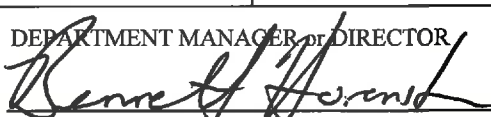

Award a contract to the lowest responsive/responsible bidder, Mark Lee and Yong Kay Inc., dba Bay Construction Co. (Bay Construction), in the amount of \$885,000 for construction of the Urban Runoff Diversion Pump System under Specification SD-376.

**SUMMARY**

The regional wet weather consent decree (CD) requires the District to implement infiltration and inflow reduction measures to eliminate discharges from its three wet weather facilities under design storm conditions by 2036. To mitigate the ongoing operation of the District's wet weather facilities during the CD term, the District is required by the CD to implement the Urban Runoff Diversion Project. This construction contract includes installation of one pump with a variable frequency drive at the Alameda County Flood Control & Water Conservation District (ACFC) Ettie Street Stormwater Pump Station and 1,510 feet of new six-inch diameter force main between the Ettie Street Pump Station and the District's South Interceptor. The pump will divert approximately 0.5 million gallons per day of dry weather storm water system flows to the District's Main Wastewater Treatment Plant (MWWTP) that would otherwise flow without treatment to San Francisco Bay. On February 9, 2016, the Board authorized an interagency agreement with ACFC, which was executed on March 29, 2016, and was notified of the need to subsequently award an associated construction contract.

**DISCUSSION**

The District designed and constructed a pilot diversion pump system at the Ettie Street Pump Station from 2007 to 2008. This pilot evaluation was successful in demonstrating effective diversion of dry weather runoff without detrimental impacts to MWWTP operation. Based on the CD-required project scope and requirements, the District has negotiated the project scope, terms, and conditions with ACFC to govern project construction and operation through 2036. The District will monitor the pump operation and perform maintenance work associated with the pump system.

Funds Available: FY16		Budget Code: 927/7999/2009304/5561
DEPARTMENT SUBMITTING  Wastewater	DEPARTMENT MANAGER or DIRECTOR  Bennett K. Horenstein	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 25 resource organizations and 7 prospective bidders. Two bids were received, ranging from \$885,000 to \$1,303,320. The bid summary is attached. The engineer's estimate for this work is \$873,000. The lowest responsive/responsible bidder, Bay Construction, is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. Bay Construction and its listed subcontractors are properly registered with the State DIR. In the past five years, Bay Construction has not filed a Government Code Claim against the District and has not initiated any litigation against the District.

## **CONTRACT EQUITY PROGRAM EFFORTS**

The completed P-035 and P-061 forms are attached.

## **FISCAL IMPACT**

This item is included in the FY16 capital budget for the Infiltration/Inflow Control Project.

## **PREVAILING WAGE**

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.

## **UNION NOTIFICATION**

Local 444 was notified of this contract on December 22, 2015 and did not raise any specific issues related to this contract.

## **CEQA/ENVIRONMENTAL COMPLIANCE**

This project is exempt under CEQA. A Notice of Exemption was posted with the Alameda County Clerk on February 23, 2016.

## **ALTERNATIVES**

**Reject all bids and immediately rebid the work.** This alternative is not recommended because the bids are reasonable for the scope of work involved, the project must be completed during the dry weather season, and rebidding of the work would result in significant delay and increased project costs.

**Reject all bids and do not perform the work.** This alternative is not recommended because the CD requires the District to implement the Urban Runoff Diversion Project.

### **Attachments**

Bid Summary

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



**EAST BAY MUNICIPAL UTILITY DISTRICT**

**SPECIAL DISTRICT NO. 1**

**SPECIFICATION SD-376  
URBAN RUNOFF DIVERSION PUMP SYSTEM**

**March 23, 2016**

**BID SUMMARY**

<b>BIDDER</b>		<b>TOTAL BID</b>
1.	<b>Bay Construction Co.*</b>	<b>\$885,000</b>
2.	JMB Construction, Inc.	\$1,303,320

**\* Apparent Low Bidder**

Number of Proposals sent to Contractor	7
Number of Proposals sent to Resource Orgs	25
Number of Proposals sent to MBEs	1
Number of Proposals sent to WBEs	0
Number of Proposals sent to SBs	1
Number of bids received	2


Engineer's Estimate:	\$873,000
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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)

<b>TITLE</b> <b>SPECIFICATION NO.:</b> SD-376 Urban Runoff Diversion Pump System						<b>DATE:</b> April 6, 2016					
<b>CONTRACTOR:</b> Mark Lee & Yong Kay dba: Bay Construction Co. Oakland, CA 94609 Local/Small Business						<b>PERCENTAGE OF CONTRACT DOLLARS</b>					
<b>BID/PROPOSER'S PRICE:</b> \$885,000		<b>FIRM'S OWNERSHIP</b>		<b>White Men</b>		<b>25%</b>		<b>14.1%</b>			
		<b>Ethnicity</b>	<b>Gender</b>	<b>White Women</b>		<b>9%</b>		<b>9.0%</b>			
		Asian	Men	<b>Ethnic Minorities</b>		<b>25%</b>		<b>76.9%</b>			
<b>CONTRACT EQUITY PARTICIPATION</b>											
<b>COMPANY NAME</b>	<b>ESTIMATED AMOUNT</b>	<b>ETHNICITY</b>	<b>GENDER</b>		<b>CONTRACTING PARTICIPATION</b>						
			<b>M</b>	<b>W</b>	<b>White-Men</b>	<b>White-Women</b>	<b>Ethnic Minorities</b>	<b>Unclassified</b>	<b>Publicly Held Corp.</b>	<b>Gov't/Non Profit</b>	<b>Foreign</b>
<b>PRIME:</b> Mark Lee & Yong Kay dba: Bay Construction Co.	\$383,873	Asian	X		---	---	43.4%	---	---	---	---
<b>SUBS:</b> Maskell Pipe & Supply	\$14,172	White		X	---	1.6%	---	---	---	---	---
Western Traffic Supply	\$16,290	Hispanic	X		---	---	1.8%	---	---	---	---
All City Trucking Inc.	\$10,000	Asian	X		---	---	1.1%	---	---	---	---
Ransome	\$30,000	White	X		3.4%	---	---	---	---	---	---
Al Ready Mix	\$65,765	White		X	---	7.4%	---	---	---	---	---
Pump Repair Service Co.	\$94,900	White	X		10.7%	---	---	---	---	---	---
Arora Engineering	\$24,500	Asian		X	---	---	2.8%	---	---	---	---
DAL Technology, Inc.	\$245,500	Black	X		---	---	27.7%	---	---	---	---
<b>TOTAL</b>	\$885,000				14.1%	9.0%	76.9%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)</b>											
	<b>White Men</b>		<b>White Women</b>		<b>Ethnic Minorities</b>		<b>Total Employees</b>				
<b>No. of Employees:</b>	1		0		11		12				
<b>Percent of Total Employees:</b>	8.3%		0.0%		91.7%						
<b>MSA Labor Market %:</b>	28.0%		23.6%		48.4%						
<b>MSA Labor Market Location:</b>	California										
<b>COMMENTS</b>											
Contract Equity Participation - 14.1% White Men participation, 9.0% White Women participation and 76.9% Ethnic Minority participation.											
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>			
NA				YES							





# AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Urban Runoff Diversion Pump System</b>			Ethnic Minority Percentages From U.S. Census Data						
				B	H	A/PI	AI/AN	TOTAL	
Spec. No.: <b>SD - 376</b> DATE: <b>4/6/2016</b>			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	
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	EMM:A/PI - L/SBE	Company Wide	0	8	3	0	11	91.7%	48.4%
Mark Lee & Yong Kay dba: Bay Construction Co. Yong Kay 4026 Martin Luther King Jr. Way Oakland, CA 94609 510-658-7223		Manager/Prof	0	1	1	0	2	66.7%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	7	2	0	9	100.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	8	3	0	11	100.0%	39.9%
		AA Plan on File:	NA		Date of last contract with District:		NA		
		Co. Wide MSA:	California		# Employees-Co. Wide:		12		Bay Area: 11
S	WW: L/SBE	Company Wide	INFORMATION NOT APPLICABLE						
Maskell Pipe & Supply Janet S. Gonzales 1660 W. Linne Rd., Unit K Tracy, CA 95377 209-833-6700		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area	39.9%						
		Co. Wide MSA:	# Employees-Co. Wide: Bay Area:						
S	EMM:H - L/SBE	Company Wide	INFORMATION NOT APPLICABLE						
Western Traffic Supply Ed Ibanez 3942 Valley Ave. Pleasanton, CA 94566 925-249-1854		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area	39.9%						
		Co. Wide MSA:	# Employees-Co. Wide: Bay Area:						
S	EMM: A/PI - L/SBE	Company Wide	INFORMATION NOT APPLICABLE						
All City Trucking Inc. 1941 Jackson St. Oakland, CA 94612		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area	39.9%						
		Co. Wide MSA:	# Employees-Co. Wide: Bay Area:						
S	WM: L/SBE	Company Wide	INFORMATION NOT APPLICABLE						
Ransome Company Geoff Raaka 1933 William Street San Leandro, CA 94577 510-686-9900		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area	39.9%						
		Co. Wide MSA:	# Employees-Co. Wide: Bay Area:						
S	WW: L/SBE	Company Wide	INFORMATION NOT PROVIDED						
AI Ready Mix 1111 Industrial Pkwy West Hayward, CA 94544		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area	39.9%						
		Co. Wide MSA:	# Employees-Co. Wide: Bay Area:						

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.

Title:		Ethnic Minority Percentages From U.S. Census Data							
Urban Runoff Diversion Pump System			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
Construction Agreement		DATE:							
		4/6/2016							
		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=Recommnd 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 %
S	WM: SBE	Company Wide	2	22	4	0	28	63.6%	44.0%
Pump Repair Service Co. Ellen Burgoyne 405 Allan St. Daly City, CA 94104  415-467-2150		Manager/Prof	0	5	0	0	5	50.0%	
		Technical/Sales	0	3	0	0	3	50.0%	
		Clerical/Skilled	0	12	4	0	16	66.7%	
		Semi/Unskilled	2	2	0	0	4	100.0%	
		Bay Area	2	22	4	0	28	63.6%	39.9%
		Co. Wide MSA:	San Francisco		# Employees-Co. Wide:		44	Bay Area: 44	
S	EMW: A/PI - SBE	Company Wide	INFORMATION NOT APPLICABLE						
Arora Engineering 9732 Pyramid Way Sparks, NV 89444		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
S	EMM: B - L/SBE	Company Wide	4	2	0	0	6	85.7%	47.8%
DAL Technology, Inc. Bryant Fields 8105 Edgewater Drive Oakland, CA 94621  510-273-2425		Manager/Prof	1	0	0	0	1	100.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	3	2	0	0	5	83.3%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	4	2	0	0	6	85.7%	39.9%
		Co. Wide MSA:	Oakland		# Employees-Co. Wide:		7	Bay Area: 7	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
P	WW	Company Wide	1	31	1	0	33	53.2%	47.9%
JMB Construction, Inc. Margaret Burke 132 South Maple Ave. So. San Francisco, CA 94080  650-267-5300		Manager/Prof	0	1	0	0	1	7.7%	
		Technical/Sales	0	0	0	0	0	NA	
		Clerical/Skilled	0	6	0	0	6	28.6%	
		Semi/Unskilled	1	24	1	0	26	92.9%	
		Bay Area	1	31	1	0	33	53.2%	39.9%
		Co. Wide MSA:	San Mateo County		# Employees-Co. Wide:		62	Bay Area: 62	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	

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

4.  
April 12, 2016

TITLE PRINTER, PLOTTER AND DESKTOP SCANNER REPAIR SERVICES

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

### RECOMMENDED ACTION

Authorize an agreement beginning on or after April 18, 2016 with Ameritech Computer Services, Inc. in an amount not to exceed \$40,000 annually for printer, plotter, and desktop scanner services for two years with three options to renew for an additional one-year period for a total cost of \$200,000 under Request for Proposal No. PUR 097.

### SUMMARY

This contract provides for as-needed repairs to District printers, plotters, and desktop scanners. The contract provides for both materials and labor.

### SERVICE PROVIDER SELECTION

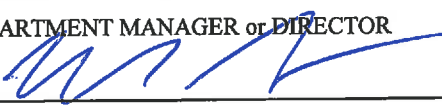

Requests for proposals were sent to three resource organizations and to eighteen potential proposers. Five bids were received. The recommended firm was selected as the most responsive/responsible bidder.

### CONTRACT EQUITY PROGRAM EFFORTS

The completed P-035 and P-061 forms are attached.

### FISCAL IMPACT

Funds are available for this work in the FY16/17 operating budget.

Funds Available: FY 16/17		Budget Code: WSO/252/8763/5312
DEPARTMENT SUBMITTING  Information Systems	DEPARTMENT MANAGER or DIRECTOR   Nicholas J. Irias	APPROVED   General Manager

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

## **ALTERNATIVES**

**Develop an in-house capability to repair printers, plotters, and desktop scanners.** This alternative is not recommended because the District does not have enough printers, plotters, and scanners to justify the cost of maintaining an inventory of replacement parts and providing the necessary training on how to repair the multiple equipment models.

**Reject all bids and do not perform the work.** This alternative is not recommended because the printers, plotters, and scanners are an integral part of District operations.

## **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)

<b>TITLE</b> <b>General Services Agreement: Proposal No. PUR 097</b> Printer, Plotter, and Desktop Scanner Repair Services for Two Years with Three Options to Renew for an Additional One-Year Period							<b>DATE:</b> March 1, 2016					
<b>CONTRACTOR:</b> Ameritech Computer Services San Francisco, CA 94124					<b>PERCENTAGE OF CONTRACT DOLLARS</b>							
Small Business					<b>Availability Group</b>		<b>Contracting Objectives</b>		<b>Participation</b>			
<b>BID/PROPOSER'S PRICE:</b>		<b>FIRM'S OWNERSHIP</b>			<b>White Men</b>		<b>25%</b>		<b>0.0%</b>			
		<b>Ethnicity</b>		<b>Gender</b>		<b>White Women</b>		<b>6%</b>		<b>0.0%</b>		
\$40,000 /Year*		Asian		Men		<b>Ethnic Minorities</b>		<b>25%</b>		<b>100.0%</b>		
<b>CONTRACT EQUITY PARTICIPATION</b>												
<b>COMPANY NAME</b>		<b>ESTIMATED AMOUNT</b>	<b>ETHNICITY</b>	<b>GENDER</b>		<b>CONTRACTING PARTICIPATION</b>						
				<b>M W</b>		<b>White-Men</b>	<b>White-Women</b>	<b>Ethnic Minorities</b>	<b>Unclassified</b>	<b>Publicly Held Corp.</b>	<b>Gov't/Non Profit</b>	<b>Foreign</b>
<b>PRIME:</b> Ameritech Computer Services		\$40,000	Asian	X		---	---	100.0%	---	---	---	---
<b>SUBS:</b> None						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
						---	---	---	---	---	---	---
<b>TOTAL</b>		\$40,000				0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)</b>												
		<b>White Men</b>		<b>White Women</b>		<b>Ethnic Minorities</b>		<b>Total Employees</b>				
<b>No. of Employees:</b>		1		0		17		18				
<b>Percent of Total Employees:</b>		5.6%		0.0%		94.4%						
<b>MSA Labor Market %:</b>		32.3%		27.8%		39.9%						
<b>MSA Labor Market Location:</b>		9 Bay Area Counties										
<b>COMMENTS</b>												
<b>Contract Equity Participation - 100.0% Ethnic Minority participation</b>												
*Total Not to Exceed \$200,000												
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>				
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: <b>Printer, Plotter, and Desktop Scanner Repair Services for Two Years with Three Options to Renew for an Additional One-Year Period</b>		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: 3/1/2016						
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	EMM:A/PI -SBE	Company Wide	0	9	8	0	17	94.4% 39.9%
Ameritech Computer Services, Inc.. Herrick Loi 5999 3rd Street San Francisco, CA 94124  (415) 282-6500		Manager/Prof	0	2	2	0	4	100.0%
		Technical/Sales	0	6	5	0	11	100.0%
		Clerical/Skilled	0	1	1	0	2	66.7%
		Semi/Unskilled	0	0	0	0	-	NA
		Bay Area	0	9	8	0	17	94.4% 39.9%
		AA Plan on File: NA	Date of last contract with District: Insert Date					
		Co. Wide MSA: 9 Bay Area Counties	# Employees-Co. Wide: 18		Bay Area: 18			
		Company Wide						
		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:			
P	EMM:B - L/SBE	Company Wide	1	0	1	0	2	66.7% 39.9%
Crystal Data Solutions, Inc.. Vernon L. Holloway 610 - 16th Street, Suite 317 Oakland, CA 94612  (510) 452-1212		Manager/Prof	1	0	0	0	1	50.0%
		Technical/Sales	0	0	1	0	1	100.0%
		Clerical/Skilled	0	0	0	0	-	NA
		Semi/Unskilled	0	0	0	0	-	NA
		Bay Area	1	0	1	0	2	66.7% 39.9%
		Co. Wide MSA: 9 Bay Area Counties	# Employees-Co. Wide: 3		Bay Area: 3			
P	EMM:H	Company Wide	219	252	188	5	664	
SHI International Thai Lee 290 Davidson Avenue Somerset, NJ 08873  (888) 764-8888		Manager/Prof	83	62	104	1	250	30.1%
		Technical/Sales	87	162	66	4	319	24.2%
		Clerical/Skilled	49	28	18	0	95	56.2%
		Semi/Unskilled	0	0	0	0	0	NA
		Bay Area	0	0	0	0	0	NA
		Co. Wide MSA: Total USA	# Employees-Co. Wide: 2,319		Bay Area: 0			
P	EMM:AI - L/SBE	Company Wide	1	0	9	0	10	100.0% 39.9%
Laserlink International, Inc.. Pradeep K. Singh 1310 63rd Street Emeryville, CA 94608  (510) 652-8000		Manager/Prof	0	0	4	0	4	100.0%
		Technical/Sales	0	0	4	0	4	100.0%
		Clerical/Skilled	0	0	0	0	0	NA
		Semi/Unskilled	1	0	1	0	2	100.0%
		Bay Area	1	0	9	0	10	100.0% 39.9%
		Co. Wide MSA: Insert MSA	# Employees-Co. Wide: 10		Bay Area: 10			
P	PHC	Company Wide	Information Not Provided					
Office Store Depot		Manager/Prof						
		Technical/Sales						
		Clerical/Skilled						
		Semi/Unskilled						
		Bay Area						
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:			

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

5.

April 12, 2016

**TITLE** EXTEND AGREEMENT WITH OFFICIAL PAYMENTS CORPORATION FOR CREDIT CARD, DEBIT CARD AND ELECTRONIC CHECK SERVICES

☒ MOTION \_\_\_\_\_ ☐ RESOLUTION \_\_\_\_\_ ☐ ORDINANCE \_\_\_\_\_

### RECOMMENDED ACTION

Approve an amendment to the Official Payments Corporation (OPC) agreement for credit card, debit card, and electronic check services to extend the expiration date from April 23, 2016 to April 22, 2017.



### SUMMARY

Since 1999, the District has offered customers the option of paying water bills with credit cards, debit cards and electronic checks. OPC has provided this service to the District since 2008 under Board Motion No. 058-08. The customer is charged a \$2.75 service fee per transaction by OPC and there is no cost to the District. The proposed amendment extends the contract period and increases the customer transaction fee established in 2008 from \$2.75 to \$3.95. A one year extension is recommended to capture any payments paid to OPC during the transition to a new solution. In 2015, the District received 244,000 payments from OPC representing 11 percent of all payments received.

### DISCUSSION

The District's contract with OPC expires on April 22, 2016. A competitive Request for Proposal process resulted in eight responses from firms with expertise in online payment processing and the selection of a new vendor. The contract was approved by the Board under motion 179-15. Staff is currently working with the new vendor to provide electronic bill presentment and payment services which will include credit card, debit card and electronic check services. Under the new vendor, the customer transaction fee will be \$1.99; a reduction for customers. The extension with the existing vendor, OPC is recommended to capture any payments received during the transition to a new solution. The contract extension with OPC can be cancelled without cause by the District at any time during the year with a 10 day notice. Information will be published on the District's website alerting customers of the new solution and reduced fee.

Additionally staff will inform customers who continue to pay through OPC of the change and transition them to the new service provider.

Funds Available: Not Applicable		Budget Code:
DEPARTMENT SUBMITTING Customer and Community Services	DEPARTMENT MANAGER or DIRECTOR  Sherri A. Hong	APPROVED  General Manager

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

## **CONTRACT EQUITY PROGRAM EFFORTS**

The Contract Equity information is not necessary for this extension.

## **FISCAL IMPACT**

There is no fiscal impact associated with the agreement extension as there is no cost to the District for OPC's services.

## **ALTERNATIVES**

**Do not extend the current agreement with OPC.** This alternative is not recommended. Extending the agreement allows continued services during the transition period to the new vendor to process and recover online payments.

**Discontinue offering District customers the option to pay bills by credit and debit cards and electronic checks.** This alternative is not recommended as this service is receiving substantial customer use and has reduced operating costs for the District.



AGENDA NO.  
MEETING DATE

6.  
April 12, 2016

TITLE CITY OF HAYWARD WATER SERVICE BOUNDARY AGREEMENT

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

### RECOMMENDED ACTION

Authorize the execution of an agreement with the city of Hayward (City) to delineate the District's water service boundary within the City's boundary.

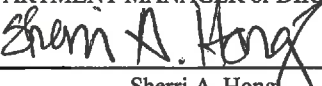

### SUMMARY

East Bay Municipal Utility District's (District) service area boundary overlaps with the City's boundary limits as outlined in the attached map. Within the overlap areas, the District provides water service to properties within its service area and the City, as a California Charter City, also provides water service to the properties within its corporate boundary. Utility districts may serve properties within their service area boundary and charter cities are also entitled to serve properties within their corporate boundaries. Staff is recommending an agreement with the City to provide clarity on the provision of water service in the overlap areas which would require defining and revising the District's water service boundary.

### DISCUSSION

Approximately 2,150 residential, commercial and industrial parcels are within the overlap area. While a majority of these parcels are currently receiving water services from the District, a number of parcels are being served by the City. Additionally, along the District's service area boundary there are several properties that are wholly or partially in the District's service area, but served by the City; several properties outside of the District's service area, but currently served by the District; and several properties that are bisected by the District's service area boundary line. In overlap situations where properties may be served by either a utility district or the city, the entities are encouraged by the Local Agency Formation Commission (LAFCO) to find mutually agreeable solutions for the delineation of service.

City and District staff have met numerous times to discuss the overlap issues and are proposing an agreement with the following provisions that the District will detach from its service area parcels that are within the overlap area that are currently being served by the City and attach parcels that are outside the District's service area boundary and currently served by the District. The District will also adjust its

Funds Available: FY16-17		Budget Code: 325/6025/5237
DEPARTMENT SUBMITTING  Customer & Community Svcs.	DEPARTMENT MANAGER or DIRECTOR   Sherri A. Hong	APPROVED   General Manager

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

service area boundary through attachment or detachment, as necessary, to include any property bisected by the District's service area boundary currently served by the District and to exclude any property bisected by the District's service area boundary currently served by Hayward. Furthermore, the City will not serve any property within the District's service area as shown on the attached map without the prior express written consent of the District. The District will not seek to attach any property outside of the District's service area and within the City limit without prior express written consent of the City.

The agreement also highlights three specific properties for which development proposals have been initiated or anticipated that are located within the overlap area. These properties are 1) 1818 Hill Avenue at 22788 Templeton Street ("Hill Avenue Property"); 2) the parcels on the southwest corner of 2nd Street and Walpert Street, including the Hayward-owned parcels ("the Walpert property"); and 3) 2301 Foothill Boulevard and 1155 Hazel Avenue ("the former Mervyns property"). The agreement stipulates that the Hill Avenue property and the Walpert property will receive water service from the City and the former Mervyn's property will receive water service from the District.

To effectuate the boundary adjustment, LAFCO must approve the boundary reorganization. If the Board authorizes the agreement with the City, the District will file a petition with Alameda LAFCO, which will include a property tax revenue exchange agreement between the City and the District. The United States Bureau of Reclamation approval is also required to update the Contractor Service Area of the District's Central Valley Project water supply contract.

## **FISCAL IMPACT**

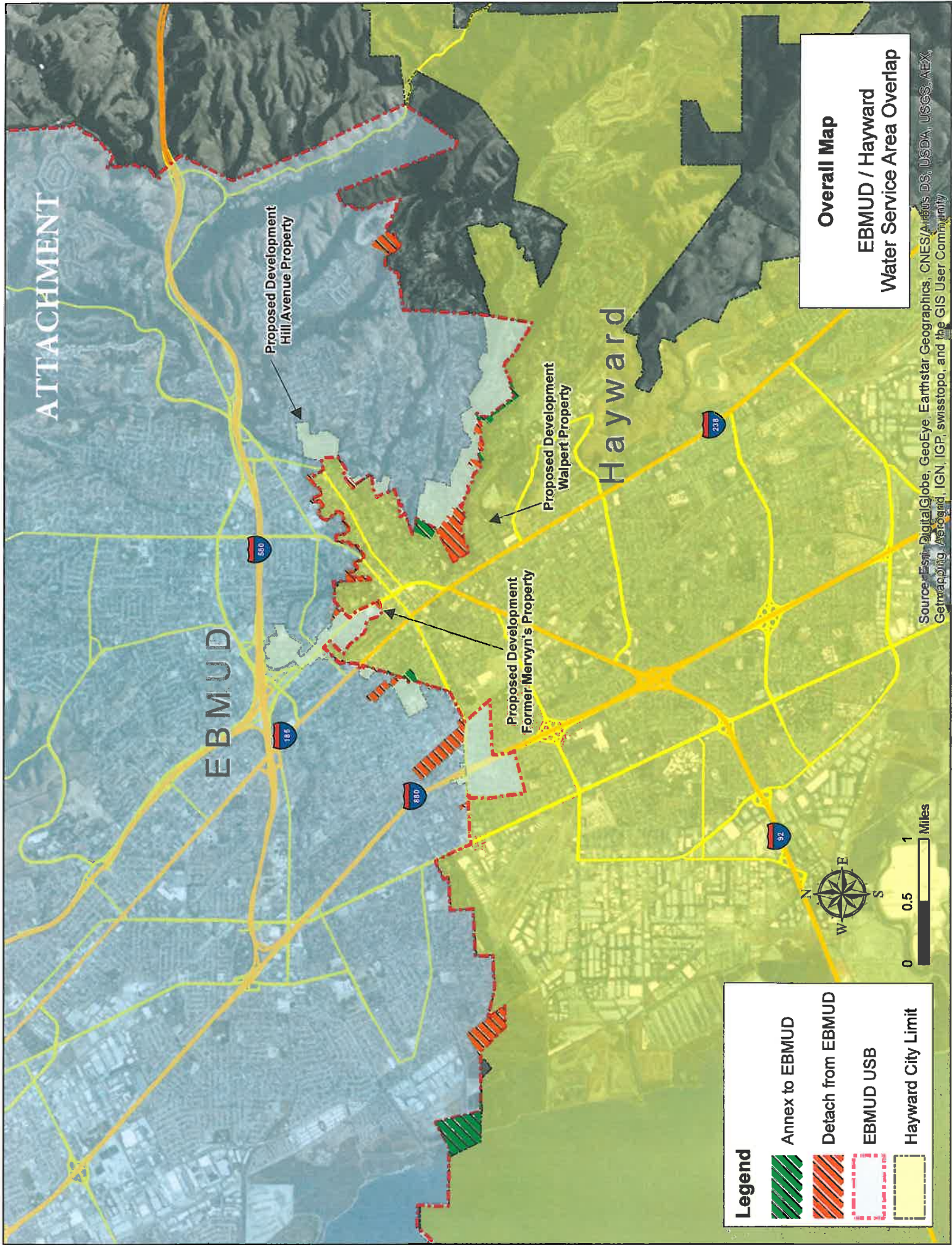
The administrative costs to file the LAFCO petition are included in the FY16 – FY17 budget.

## **ALTERNATIVES**

**Take no action.** This alternative is not recommended. Delineation of the District's water service boundary and provision of water service is necessary to avoid duplication of facilities and unnecessary investments in infrastructure. Defining the water service provider provides clarity and certainty to the City, District, developers and home and business owners.

## **Attachment**





**Overall Map**  
**EBMUD / Hayward**  
**Water Service Area Overlap**

**Legend**

- Annex to EBMUD
- Detach from EBMUD
- EBMUD USB
- Hayward City Limit

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community





RESOLUTION NO. \_\_\_\_\_

AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE  
CITY OF HAYWARD TO DEFINE WATER SERVICE BOUNDARIES BETWEEN  
THE EAST BAY MUNICIPAL UTILITY DISTRICT AND THE CITY OF HAYWARD WITHIN  
THE CITY OF HAYWARD CITY LIMITS

Introduced by Director

; Seconded by Director

WHEREAS, the City of Hayward ("Hayward") provides water service to properties located within Hayward's city limits and the East Bay Municipal Utility District ("District") provides water service to properties within the boundary of the District's service area; and

WHEREAS, the boundary of the District's service area overlaps with Hayward's city limits and includes a number of parcels located within Hayward's city limits; and

WHEREAS, a utility district may serve properties within its service area boundary, and a charter city such as City of Hayward is likewise entitled to serve water to properties within its city limits; and

WHEREAS, in situations in which properties may be served by either a utility district or the city in which the properties are located, the two entities are encouraged by the Local Agency Formation Commission to find mutually agreeable solutions for the delineation of service to the properties; and

WHEREAS, three properties for which development proposals have been initiated or anticipated are located within Hayward's city limits and are fully or partially in the District's service area: 1818 Hill Avenue and 22788 Templeton Street ("Hill Avenue property"), the parcels on the southwest corner of 2nd Street and Walpert Street, including the Hayward-owned parcels ("the Walpert property"), and 2301 Foothill Boulevard and 1155 Hazel Avenue ("the former Mervyns property"); and

WHEREAS, additionally, along the District's service area boundary there are several properties that are wholly or partially in the District's service area but served by Hayward, several properties at least partially outside of the District's service area but currently served by the District, and several properties that are bisected by the District's service area boundary line; and

WHEREAS, in order to provide clarity and certainty to Hayward, the District, developers and home and business owners as to which entity will serve which parcel within Hayward's city limits, staff of Hayward and the District have reached agreement on a revision of the District's service area boundary line; and

WHEREAS, this revision will reflect the agreement of the District and Hayward regarding the provision of water service to the Hill Avenue property, the Walpert property and the former Mervyns property, as well as accurately reflect current service to properties along the District's current service boundary; and

WHEREAS, pursuant to the terms of the agreement, the Hill Avenue property and the Walpert property will receive water service by Hayward and the former Mervyns property will receive water service from the District; and

WHEREAS, the agreement will mandate an adjustment to the District's service area boundary within the City of Hayward that will accurately reflect current service to properties along the District's current service area boundary and will stipulate that the District will not serve parcels outside of its boundary area and Hayward will not serve parcels within the District's service area boundary;

NOW, THEREFORE, BE IT RESOLVED that the General Manager or his designee is hereby authorized to enter into and execute an agreement with the City of Hayward in a form approved by the General Counsel to delineate the District's service area boundary within Hayward's city limits and to allocate between Hayward and the District the rights and responsibility for the provision of water service within Hayward's city limits.

BE IT FURTHER RESOLVED that the General Manager or his designee is authorized to execute any other documents necessary and do all things necessary to complete a revision of the District's service area boundary within Hayward's city limits.

ADOPTED this 12<sup>th</sup> day of April, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM AND PROCEDURE:

\_\_\_\_\_  
General Counsel



AGENDA NO.  
MEETING DATE

7.

April 12, 2016

**TITLE** EMPLOYEE GENERAL SALARY INCREASE

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

**RECOMMENDED ACTION**

Approve implementation of the fourth year general salary increase of 3.7% in accordance with the 2013-2017 Memoranda of Understanding (MOUs) between the District and AFSCME Locals 2019 and 444, IUOE Local 39 and IFPTE Local 21.

Authorize a 3.7% general salary increase for managers, confidential employees and other non-represented employees in accordance with Resolution 34028-15.

**SUMMARY**

Effective April 18, 2016, this resolution authorizes a 3.7% general salary increase for employees represented by Locals 2019, 444, 39 and 21, and for managers, confidential employees and other non-represented employees.

**DISCUSSION**

The 2013-2017 MOUs between the District and AFSCME Locals 2019 and 444, IUOE Local 39 and IFPTE Local 21 provide for a fourth year general salary increase, effective April 18, 2016, that is 0.8% higher than the San Francisco/Oakland Consumer Price Index - Urban Wage Earners and Clerical Employees (CPI-W) for February 2015 - February 2016. The CPI-W for this period is 2.9%. As a result, consistent with the MOUs, the proposed resolution authorizes a 3.7% general salary increase for employees represented by District unions.

Consistent with Resolution 34028-15 and the District's practice, this resolution also authorizes the same salary increase of 3.7% for managers, confidential employees and other non-represented employees including:

- (1) employees assigned to part-time, temporary, temporary construction, limited-term and other classifications;
- (2) confidential employees in classifications that are subject to merit pay policies; and
- (3) District officers, assistant officers, civil service exempt and certain civil service management classifications assigned to the Management Salary Plan.

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

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

Additionally, this resolution amends the District's Salary Schedule, a copy of which is on file in the Secretary's Office, to reflect the new salary rates described above. All proposed increases will be effective at 12:01 a.m. on April 18, 2016 and will be reflected in paychecks of May 6, 2016 for all eligible employees.

#### **FISCAL IMPACT**

Adoption of this resolution will increase FY17 District personnel costs by approximately \$12,095,000 including fringe benefits. The additional cost associated with the salary increase for the remainder of FY16 is approximately \$2,282,000, which was funded in the FY16 adopted budget.

#### **UNION NOTIFICATION**

Locals 2019, 444, 39 and 21 have been advised of the amount of the fourth year general salary increase.

#### **ALTERNATIVE**

**Do not provide a general salary increase.** This is not recommended because it would violate provisions of the MOUs with District unions.

RESOLUTION NO. \_\_\_\_\_

REVISE DISTRICT SALARY RANGES, SALARIES AND WAGE RATES

Introduced by Director

; Seconded by Director

WHEREAS, the San Francisco/Oakland Consumer Price Index – Urban Wage Earners and Clerical Employees (CPI-W) for the period February 2015 through February 2016 was 2.9%; and

WHEREAS, the District's 2013-2017 Memoranda of Understanding with AFSCME Local 2019, AFSCME Local 444, IUOE Stationary Engineers Local 39, and IFPTE Local 21 provide for a fourth year general salary increase effective April 18, 2016, that is 0.8% higher than the February 2016 San Francisco/Oakland CPI-W, with a minimum increase of 2% and the maximum increase of 5%; and

WHEREAS, Resolution 34028-15 was adopted on April 28, 2015, to approve implementation of the general salary increase; to amend the position resolution and revise salary ranges, salaries and wage rates and other benefits for employees represented by AFSCME Local 2019, AFSCME Local 444, IFPTE Local 21, IOUE Stationary Engineers Local 39, and managers, confidential and non-represented employees; and

WHEREAS, the General Manager has recommended a general salary or wage increase of 3.7% in salary ranges, monthly salary rates, and wage rates for (1) employees assigned to temporary, and other non-represented classifications, (2) confidential employees subject to the merit pay policy and procedures, and (3) District officer, assistant officer, civil service exempt and certain civil service classifications assigned to the Management Salary Plan if the employees' work performance meets expectations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District does hereby find and determine as follows:

**Section 1. Salary Ranges - AFSCME Local 2019**

Section 1 of Resolution No. 34028-15 is amended as follows:

- (a) The monthly salaries of all employees occupying positions in classifications represented by AFSCME Local 2019 shall be adjusted and increased by 3.7% in accordance with the classifications and monthly salary rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.
- (b) Unless specifically indicated otherwise, the 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

## **Section 2. Salary Ranges - AFSCME Local 444**

Section 2 of Resolution No. 34028-15 is further amended as follows:

- (a) The monthly salaries of all employees occupying positions in classifications represented by AFSCME Local 444 shall be adjusted and increased by 3.7% in accordance with the classifications and monthly wage rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.
- (b) Unless specifically indicated otherwise, the 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

## **Section 3. Salary Ranges - IUOE Stationary Engineers Local 39**

Section 3 of Resolution No. 34028-15 is amended as follows:

- (a) The monthly salaries of all employees occupying positions in classifications represented by IUOE Stationary Engineers Local 39 shall be adjusted and increased by 3.7% in accordance with the classifications and monthly salary rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.
- (b) Unless specifically indicated otherwise, the 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid on the employees' paychecks on May 6, 2016.

## **Section 4. Salary Ranges - IFPTE Local 21**

Section 4 of Resolution No. 34028-15 is amended as follows:

- (a) The monthly salaries of all employees occupying positions in classifications represented by IFPTE Local 21 shall be adjusted and increased by 3.7% in accordance with the classifications and monthly salary rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.
- (b) Unless specifically indicated otherwise, the 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

## **Section 5. Salary Ranges For Confidential Classifications Subject to Merit Pay Policy and Procedure**

Section 5 of Resolution No. 34028-15 is amended as follows:

- (a) The monthly salary ranges of confidential employees subject to the District Merit Pay Policy and Procedure shall be adjusted and increased by 3.7% in accordance with the

classifications and monthly salary rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.

- (b) The 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

**Section 6. Monthly Wage Rates for Temporary, Temporary Construction, Part-Time, Limited Term and Other Related Classes**

Section 6 of Resolution No. 34028-15 is amended as follows:

- (a) The monthly wage rates for employees assigned to temporary, temporary construction, part-time, limited term and other related unrepresented classes, shall be increased by 3.7% in accordance with the classifications and monthly wage rates listed in the salary schedule, dated April 20, 2015, copies of which are on file with the Secretary of the District.
- (b) The 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

**Section 7. Management Salary Plan**

Section 7 of Resolution No. 34028-15 is amended as follows:

- (a) The salary range for District officers, assistant officers, civil service exempt and certain civil service management classes assigned to the Management Salary Plan shall be increased by 3.7%.
- (b) Salary rate adjustments reflective of individual employee work performance for employees assigned to the Management Salary Plan shall be in accordance with the authority granted to the General Manager pursuant to Section 5(b) and (c) of Resolution No. 32729.
- (c) The 3.7% salary increase shall be effective for all such employees as of 12:01 a.m. on April 18, 2016, and will be paid in the employees' paychecks on May 6, 2016.

BE IT FURTHER RESOLVED that insofar as practicable and unless otherwise specified, the application of the foregoing amendments shall apply to the aforementioned employees on the payroll on April 18, 2016.

BE IT FURTHER RESOLVED that any Resolution in conflict herewith is hereby superseded and canceled.

BE IT FURTHER RESOLVED that the budget for the 2016/2017 fiscal year and the terms and conditions for the payment of demands as previously established by proper Resolutions of this

Board, and as the same may have been from time to time amended, shall be adjusted as necessary in accordance with this Resolution.

ADOPTED this 12th day of April, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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President

ATTEST:

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Secretary

APPROVED AS TO FORM AND PROCEDURE:

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General Counsel



## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: April 7, 2016

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager *ARC*

SUBJECT: Legislative Report No. 05-16

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

### **RECOMMENDED ACTION**

Approve positions on the following bills: 1) Support AB 2543 (Gordon) State Buildings: Efficiency; 2) Oppose Unless Amended SB 163 (Hertzberg) Wastewater Treatment: Recycled Water; 3) Support SB 1207 (Hueso) Energy: Conservation: Financial Assistance; 4) Support SB 1398 (Leyva) Public Water Systems: Lead Pipes; and receive information on SB 814 (Hill) Drought: Excessive Water Use: Urban Retail Water Suppliers.

### **STATE LEGISLATION**

### **RECOMMENDED POSITION**

<b>AB 2543 (Gordon)</b>	<b>STATE BUILDINGS: EFFICIENCY</b>	<b>SUPPORT</b>
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Existing law requires all new and renovated state buildings to be models of energy efficiency and requires the Department of General Services (DGS), in consultation with the California Energy Commission (CEC), to develop a multi-year plan for achieving all practicable and cost-effective energy efficiency measures in state facilities. Existing law also requires DGS to update the plan every two years, coordinate implementation efforts and make recommendations to the Governor and Legislature to achieve energy goals for state facilities.

AB 2543 (Gordon), as introduced on February 19, 2016, is substantially similar to AB 850 (Gordon) from 2011 which EBMUD supported and which failed to advance out of the Legislature, and is intended to facilitate energy efficiency and water conservation in state facilities. Specifically, AB 2543 would revise the existing energy efficiency planning requirements for state facilities to give the CEC lead responsibility, instead of DGS, for developing a plan to achieve energy efficiency measures in state facilities, require the plan to address water conservation as well as energy efficiency, and require DGS to consult with the CEC in making recommendations to the Governor and the Legislature to achieve energy efficiency and water conservation goals for state facilities. AB 2543 would also prohibit the plan

from prohibiting, limiting or superseding more stringent green building requirements for state facilities.

According to the Assembly Natural Resources Committee, “since at least 1991, state law has required new and renovated state buildings to meet prevailing energy efficiency standards and to consider additional measures when cost-effective and feasible. Over the same period, DGS has been required to continually update an energy efficiency plan for state facilities.” However, while DGS has oversight over state facilities, the CEC has broader expertise and experience with energy and water efficiency measures.

In addition, there is a clear nexus between water and energy use, with Department of Water Resources estimating that about 12 percent of the total energy used in the state is related to water. While improved energy savings can be achieved through water conservation, water conservation is not currently directly required to be considered in the plan to achieve energy efficiency measures in state facilities.

AB 2543 would promote energy efficiency and water conservation in state facilities by designating the CEC as the lead agency in developing the state’s plan for achieving energy efficiency in state facilities and requiring the plan to include water conservation. AB 2543 is consistent with EBMUD’s energy policy (Policy 7.07), which encourages and promotes energy management and energy efficient practices within EBMUD’s water and wastewater system operations and its sustainability policy (Policy 7.05), as well as its energy efficiency and water conservation efforts.

EBMUD has previously supported measures to promote energy and water efficiency in state facilities. As mentioned above, in 2011, EBMUD supported AB 850 (Gordon) to require the CEC to lead the development of the plan to achieve energy efficiency measures in state buildings and to require the consideration of water conservation in the plan. AB 850 failed to advance out of the Legislature. In 2010, EBMUD supported AB 2679 (Eng) to require all state public buildings to reduce energy and water consumption and require all newly constructed state buildings to have net zero energy consumption on and after January 1, 2030. AB 2679 failed to advance out of the Legislature.

The current list of support and opposition to AB 2543 is shown below.

Support

California Municipal Utilities Association

Opposition

None Listed

**SB 163  
(Hertzberg)**

**WASTEWATER TREATMENT:  
RECYCLED WATER**

**OPPOSE UNLESS  
AMENDED**

The California Constitution requires the reasonable and beneficial use of water. Existing law declares that the use of potable domestic water for certain nonpotable uses is a waste or an unreasonable use of water if the State Water Resources Control Board (SWRCB) determines recycled water meeting specified conditions is available. In addition, under existing law, the SWRCB and the California regional water quality control boards are responsible for regulating wastewater discharges to surface waters in accordance with the federal National Pollutant Discharge Elimination System (NPDES) permit program established by the federal Clean Water Act and the State's Porter-Cologne Water Quality Control Act.

SB 163 (Hertzberg), as amended on September 3, 2015, is intended to increase the amount of wastewater that is recycled by eliminating wastewater discharges to the ocean and requiring that the wastewater that would otherwise be discharged to the ocean be recycled. To accomplish this, SB 163 would do seven things, as described below:

- 1) SB 163 would declare that the discharge of treated wastewater to the ocean constitutes waste and unreasonable use of water.
- 2) SB 163 would require wastewater treatment facilities that discharge to the ocean to recycle at least 50 percent of the wastewater by 2026 and to achieve 100 percent recycling by 2036.
- 3) The bill would prohibit wastewater treatment facilities from discharging wastewater to the ocean as of 2036, except for backup discharges in limited circumstances.
- 4) SB 163 would require wastewater treatment facilities with NPDES permits authorizing the discharge of wastewater to the ocean to submit a plan for meeting the bill's requirements to the SWRCB by July 1, 2020, and to provide an updated plan to the SWRCB by January 1, 2024.
- 5) SB 163 would require wastewater treatment facilities with NPDES permits authorizing the discharge of wastewater to the ocean to submit to the SWRCB, on or before January 1, 2017, and every five years thereafter, a report summarizing the actions that have been taken and remain to be taken in order to meet the bill's requirements.
- 6) The bill would allow a wastewater treatment facility with an NPDES permit to request a partial exemption if specific criteria are met. The partial exemption would be good for a period of no more than five years at which time the permitholder could reapply for a partial exemption. Entities granted a partial exemption would not be eligible for state grants or loans unless the grant or loan is for purposes of complying with the bill.
- 7) SB 163 would require the SWRCB to report to the Governor and the Legislature by July 1, 2021, and every five years thereafter, on the state's progress in implementing SB 163 and any obstacles to continued progress, including instances of substantial noncompliance.

The author has indicated the intent to amend SB 163 to also apply to wastewater treatment facilities that discharge into bays, such as EBMUD which discharges treated wastewater into the San Francisco Bay.

EBMUD is a strong proponent of recycled water and has a long track record of recycling its wastewater. EBMUD began using recycled water for various industrial purposes and to irrigate landscaping at its own facilities in the 1970s and has been distributing recycled water to customers since the 1980s. Recycled water is an important part of the water supply portfolio and, in accordance with EBMUD's non-potable water policy (Policy 9.05), customers may be required to use recycled water for non-potable uses if feasible. In addition, EBMUD has developed several landmark projects where the use of recycled water for landscape irrigation, toilet flushing, and industrial purposes has reduced the demand on high-quality drinking water and can reduce the amount of treated wastewater that is discharged into the San Francisco Bay. These projects include the Richmond Advanced Recycled Expansion Water Project, the East Bayshore Recycled Water Project, and the San Ramon Valley Recycled Water Program.

In fiscal year 2015, EBMUD customers used about 8.4 million gallons a day (mgd) of recycled water, and EBMUD has a goal of increasing recycled water use in its service area to 20 mgd by 2040. Most of EBMUD's recycled water is produced at projects located throughout the EBMUD service area, not at EBMUD's Main Wastewater Treatment Plant, which discharges into the San Francisco Bay.

SB 163 is intended to facilitate the development of recycled water projects and increase the use of recycled water. However, a statewide mandate to eliminate wastewater discharges into the ocean and bays is premature. Such a mandate is currently not feasible to implement, cost-prohibitive, and raises significant policy issues, as discussed below.

#### Regulatory framework is not complete

Achieving the mandate in SB 163 on a statewide level would require the use of both indirect potable reuse projects, such as using recycled water for groundwater recharge and surface water augmentation, and direct potable reuse projects, both of which would necessitate new and expanded recycled water facilities and infrastructure, funding, and comprehensive regulatory frameworks.

In 2010, the Legislature passed and the Governor signed SB 918 (Pavley), which EBMUD supported, that required the Department of Public Health (DPH) to adopt water recycling criteria (regulations) for indirect potable use for groundwater recharge by December 31, 2013, to adopt regulations for surface water augmentation by December 31, 2016, and to investigate and report to the Legislature on the *feasibility* of developing regulations for direct potable reuse by December 31, 2016. In 2013, the Legislature passed and the Governor signed SB 322 (Hueso), which EBMUD supported, to facilitate the development of water recycling regulations by enabling DPH to access assistance from other entities and requiring DPH to convene an expert panel to advise it on matters relating to the development of water recycling regulations.

Subsequent to the passage of these bills, the division of DPH responsible for the duties outlined above was moved to the SWRCB.

Currently, California's recycled water framework is neither comprehensive nor complete and is insufficient to accommodate SB 163's ambitious mandate. The current regulatory framework limits recycled water use to only non-potable uses, such as irrigation and industrial use, and limited indirect potable reuse through groundwater recharge. These uses would account for only a fraction of the recycled water that is currently discharged and are limited by seasonal demand, industrial need, and the access to recharge areas.

Regulations for indirect potable reuse through surface water augmentation, though being developed, are not complete. Access to direct potable reuse is not certain in the near future. While the SWRCB is currently working on a report to the Legislature on the *feasibility* of developing statewide regulations, it is not clear when, or if, the SWRCB will adopt statewide regulations to allow broad access for direct potable reuse. In addition, potable reuse regulations by necessity would need to include ways to dispose of the brine stream that is inherent to water recycling if SB 163 is enacted. Currently, disposal is managed through blending with treated wastewater discharge.

A regulatory framework that allows all potential uses for recycled water and addresses the issue of brine disposal must be in place before SB 163's mandate can be reasonably contemplated. It is not clear when California will have a comprehensive regulatory framework for recycled water in place.

#### Nowhere to put the recycled water

The recycled water projects allowed today could not handle the volume of recycled water that would result if SB 163 is enacted.

In order for EBMUD to use all the recycled water it would produce under SB 163's mandate, EBMUD must have access to additional uses for recycled water, including indirect potable reuse through surface water augmentation and direct potable use, neither of which is allowed at this time. EBMUD's Main Wastewater Treatment Plant (MWWTP) treats, on average, about 63 million gallons of wastewater every day, or about 70,500 acre feet per year. With regard to the uses that are allowed today, there is an insufficient market for non-potable recycled water and the physical constraints of the groundwater basin in EBMUD's service area severely constrains the capacity of any small groundwater recharge project that may be possible. EBMUD would need access to uses that are not allowed today in order to meet SB 163's mandate – this includes surface water augmentation and direct potable use. However, there are significant uncertainties associated with both of these potential future uses.

Surface water augmentation, if allowed, would involve moving the recycled water from the MWWTP to one of EBMUD's reservoirs located within the service area where it would be mixed with non-recycled water. All of these reservoirs have other purposes that include

capturing local runoff and storing water from other sources, such as those accessed through the Freeport Regional Water Facility. It is not known how much reservoir capacity would be needed to accommodate the additional recycled water that would be produced under SB 163 because the SWRCB has not finalized surface water augmentation regulations. It is unclear what criteria surface water augmentation projects will be required to meet, such as the length of time the recycled water must remain in the reservoir and level of dilution (or ratio of recycled water to other water is allowed), and whether EBMUD's reservoirs would meet the criteria. With regard to direct potable reuse, there is no clear path forward. The SWRCB is currently working on a report to the Legislature, due in December 2016, on the *feasibility* of developing statewide regulations for direct potable reuse and it is unknown when or if regulations for direct potable reuse would be put in place. In short, EBMUD would have nowhere to put all its recycled water if EBMUD had to comply with SB 163.

#### Excessive cost

Even if all potential uses of recycled water were allowed, SB 163's mandate would require significant new infrastructure for treatment and distribution of recycled water including, but not limited to, treatment facilities, pumping stations, and distribution systems. It is unclear where the money would come from, particularly at this time when state and local water agencies are grappling with the high costs associated with addressing aging infrastructure and meeting the needs of disadvantaged communities, among other things. An investment of many billions of dollars will be needed by the state to implement SB 163's mandate.

To put the cost associated with SB 163's mandate into perspective, staff estimates that for EBMUD to implement a single future option that is not allowed today, surface water augmentation, using *one* reservoir, including additional treatment, pipeline, a pump station, and disposal of the brine, the capital cost would likely be over \$3 billion with additional annual operations and maintenance costs estimated at about \$120 million. The rate impact would be about a 500 percent increase in rates, raising the average service charge from about \$38 every two months to approximately \$230 every two months. Imposing a cost burden of this magnitude on ratepayers will impact low-income ratepayers the hardest and make water unaffordable for many. These costs reflect the use of a single reservoir, costs for using multiple reservoirs for using surface water augmentation and direct potable reuse projects would likely be much higher.

#### Harm to existing infrastructure

SB 163's mandates would likely require water and wastewater agencies to reduce or halt spending on other infrastructure altogether in order to comply with SB 163. This will only serve to hamper the ability of agencies to provide high quality services to customers and to proactively replace and repair aging infrastructure before it fails. For EBMUD, which has a robust capital improvement program that focuses on infrastructure rehabilitation, repair and replacement, the costs associated with complying with SB 163 could require significantly reducing investments in current infrastructure programs and projects, such as the annual infrastructure replacement, aqueduct improvements, the Regional EBMUD Seismic Component Upgrade, and the expansion of the Resource Recovery Program.

### Public acceptance

Public acceptance of expanding the use of recycled water through indirect potable reuse and direct potable reuse is not guaranteed. The success of recycled water projects to date has been the result of extensive, ongoing public outreach that has been necessary to overcome what is sometimes called the “yuck factor.” A statewide mandate imposed on communities will require a significant and concerted state effort to assist local agencies to secure public acceptance of such a mandate.

### Conclusion

Though SB 163’s objective, to increase the use of recycled water, is consistent with EBMUD’s efforts to increase recycled water use in its service area, there are significant hurdles that clearly indicate the proposed mandate is entirely premature and would interfere with a local agency’s ability to set its own infrastructure priorities. While the bill seeks to provide local agencies with an “off-ramp” via a mechanism to seek a partial exemption from the wastewater discharge prohibition and recycling mandate, such a process puts local agencies in the risky position of expending resources to request an exemption from an unreasonable mandate that is not certain to be granted while penalizing ratepayers by denying the local agency access to state grants or loans if an exemption is granted. This is inappropriate given the lack of a robust regulatory framework, funding to implement SB 163, or clear pathway to public acceptance.

Significant amendments are needed to address the concerns raised above. To achieve the broad goal of increasing the use of recycled water, the mandate should be eliminated and the bill should focus on identifying barriers to increasing recycled water production and creating a plan for achieving the goal contemplated by SB 163. WateReuse California and the California Association of Sanitation Agencies (CASA) have been working with the author’s office and have offered an alternative that would convene a task force that would, among other things, consider the barriers to increased recycled water production and use and provide recommendations for overcoming those barriers and meeting statewide water recycling goals.

SB 163 should be amended to be consistent with the approach suggested by WateReuse California and CASA. This approach would recognize the importance of increasing the production and use of recycled water while providing a mechanism to begin addressing the significant barriers that render a mandate infeasible at this time.

EBMUD has taken positions on prior legislation to facilitate the voluntary production and use of recycled water. In 2013, EBMUD supported SB 322 (Hueso) to facilitate the development of water recycling regulations. SB 322 was signed into law, Chapter 637 of 2013. In 2010, EBMUD supported SB 918 (Pavley) which required the adoption of water recycling regulations for groundwater recharge and surface water augmentation and investigation of the feasibility of developing regulations for direct potable reuse. In 2009, the Board took a “support if amended” position on SB 565 (Pavley) to identify impediments to increased recycling and direct potable reuse and set a statewide recycling goal of 50 percent of the wastewater discharged into the ocean. EBMUD sought amendments to remove the 50 percent goal until barriers had been

identified and a plan to remove them was developed. SB 565 was subsequently amended to a different subject matter.

There are currently no entities listed in support or opposition to SB 163.

**SB 1207  
(Hueso)**

**ENERGY: CONSERVATION: FINANCIAL  
ASSISTANCE**

**SUPPORT**

Existing law establishes the State Energy Conservation Assistance Account (ECAA), administered by the California Energy Commission (CEC) to provide grants and loans to local governments and other public institutions, such as schools, hospitals and public care institutions, to maximize energy use savings. Under existing law, the ECAA program expires as of January 1, 2018.

SB 1207 (Hueso), as introduced on February 18, 2016, is intended to promote energy efficiency and would provide for the continued operation of the ECAA program by extending the current sunset date to January 1, 2028.

According to the author's office, the ECAA program, which was established more than 30 years ago and is one of the oldest programs in California designed to reduce statewide energy consumption through energy efficiency measures, "makes low-interest loans to local governments and public institutions to cover up to 100 percent" of energy efficiency projects. According to the CEC, projects with proven energy and/or demand cost savings are eligible for funding including, lighting system upgrades, water and wastewater treatment equipment, energy management systems and equipment controls, and heating, ventilation, and air conditioning equipment.

SB 1207 would encourage and promote the conservation and efficient use of energy in buildings and facilities belonging to local governments and public institutions by facilitating funding to assist local governments, such as EBMUD, and public institutions to pay for energy efficiency projects. SB 1207 is consistent with EBMUD's energy policy (Policy 7.07), which encourages and promotes energy management and energy efficient practices within EBMUD's water and wastewater system operation, as well as EBMUD's energy efficiency efforts and could provide a potential source of financing for EBMUD projects in the future.

EBMUD has previously supported legislation to facilitate financing for energy efficiency purposes. In 2014, EBMUD supported AB 2045 (Rendon) to facilitate a private financing mechanism to assist nonresidential building owners in paying for energy and water efficiency improvements. AB 2045 failed to advance out of the legislature. In 2013, EBMUD supported AB 122 (Rendon), which was substantially similar to AB 2045. AB 122 failed to advance out of the legislature.



There are currently no entities listed in support or opposition to SB 1207.

<b>SB 1398</b>	<b>PUBLIC WATER SYSTEMS: LEAD PIPES</b>	<b>SUPPORT</b>
<b>(Leyva)</b>		

Existing law requires public water systems to take specified actions to test for and remediate certain contaminants in drinking water, including lead and copper. Existing law generally prohibits the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead-free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption.

SB 1398 (Leyva), as amended on March 28, 2016, is a response to the drinking water crisis in Flint, Michigan and is intended to help avoid similar situations from occurring in California. To accomplish this, SB 1398 would do three things: 1) require each public water system, by July 1, 2018, to compile an inventory of lead pipes in use; 2) require each public water system to provide a timeline for replacement of lead pipes in its system to the State Water Resources Control Board (SWRCB), and 3) require the SWRCB to establish best practices to ensure that chemicals introduced into public water systems do not create corrosion or contamination within the system.

According to the U.S. Environmental Protection Agency (U.S. EPA) there is “no known safe level of lead in a child’s blood.” Exposure to lead can result in delays in physical or mental development in infants and children. For adults, it can result in kidney problems or high blood pressure. The U.S. EPA estimates that 10 to 20 percent of human exposure from lead may come from lead in drinking water. Infants can receive 40 to 60 percent of their exposure to lead from drinking water.

In the 1990’s regulations required public water systems to complete an inventory of their known lead services and develop an optimized corrosion control program. EBMUD complied with these requirements and has been monitoring lead levels at customer home fixtures since 1992. In addition, EBMUD has been a leader in efforts to promote the protection of public health by reducing lead exposure in drinking water. In 2006, EBMUD sponsored California’s landmark “Get The Lead Out” legislation, AB 1953 (Chan), that was signed into law and which reduced the allowable lead content in pipes and plumbing fixtures to a level that virtually eliminates lead contamination in faucets and drinking water, and prohibited the sale of plumbing components after 2010 not meeting the lower lead content standard. EBMUD was also a strong proponent of subsequent federal legislation, S. 3874 (Boxer) in 2010, that was signed into law and essentially adopted AB 1953’s “lead-free” standard for pipes and plumbing fixtures nationwide.

SB 1398 builds on existing law and helps protect public health by facilitating the identification and replacement of lead pipes used in water systems as well as the implementation of best practices to assist in preventing corrosion and contamination in water systems. SB 1398 would

likely have a minimal impact on EBMUD as the known lead service lines in EBMUD's service area have generally already been replaced and SB 1398's objective is consistent with EBMUD's efforts to reduce lead exposure in drinking water, including EBMUD's sponsorship of prior legislation.

EBMUD has historically supported measures to protect the public health by reducing exposure to lead in drinking water. As mentioned above, in 2006, EBMUD sponsored AB 1953 (Chan) to reduce the allowable lead content in pipes and plumbing fixtures and prohibit the sale of pipes and plumbing fixtures that contained higher amounts of lead. AB 1953 was signed into law (Chapter 853 of 2006). In 2009, EBMUD sponsored follow-up legislation, SB 1395 (Corbett), to require random testing of faucets through the Department of Toxic Substances Control to help ensure that faucets and fittings sold in California complied with the lower lead standard set by AB 1953. With regard to federal legislation, EBMUD was a strong proponent of S. 3874 (Boxer) in 2010, as mentioned above, that was signed into law and essentially adopted AB 1953's "lead-free" standard for pipes and plumbing fixtures nationwide.

There are currently no entities listed in support or opposition to SB 1398.

<b>SB 814 (Hill)</b>	<b>DROUGHT: EXCESSIVE WATER USE: URBAN RETAIL WATER SUPPLIERS</b>	<b>INFORMATION</b>
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At the January 26<sup>th</sup> meeting, EBMUD's Board discussed SB 814 (Hill), as introduced, which would require water agencies to implement an excessive use ordinance during a Governor-declared statewide drought emergency. At that time, five main policy concerns were identified relative to water rights, water rates, penalty amount, public disclosure of customer information, and when the mandates would apply. Staff has continued to work with the author in an effort to address concerns and the bill has been amended twice, most recently on March 30<sup>th</sup>. A discussion of the amendments and outstanding concerns follows below.

Water rights

The initial version of SB 814 included language that referenced Section 2 of Article X of the California Constitution, which raised concerns regarding potential implications for water rights. This language was stricken from the bill and is not included in the current version of the bill.

Water rates

The initial version of the bill would have required local agencies to set an excessive use limit using a water budget-based approach. This represented significant state intervention in the rate-making authority of local agencies and raised concerns as to how this requirement would comply with the requirements of Proposition 218, including the cost of service requirements. This language has been amended to allow, rather than require, a water budget-based approach.

Penalty amount

The initial version of SB 814 would have required a penalty of at least \$500 per hundred cubic feet (ccf) over the excessive use limit, as established by the local water agency. This translated to penalty amounts that would have ranged from \$500 to over \$575,000 with total penalties over \$125 million for EBMUD's existing program. This raised serious questions of fairness and affordability and potential for the incorrect public perception that all conservation and fiscal needs could be met via SB 814's highly punitive excessive use penalties.

The penalty language has revised from "at least \$500" to "up to \$500" so that the \$500 per unit amount is the penalty ceiling rather than the floor. This would give agencies the discretion to use any amount it chooses up to \$500 per unit.

Public disclosure of customer information

The initial version of SB 814 would have amended existing statute to explicitly state that current disclosure requirements under Government Code section 6254.16 would apply to SB 814's excessive use ordinance. This statute requires, upon request, the release of information about customers who have violated local usage policies. This information includes the customer's name, usage data, and home address. The release of home addresses raises safety concerns. All of the disclosure language has been stricken from the bill, thus this concern is no longer applicable to SB 814.

When the mandates would apply

In the initial and current version of the bill, SB 814's mandates would apply when the Governor has declared a state of emergency due to drought conditions, and do not take local conditions into consideration. The Governor may issue an emergency drought declaration when some parts of the state are not in a water shortage. Using a mandate trigger that ignores local water supply conditions raises concerns regarding the erosion of ratepayer confidence and, when local water shortages do exist, would hamper the ability of water agencies to effectively encourage and secure needed water use reductions. This issue remains outstanding. Amendments are still needed to include consideration of local conditions as part of the mandate trigger.

Though the current version of SB 814 represents significant progress in mitigating many of the concerns identified during the January 26<sup>th</sup> Board meeting, additional work is needed before the bill, if enacted, would not hinder EBMUD's ability to implement and refine its own excessive use program. Staff is continuing the work with the author and other stakeholders and will bring the bill back to the Board for additional consideration in the coming weeks.

ARC:MD:JW



**ASSEMBLY BILL**

**No. 2543**

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**Introduced by Assembly Member Gordon**

February 19, 2016

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An act to amend Sections 15814.22 and 15814.28 of the Government Code, relating to state buildings.

LEGISLATIVE COUNSEL'S DIGEST

AB 2543, as introduced, Gordon. State buildings: efficiency.

Existing law requires the Department of General Services, in consultation with other state entities that include the State Energy Resources Conservation and Development Commission, to develop a plan to exploit cost-effective energy efficiency measures in state facilities. Existing law requires the department to update the plan biennially, coordinate implementation efforts, and make recommendations to the Governor and the Legislature to achieve energy goals for state facilities. Existing law requires the department to make these recommendations no later than March 1, 2009, and biennially thereafter. Existing law also requires the department to report on projects under its jurisdiction, as specified.

This bill would instead require the State Energy Resources Conservation and Development Commission, in consultation with the department, to develop a plan to exploit cost-effective energy efficiency and water conservation measures in state facilities. This bill would require the department, in consultation with the commission, to submit recommendations on energy efficiency and water conservation goals to the Governor and the Legislature. This bill would require the department, in consultation with the commission, to make these recommendations no later than January 1, 2018.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

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

1 SECTION 1. (a) In enacting this act, the Legislature recognizes  
2 the following:

3 (1) The significant energy savings and greenhouse gas emission  
4 reductions inherent in the state's existing state-owned building  
5 stock.

6 (2) It is the policy of the state to promote conservation and  
7 efficient use of water.

8 (3) The need to establish a comprehensive energy efficiency  
9 program to capture these reductions.

10 (b) The Legislature further recognizes that state government  
11 should lead by example and demonstrate to the public the cost and  
12 environmental benefits of implementing energy efficient  
13 technology into daily life.

14 SEC. 2. Section 15814.22 of the Government Code is amended  
15 to read:

16 15814.22. (a) ~~The Department of General Services, State~~  
17 ~~Energy Resources Conservation and Development Commission,~~  
18 ~~in consultation with the State Energy Resources Conservation and~~  
19 ~~Development Commission~~ *Department of General Services* and  
20 other state agencies and departments, shall develop a multiyear  
21 plan, to be updated biennially, with the goal of exploiting all  
22 practicable and cost-effective energy efficiency *and water*  
23 *conservation* measures in state facilities. *The commission shall*  
24 *solicit input from both public and private entities.* The department  
25 shall coordinate plan implementation efforts, and make  
26 recommendations to the Governor and the Legislature to achieve  
27 energy efficiency *and water conservation* goals for state facilities.

28 (b) *The plan shall not prohibit, limit, or supersede more*  
29 *stringent green building requirements for state facilities.*

30 (c) *For the purposes of this section, "state facility" means any*  
31 *public building, as defined in Section 15802, but does not include*  
32 *any building leased by the state, unless that building is financed*  
33 *through the issuance of lease-revenue bonds.*

34 SEC. 3. Section 15814.28 of the Government Code is amended  
35 to read:

1 15814.28. ~~The department~~ *Department of General Services,*  
2 *in consultation with the State Energy Resources Conservation and*  
3 *Development Commission,* shall, no later than ~~March~~ *January 1,*  
4 ~~2009, 2018,~~ and biennially thereafter, make the recommendations  
5 required in Section 15814.22, and report on all of the following  
6 for projects under its jurisdiction:

7 (a) The progress made toward implementing energy efficiency  
8 measures in state facilities.

9 (b) The most common energy efficiency measures being  
10 implemented.

11 (c) The obstacles preventing further implementation of energy  
12 efficiency measures.

13 (d) How current efforts and ideas can be incorporated into the  
14 Governor's five-year infrastructure plan described in Section  
15 13102.





AMENDED IN ASSEMBLY SEPTEMBER 3, 2015

AMENDED IN SENATE JUNE 2, 2015

**SENATE BILL**

**No. 163**

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**Introduced by Senator Hertzberg**

February 4, 2015

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~~An act to add Section 3000.5 to the Elections Code, relating to elections. An act to add Section 13557.5 to the Water Code, relating to water.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 163, as amended, Hertzberg. ~~Elections: vote by mail ballot.~~  
~~Wastewater treatment: recycled water.~~

*The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. Existing law declares that the use of potable domestic water for certain nonpotable uses is a waste or an unreasonable use of water if recycled water is available, as determined by the State Water Resources Control Board, and other requirements are met.*

*Under existing law, the state board and the 9 California regional water quality control boards prescribe waste discharge requirements in accordance with the federal national pollutant discharge elimination system (NPDES) permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act.*

*This bill would declare that the discharge of treated wastewater from ocean outfalls, except in compliance with the bill's provisions, is a waste and unreasonable use of water in light of the cost-effective opportunities to recycle this water for further beneficial use. This bill,*

*on or before January 1, 2026, would require a wastewater treatment facility discharging through an ocean outfall to achieve at least 50% reuse of the facility's actual annual flow, as defined, for beneficial purposes. This bill, on and after January 1, 2036, would prohibit the discharge of treated wastewater through ocean outfalls, except as backup discharge, as defined, and would require a wastewater treatment facility to achieve 100% reuse of the facility's actual annual flow for beneficial purposes. This bill, on and after January 1, 2022, would authorize a NPDES permit holder subject to these requirements to petition the state board for a partial exemption to the above-described requirements. This bill would require the state board to determine, after notice and opportunity for comment, whether the petition demonstrates that the NPDES permit holder cannot comply with these reuse requirements and would provide that an exemption from these reuse requirements is valid for a period of no more than 5 years, at which point the NPDES permit holder is required to reapply for an exemption or comply with these reuse requirements. This bill would prohibit a NPDES permit holder subject to these provisions from being eligible for state grants or loans if they receive a partial exemption to these reuse requirements, unless the state grant or loan is solely for the purpose of achieving compliance with these reuse requirements.*

*This bill would require a holder of a NPDES permit authorizing the discharge of wastewater through an ocean outfall as of January 1, 2016, to submit, on or before July 1, 2020, a prescribed plan to meet these provisions, directly or by contract, to the executive director of the state board and would require the plan to be updated on or before January 1, 2024. This bill, on or before January 1, 2017, and by January 1 every 5 years thereafter, would require the holder of a NPDES permit authorizing the discharge of wastewater through an ocean outfall to submit a report to the executive director of the state board summarizing the actions accomplished to date and the actions remaining and proposed to meet the requirements of these provisions. This bill would require the state board to submit a report to the Governor and the Legislature on the implementation of these provisions on or before July 1, 2021, and by July 1 every 5 years thereafter.*

~~Existing law requires the vote by mail ballot to be available to any registered voter and requires an application for a vote by mail voter's ballot to be made in writing to the elections official having jurisdiction over the election between certain days before the election.~~

~~This bill would establish, until January 1, 2019, a vote by mail pilot program in the County of Los Angeles for statewide elections. The bill would require, as part of the pilot program, that the county elections official issue a vote by mail ballot to each registered voter for a qualifying election. The bill would also require the elections official, among other things, to engage in voter education efforts to increase voter awareness of the pilot program and to report on the voter turnout for qualifying elections to the Secretary of State and the Legislature on or before December 31, 2018.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~yes~~ no.

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

- 1     SECTION 1. *The Legislature finds and declares all of the*
- 2     *following:*
- 3     (a) *Severe drought conditions have persisted for the last three*
- 4     *years in California, and 2013 was the state's driest calendar year*
- 5     *on record.*
- 6     (b) *California's water supplies have dipped to alarmingly low*
- 7     *levels indicated by the very limited snowpack in the Sierra Nevada*
- 8     *Mountains, declining water levels in the state's largest water*
- 9     *reservoirs, reduced surface water flows in major river systems,*
- 10    *and historically low groundwater levels. These water supplies*
- 11    *continue to be severely depleted despite a limited amount of winter*
- 12    *precipitation in 2014.*
- 13    (c) *The duration of the drought is unknown, but based on the*
- 14    *projected impact of climate change on California's snowpack,*
- 15    *extremely dry conditions will likely continue beyond this year and*
- 16    *occur more regularly in the future.*
- 17    (d) *Continuous severe drought conditions present urgent*
- 18    *challenges across the state, including, but not limited to, water*
- 19    *shortages in communities and for agricultural production,*

1 *increased risk of wildfires, degraded habitat for fish and wildlife,*  
2 *and threat of saltwater contamination in large fresh water supplies.*

3 *(e) Water reuse is one of the most efficient and cost-effective*  
4 *ways to improve the drought resilience of California communities.*

5 *(f) The State Water Resources Control Board has established*  
6 *goals of recycling 1,500,000 acre-feet of wastewater by 2020 and*  
7 *2,500,000 acre-feet of wastewater by 2030. However, California*  
8 *is not on track to meet the board's goals.*

9 *(g) The discharge of treated wastewater from ocean outfalls*  
10 *constitutes waste and unreasonable use of water within the*  
11 *meaning of Section 2 of Article X of the California Constitution,*  
12 *in light of the opportunities to recycle this water for further*  
13 *beneficial use.*

14 *(h) By prohibiting ocean discharges from wastewater treatment*  
15 *plants, California could dramatically accelerate the adoption of*  
16 *water recycling and thus increase water supply available for*  
17 *beneficial use.*

18 *(i) Water recycling can reduce California's dependence on*  
19 *diversions from surface rivers and streams that are subject to*  
20 *variable climate and regulatory conditions.*

21 *(j) In addition to water supply benefits, requiring water recycling*  
22 *for further beneficial use eliminates ocean wastewater discharges,*  
23 *decreasing pollutant loadings to ocean waters and improving*  
24 *coastal water quality, thereby benefitting the aquatic environment*  
25 *and local economies that depend on those coastal resources.*

26 *SEC. 2. Section 13557.5 is added to the Water Code, to read:*

27 *13557.5. (a) The Legislature hereby finds and declares that*  
28 *the discharge of treated wastewater from ocean outfalls, except*  
29 *in compliance with the provisions of this section, is a waste and*  
30 *unreasonable use of water within the meaning of Section 2 of*  
31 *Article X of the California Constitution in light of the cost-effective*  
32 *opportunities to recycle this water for further beneficial use,*  
33 *including both potable and nonpotable uses.*

34 *(b) On or before January 1, 2026, each wastewater treatment*  
35 *facility that discharges through an ocean outfall shall achieve at*  
36 *least 50 percent reuse of the facility's actual annual flow for*  
37 *beneficial purposes.*

38 *(c) On and after January 1, 2036:*

39 *(1) A wastewater treatment facility shall not discharge treated*  
40 *wastewater through ocean outfalls, except as a backup discharge.*

1 *A backup discharge may occur only during periods of reduced*  
2 *demand for reclaimed water in the reuse system, such as a period*  
3 *of wet weather.*

4 *(2) Each wastewater treatment facility shall achieve 100 percent*  
5 *reuse of the facility's actual annual flow for further beneficial use.*

6 *(d) (1) A holder of a NPDES permit authorizing the discharge*  
7 *of wastewater through an ocean outfall as of January 1, 2016,*  
8 *shall submit, on or before July 1, 2020, a plan to meet the*  
9 *requirements of this section, directly or by contract, to the executive*  
10 *director of the state board that contains all of the following:*

11 *(A) An identification of all land acquisition and facilities*  
12 *necessary to provide for treatment, transport, and reuse of treated*  
13 *wastewater.*

14 *(B) An analysis of the costs to meet the requirements of this*  
15 *section.*

16 *(C) A financing plan for meeting the requirements of this section,*  
17 *including identifying any actions necessary to implement the*  
18 *financing plan, such as bond issuance or other borrowing,*  
19 *assessments, rate increases, fees, charges, or other financing*  
20 *mechanisms.*

21 *(D) A detailed schedule for the completion of all necessary*  
22 *actions.*

23 *(E) Supporting data and other documentation accompanying*  
24 *the plan.*

25 *(2) On or before January 1, 2024, the plan described in*  
26 *paragraph (1) shall be updated and submitted to the executive*  
27 *director of the state board by the permit holder to include any*  
28 *refinements or changes in the costs, actions, or financing necessary*  
29 *to achieve full recycling of all wastewater and thereby eliminate*  
30 *the ocean outfall discharge in accordance with this section or a*  
31 *written statement that the plan is current and accurate.*

32 *(e) On or before January 1, 2017, and by January 1 every five*  
33 *years thereafter, the holder of a NPDES permit authorizing the*  
34 *discharge of wastewater through an ocean outfall shall submit to*  
35 *the executive director of the state board a report summarizing the*  
36 *actions accomplished to date and the actions remaining and*  
37 *proposed to meet the requirements of this section. The report shall*  
38 *include progress toward meeting the deadlines set forth in*  
39 *subdivisions (b) to (d), inclusive, and specifically include the*  
40 *detailed schedule for, and status of, the following:*

- 1     (1) *Evaluation of reuse and disposal options.*
- 2     (2) *Preparation of preliminary design reports.*
- 3     (3) *Preparation and submission of permit applications.*
- 4     (4) *Construction initiation.*
- 5     (5) *Construction progress milestones.*
- 6     (6) *Construction completion.*
- 7     (7) *Initiation of operation.*
- 8     (8) *Continuing operation and maintenance.*
- 9     (f) (1) *On or before July 1, 2021, and by July 1 every five years*  
10 *thereafter, the state board shall submit a report to the Governor*  
11 *and the Legislature on the implementation of this section. The*  
12 *report shall summarize the progress up to date, including the*  
13 *increased amount of reclaimed water provided and potable water*  
14 *offsets achieved, and shall identify any obstacles to continued*  
15 *progress, including all instances of substantial noncompliance.*  
16     (2) *A report to be submitted pursuant to paragraph (1) shall be*  
17 *submitted in compliance with Section 9795 of the Government*  
18 *Code.*  
19     (g) (1) *On and after January 1, 2022, a NPDES permitholder*  
20 *subject to the requirements of this section, may petition the state*  
21 *board for a partial exemption to the requirements of this section.*  
22 *The petition shall include the information required in subdivisions*  
23 *(d) and (e), and shall demonstrate that the NPDES permitholder*  
24 *cannot comply with the requirements of this section for one of the*  
25 *following reasons:*  
26     (A) *The state board has failed to adopt regulations that approve*  
27 *the indirect potable reuse of wastewater.*  
28     (B) *Upgrading the wastewater treatment plant to achieve*  
29 *recycled water standards produces recycled water that costs more*  
30 *than twice the cost per-acre foot as compared with other new*  
31 *surface and groundwater supplies.*  
32     (C) *The wastewater treatment plant has achieved water quality*  
33 *standards for recycled water, but there is not sufficient demand*  
34 *for this water within the region.*  
35     (2) *The state board shall determine, after notice and opportunity*  
36 *for comment, whether the petition demonstrates that the NPDES*  
37 *permitholder cannot comply with the requirements of this section*  
38 *pursuant to paragraph (1). If the state board approves the partial*  
39 *exemption to the requirements of this section, that exemption shall*  
40 *be valid for a period of no more than five years, at which point*

1 *the NPDES permit holder shall reapply for an exemption or comply*  
2 *with the requirements of this section.*

3 *(3) A NPDES permit holder subject to the requirements of this*  
4 *section shall not be eligible for state grants or loans if they receive*  
5 *a partial exemption to the requirements of this section pursuant*  
6 *to this subdivision, unless the state grant or loan is solely for the*  
7 *purpose of achieving compliance with the requirements of this*  
8 *section.*

9 *(h) As used in this section:*

10 *(1) "Actual annual flow" means the annual average flow of*  
11 *treated wastewater discharging through a facility's ocean outfall*  
12 *as determined by the state board using monitoring data available*  
13 *for calendar years 2009 to 2014, inclusive.*

14 *(2) "Backup discharge" means a surface water discharge that*  
15 *occurs as part of a functioning reuse system that has been*  
16 *permitted in accordance with the rules of the state board and that*  
17 *provides reclaimed water for irrigation or public access areas,*  
18 *residential properties, edible food crops, sea water barrier*  
19 *injection to protect groundwater resources, groundwater*  
20 *replenishment, industrial cooling, or other acceptable reuse*  
21 *purposes. "Backup discharge" may also include releases to the*  
22 *ocean on an emergency basis, as approved by a regional board,*  
23 *for a duration not to exceed 90 days and only in the quantities as*  
24 *are necessary in the event of a storm or other cause that impedes*  
25 *groundwater replenishment.*

26 ~~SECTION 1. Section 3000.5 is added to the Elections Code,~~  
27 ~~to read:~~

28 ~~3000.5. (a) A vote by mail pilot program shall be established~~  
29 ~~in the County of Los Angeles for any statewide election held~~  
30 ~~between January 1, 2017, and December 31, 2018, inclusive.~~

31 ~~(b) Notwithstanding Section 3001, the elections official for the~~  
32 ~~County of Los Angeles, in conjunction with the Secretary of State,~~  
33 ~~shall issue a vote by mail ballot to each registered voter in that~~  
34 ~~county for any statewide election held during the period specified~~  
35 ~~in subdivision (a).~~

36 ~~(c) Notwithstanding any other law, each of the following shall~~  
37 ~~apply to the vote by mail pilot program with respect to a statewide~~  
38 ~~election held during the period specified in subdivision (a):~~

1     ~~(1) The elections official is authorized to mail the vote by mail~~  
2     ~~ballots together with other election materials issued by the county~~  
3     ~~to reduce overall mailing expenses.~~

4     ~~(2) The elections official shall consider reducing or consolidating~~  
5     ~~precincts in anticipation of a reduction in the number of voters~~  
6     ~~who vote at precinct polling places, subject to the requirements of~~  
7     ~~Sections 12223 and 12241.~~

8     ~~(3) The elections official is deemed to comply with the~~  
9     ~~requirements of Section 14102 if the number of official ballots~~  
10    ~~provided to each precinct is not less than 50 percent of registered~~  
11    ~~voters in the precinct.~~

12    ~~(4) The elections official shall engage in voter education efforts~~  
13    ~~to increase voter awareness of the vote by mail pilot program. As~~  
14    ~~part of the voter education efforts, voters shall be encouraged, if~~  
15    ~~they intend to vote at a polling place, to bring their vote by mail~~  
16    ~~ballot to the polling place to streamline their voting process.~~

17    ~~(5) In addition to any other reporting requirements required by~~  
18    ~~law, the elections official shall report on the voter turnout for the~~  
19    ~~County of Los Angeles for any qualifying statewide election~~  
20    ~~described in subdivision (a) to the Secretary of State and to the~~  
21    ~~Legislature, in the manner provided by Section 9795 of the~~  
22    ~~Government Code, on or before December 31, 2018.~~

23    ~~(d) This section shall remain in effect only until January 1, 2019;~~  
24    ~~and as of that date is repealed, unless a later enacted statute, that~~  
25    ~~is enacted before January 1, 2019, deletes or extends that date.~~

26    ~~SEC. 2. If the Commission on State Mandates determines that~~  
27    ~~this act contains costs mandated by the state, reimbursement to~~  
28    ~~local agencies and school districts for those costs shall be made~~  
29    ~~pursuant to Part 7 (commencing with Section 17500) of Division~~  
30    ~~4 of Title 2 of the Government Code.~~



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Introduced by Senator Hueso

February 18, 2016

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An act to amend Section 25421 of the Public Resources Code, relating to energy, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1207, as introduced, Hueso. Energy: conservation: financial assistance.

Existing law requires the State Energy Resources Conservation and Development Commission to administer the State Energy Conservation Assistance Account, a continuously appropriated account in the General Fund, to provide grants and loans, until January 1, 2018, to schools, hospitals, public care institutions, and local governments to maximize energy use savings.

This bill would extend the operation of those provisions to January 1, 2028, and would thereby make an appropriation by extending the time during which the funds deposited in a continuously appropriated account are made available for expenditure.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

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

- 1 SECTION 1. Section 25421 of the Public Resources Code is
- 2 amended to read:
- 3 25421. (a) Except as provided in subdivision (b), this chapter
- 4 shall remain in effect only until January 1, ~~2018~~, 2028, and as of
- 5 that date is repealed, unless a later enacted statute, which is enacted
- 6 before January 1, ~~2018~~, 2028, deletes or extends that date.

1 (b) Except as specified in subdivisions (c) and (d), all loans  
2 outstanding as of January 1, ~~2018~~, 2028, shall continue to be repaid  
3 on a semiannual basis, as specified in Section 25415, until paid in  
4 full. All unexpended funds in the State Energy Conservation  
5 Assistance Account on January 1, ~~2018~~, 2028, and ~~thereafter~~ *after*  
6 *that date*, shall revert to the General Fund.

7 (c) To the extent required under applicable bond obligations,  
8 unexpended funds from the proceeds of bonds sold pursuant to  
9 Section 25417.5 that remain in the State Energy Conservation  
10 Assistance Account on January 1, ~~2018~~, 2028, shall remain in the  
11 account. These funds shall be expended pursuant to the applicable  
12 requirements for bond proceeds. Once all applicable bond  
13 obligations have been satisfied, unexpended funds shall revert to  
14 the General Fund.

15 (d) Unexpended funds from the federal American Recovery and  
16 Reinvestment Act of 2009 (Public Law 111-5) remaining in the  
17 State Energy Conservation Assistance Account on January 1, ~~2018~~,  
18 2028, shall revert to the Federal Trust Fund.

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1398

Introduced by Senator Leyva

February 19, 2016

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An act to ~~amend Section 39713 of~~ add Section 116885 to the Health and Safety Code, relating to ~~greenhouse gases~~: drinking water.

LEGISLATIVE COUNSEL'S DIGEST

SB 1398, as amended, Leyva. ~~Greenhouse gases: investment plan. Public water systems: lead pipes.~~

*Existing law requires public water systems to take specified actions to test for and remediate certain contaminants in drinking water, including lead and copper. Existing law prohibits the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption, except as specified.*

*This bill would require a public water system to compile an inventory of lead pipes in use by July 1, 2018, and, after completing the inventory, to provide a timeline for replacement of lead pipes in the system to the board. This bill would require the board to establish best practices to ensure that chemicals introduced into public water systems do not create corrosion or contamination within the system.*

~~The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act requires the board to adopt greenhouse gas emission limits and emission reduction measures by regulation, and authorizes the state board to include the use of market-based compliance mechanisms to comply with the regulations. Existing law requires all moneys, except~~

~~for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law requires the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects that provide benefits to disadvantaged communities and a minimum of 10% to projects located in disadvantaged communities. Existing law provides that the allocation of 10% for projects located in disadvantaged communities may be used for projects included in the minimum allocation of 25% for projects that provide benefits to disadvantaged communities.~~

~~This bill would make nonsubstantive changes to the latter provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

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

- 1     SECTION 1. Section 116885 is added to the Health and Safety
- 2     Code, to read:
- 3     116885. (a) By July 1, 2018, a public water system shall
- 4     compile an inventory of lead pipes in use.
- 5     (b) After completing the inventory required pursuant to
- 6     subdivision (a), a public water system shall provide a timeline for
- 7     replacement of lead pipes in the system to the State Water
- 8     Resources Control Board.
- 9     (c) The State Water Resources Control Board shall establish
- 10    best practices to ensure that chemicals introduced into public
- 11    water systems do not create corrosion or contamination within
- 12    the system.
- 13    (d) For the purposes of this section, "public water system" has
- 14    the meaning provided in Section 116275.
- 15    SECTION 1. ~~Section 39713 of the Health and Safety Code is~~
- 16    ~~amended to read:~~
- 17    39713. (a) ~~The investment plan developed and submitted to~~
- 18    ~~the Legislature, pursuant to Section 39716, shall allocate at least~~
- 19    ~~25 percent of the available moneys in the fund to projects that~~
- 20    ~~provide benefits to communities described in Section 39711.~~

- 1     ~~(b) The investment plan shall allocate at least 10 percent of the~~  
2     ~~available moneys in the fund to projects located within~~  
3     ~~communities described in Section 39711.~~  
4     ~~(c) The allocation pursuant to subdivision (b) may be, but need~~  
5     ~~not be, for projects included, in whole or in part, in the set of~~  
6     ~~projects supported by the allocation described in subdivision (a).~~



AMENDED IN SENATE MARCH 30, 2016

AMENDED IN SENATE MARCH 17, 2016

**SENATE BILL**

**No. 814**

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**Introduced by Senator Hill**

January 4, 2016

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An act to ~~amend Section 6254.16 of the Government Code, and to add Chapter 3.3 (commencing with Section 365) to Division 1 of the Water Code, relating to water.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 814, as amended, Hill. Drought: excessive water use: urban retail water suppliers.

The California Constitution declares the policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use of the waters in the interest of the people and for the public welfare. Existing law requires the Department of Water Resources and the State Water Resources Control Board to take all appropriate proceedings or actions to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state. Existing law authorizes any public entity, as defined, that supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity to, by ordinance or resolution, adopt and enforce a water conservation program to reduce the quantity of water used for the purpose of conserving the water supplies of the public entity. Existing law provides that a violation of a requirement of a water conservation program is a misdemeanor punishable by imprisonment

in a county jail for not more than 30 days, or by a fine not exceeding \$1,000, or both.

This bill would declare that excessive water use during a state of emergency based on drought conditions by a residential customer, as specified, is prohibited. This bill would require each urban retail water supplier to establish a method to identify and restrict excessive water use. This bill would authorize as a method to identify and restrict excessive water use the establishment of a rate structure that includes block tiers, water budgets, penalties for prohibited uses, or rate surcharges over and above base rates for excessive water use by residential customers. This bill would authorize as a method to identify and restrict excessive water use the establishment of an excessive water use ordinance, rule, or tariff condition that includes a definition of excessive water use, as prescribed, and would make a violation of this excessive water use ordinance, rule, or tariff condition an infraction punishable by a fine of at least \$500 per 100 cubic feet of water or per 748 gallons used above the excessive water use threshold established by the urban retail water supplier in a billing cycle. By creating a new infraction, this bill would impose a state-mandated local program.

This bill would provide that these provisions apply only during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

~~The California Public Records Act requires that public records, as defined, be open to inspection at all times during the hours of a state or local agency and that every person has a right to inspect any public record, with specified exceptions. Existing law prohibits the act from being construed to require the disclosure of certain information concerning utility customers of local agencies, except that disclosure of the name, utility usage data, and the home address of the utility customer who is the subject of the request and who the local agency has determined has used utility services in a manner inconsistent with applicable local utility usage policies is required to be made available.~~

~~This bill would revise this exception to require, upon request, the disclosure of the name and utility usage data of a utility customer who a local agency determines has used utility services in a manner inconsistent with applicable local utility usage policies, with the home address of the customer being disclosed only with the customer's consent. By increasing the duties of local officials, the bill would impose a state-mandated local program.~~



~~The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings if that enactment contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.~~

~~This bill would make legislative findings to that effect.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1     ~~SECTION 1. Section 6254.16 of the Government Code is~~  
2     ~~amended to read:~~

3     ~~6254.16. Nothing in this chapter shall be construed to require~~  
4     ~~the disclosure of the name, credit history, utility usage data, home~~  
5     ~~address, or telephone number of utility customers of local agencies,~~  
6     ~~except that disclosure of name, utility usage data, and the home~~  
7     ~~address of utility customers of local agencies shall be made~~  
8     ~~available upon request as follows:~~

9     ~~(a) To an agent or authorized family member of the person to~~  
10    ~~whom the information pertains.~~

11    ~~(b) To an officer or employee of another governmental agency~~  
12    ~~when necessary for the performance of its official duties.~~

13    ~~(c) Upon court order or the request of a law enforcement agency~~  
14    ~~relative to an ongoing investigation.~~

15    ~~(d) Upon determination by the local agency that a utility~~  
16    ~~customer has used utility services in a manner inconsistent with~~

1 applicable local utility usage policies, if the home address of the  
2 customer is not disclosed without the customer's consent.

3 ~~(e) Upon determination by the local agency that the utility~~  
4 ~~customer who is the subject of the request is an elected or appointed~~  
5 ~~official with authority to determine the utility usage policies of the~~  
6 ~~local agency, provided that the home address of an appointed~~  
7 ~~official shall not be disclosed without his or her consent.~~

8 ~~(f) Upon determination by the local agency that the public~~  
9 ~~interest in disclosure of the information clearly outweighs the~~  
10 ~~public interest in nondisclosure.~~

11 SEC. 2.

12 SECTION 1. Chapter 3.3 (commencing with Section 365) is  
13 added to Division 1 of the Water Code, to read:

14  
15 CHAPTER 3.3. EXCESSIVE RESIDENTIAL WATER USE DURING  
16 DROUGHT  
17

18 365. (a) The Legislature finds and declares that this chapter  
19 furthers important state policies of encouraging water conservation  
20 and protecting water resources in the interest of the people and for  
21 the public welfare.

22 (b) For the purposes of this chapter, "urban retail water supplier"  
23 has the same meaning as provided in Section 10608.12.

24 366. (a) Excessive water use during a state of emergency based  
25 on drought conditions by a residential customer in a single-family  
26 residence or by a customer in a multiunit housing complex in which  
27 each unit is individually metered or submetered by the water  
28 supplier is prohibited.

29 (b) Each urban retail water supplier shall establish a method to  
30 identify and restrict excessive water use, through one of the  
31 following options:

32 (1) Establishing a rate structure that includes block tiers, water  
33 budgets, penalties for prohibited uses, or rate surcharges over and  
34 above base rates for excessive water use by a residential water  
35 customer.

36 (2) (A) Establishing an excessive water use ordinance, rule, or  
37 tariff condition, or amending an existing ordinance, rule, or tariff  
38 condition, that includes a definition of excessive water use by  
39 single-family residential customers and customers in multiunit  
40 housing complexes in which each unit is individually metered or

1 submetered and may include a process to issue written warnings  
2 to a customer and perform a site audit of customer water usage  
3 prior to deeming the customer in violation. Excessive water use  
4 shall be measured in terms of either gallons or hundreds of cubic  
5 feet of water used during the urban retail water supplier's regular  
6 billing cycle. In establishing the definition of excessive use, the  
7 water supplier may consider factors that include, but are not limited  
8 to, all of the following:

9 (i) Average daily use.

10 (ii) Full-time occupancy of households.

11 (iii) Amount of landscaped land on a property.

12 (iv) Rate of evapotranspiration.

13 (v) Seasonal weather changes.

14 (B) A violation of an excessive use ordinance, rule, or tariff  
15 condition established pursuant to subparagraph (A) is an infraction  
16 punishable by a fine of up to five hundred dollars (\$500) per  
17 hundred cubic feet of water, or per 748 gallons, used above the  
18 excessive water use threshold established by the urban retail water  
19 supplier in a billing cycle. Any fine imposed pursuant to this  
20 subparagraph shall be added to the customer's water bill and is  
21 due and payable with that water bill. Each urban retail water  
22 supplier shall have a process for nonpayment of the fine, which  
23 shall be consistent with the water supplier's existing process for  
24 nonpayment of a water bill.

25 (C) A violation of an excessive water use ordinance, rule, or  
26 tariff condition where a demonstrable water leak at the residence  
27 occurred and a repair to eliminate that leak is underway shall be  
28 considered as a basis for granting an appeal and shall be considered  
29 for waiver of the charges consistent with the urban retail water  
30 supplier's excessive water use ordinance and existing policies for  
31 leak adjustments. Other reasonable justifications for excessive  
32 water use shall be considered by the urban retail water supplier  
33 consistent with clause (i) of subparagraph (D).

34 (D) (i) An urban retail water supplier shall establish a process  
35 for the appeal of a fine imposed pursuant to subparagraph (B)  
36 whereby the customer may contest the imposition of the fine for  
37 excessive water use.

38 (ii) As part of the appeal process, the customer shall be provided  
39 with an opportunity to provide evidence of a bona fide reason for  
40 the excessive water use, including evidence of a water leak in

1 accordance with subparagraph (C), a medical reason, or any other  
2 reasonable justification for the water use, as determined by the  
3 urban retail water supplier.

4 367. This chapter applies only during a period for which the  
5 Governor has issued a proclamation of a state of emergency under  
6 the California Emergency Services Act (Chapter 7 (commencing  
7 with Section 8550) of Division 1 of Title 2 of the Government  
8 Code) based on drought conditions.

9 ~~SEC. 3. The Legislature finds and declares that Section 1 of~~  
10 ~~this act, which amends Section 6254.16 of the Government Code,~~  
11 ~~further, within the meaning of paragraph (7) of subdivision (b)~~  
12 ~~of Section 3 of Article I of the California Constitution, the purposes~~  
13 ~~of that constitutional section as it relates to the right of public~~  
14 ~~access to the meetings of local public bodies or the writings of~~  
15 ~~local public officials and local agencies. Pursuant to paragraph (7)~~  
16 ~~of subdivision (b) of Section 3 of Article I of the California~~  
17 ~~Constitution, the Legislature makes the following findings:~~

18 ~~The Legislature finds that it is in the public's interest to be made~~  
19 ~~aware of excessive water use during a drought in order to help~~  
20 ~~promote water conservation and to protect water resources in the~~  
21 ~~interest of the people and for the public welfare.~~

22 ~~SEC. 4. No reimbursement is required by this act pursuant to~~  
23 ~~Section 6 of Article XIII B of the California Constitution because~~  
24 ~~the costs that may be incurred by a local agency or school district~~  
25 ~~under this act would result from a legislative mandate that is within~~  
26 ~~the scope of paragraph (7) of subdivision (b) of Section 3 of Article~~  
27 ~~I of the California Constitution or because the costs that may be~~  
28 ~~incurred by a local agency or school district will be incurred~~  
29 ~~because this act creates a new crime or infraction, eliminates a~~  
30 ~~crime or infraction, or changes the penalty for a crime or infraction,~~  
31 ~~within the meaning of Section 17556 of the Government Code, or~~  
32 ~~changes the definition of a crime within the meaning of Section 6~~  
33 ~~of Article XIII B of the California Constitution.~~

34 *SEC. 2. No reimbursement is required by this act pursuant to*  
35 *Section 6 of Article XIII B of the California Constitution because*  
36 *the only costs that may be incurred by a local agency or school*  
37 *district will be incurred because this act creates a new crime or*  
38 *infraction, eliminates a crime or infraction, or changes the penalty*  
39 *for a crime or infraction, within the meaning of Section 17556 of*  
40 *the Government Code, or changes the definition of a crime within*

- 1 *the meaning of Section 6 of Article XIII B of the California*
- 2 *Constitution.*

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**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: April 7, 2016  
MEMO TO: Board of Directors  
THROUGH: Alexander R. Coate, General Manager *ARC*  
FROM: Bennett K. Horenstein, Director of Wastewater *Ben*  
SUBJECT: Food Waste Program Update

**SUMMARY**

At the March 22, 2016 Food Waste Program workshop, staff presented an update on the status of the District's program, including negotiations with Harvest Power for design, construction, and operation of food waste pre- and post-processing facilities. This memo provides an update on the status of negotiations with Harvest Power.

**DISCUSSION**

Since the workshop on March 22, staff has continued to negotiate terms of an agreement with Harvest Power. Discussions continue to focus on capital cost, schedule, and allocation of risk. As the negotiations have progressed it has become apparent that there are significant challenges to the District finalizing a deal with Harvest Power. Key outstanding items include capital cost, schedule, and performance bonding.

Capital Cost

Over the last several weeks, the capital costs for the project have risen, resulting in a diminishing net present value (NPV) of the project. Last week, Harvest Power provided an updated project capital cost estimate of \$41.1 million, which is a \$5.6 million increase from a previous estimate. The updated estimate was provided after the District requested reinstatement of the higher quality equipment to reduce potential equipment performance and reliability concerns, along with inclusion of capital costs previously not included, such as spare parts and project commissioning costs.

Staff further adjusted Harvest Power's cost estimate upward to account for \$1.2 million in costs not previously included, such as operations phase mobilization, soil hauling and disposal, and a proportional increase related to District contingency for change orders. The adjusted capital cost increase since March 22 is \$6.8 million.

In the past week, Harvest Power also stated that they are unable to transfer the \$4.8 million CEC grant funds from Harvest Power (the named recipient) to EBMUD. Without the grant, the

District faces an additional \$4.8 million in capital costs, for a total increase of \$11.6 million (33%) to the project capital cost since the March 22 update. Harvest Power has also indicated that they will not commit to a guaranteed Design/Build Contract Price until they have completed the project design (in 2 to 3 months), meaning there is risk to the District that the capital cost could increase further.

Including the capital cost increases and the loss of the CEC grant, the 25-year NPV went from \$14.3 million to \$4.2 million, and the 20-year NPV went from \$5.6 million to -\$4.5 million. In addition to providing a net financial benefit to ratepayers, the NPV had always been a way for the District to accept higher than usual risk on this project as well as to pay for District internal costs during the construction and start-up phase.

#### Schedule

The amendment the District recently negotiated to its contract with Waste Management of Alameda County (WMAC), currently under review by city of Oakland staff, requires the District to be ready to accept city food waste by December 31, 2017. The CEC grant requires the Renewable Natural Gas (RNG) Facility to be online by December 31, 2016. Through recent negotiations, Harvest Power has made clear that they cannot commit to meeting the schedule requirements until they have completed design in 2 to 3 months. Therefore, the District no longer has assurance that it can commit to meeting the WMAC and CEC schedule requirements through this project. In addition, Harvest Power is still not currently licensed to perform construction work in California, and the process to secure that license would add additional time to the project schedule.

#### Performance Bond

Much of the negotiation has focused on risk apportionment between the parties. Contract risks include the fact that Harvest Power of Tulare, the contracting entity, has limited assets. The contract structure also includes an aggregate liability cap and narrow indemnities and default provisions. Given the number of non-traditional limits to liabilities that Harvest Power has requested, the District indicated that a single performance bond, backed by Harvest Power, is important to the project's viability.

Harvest Power has now stated that they are unable to provide a performance bond up to the contract amount and can only offer multiple bonds passed through to the District from their subcontractors. Without a Harvest Power bond, the District would face significant practical challenges to recovering losses, and Harvest Power lacks incentive to align their interests and efforts with the District's in the event that the project encounters challenges in the design/build phase.



## **NEXT STEPS**

Staff is working with Harvest Power to complete the work contracted under the Preliminary Engineering Services Agreement – a consulting agreement under which Harvest Power has been providing design and permitting services. The Preliminary Engineering Services Agreement also included a down payment on RNG facility equipment through a purchase order which Harvest Power must assign to the District, at the District's request, at the end of April. Staff will be refining its evaluation of proceeding with the RNG facility as a standalone project in order to make a recommendation on proceeding with the purchase order assignment.

Staff will be evaluating the District's next steps on food waste, which may include continued negotiation with Harvest Power or an alternate approach. Staff will also be working with WMAC and the city of Oakland to communicate the District's path forward.

BKH:JTZ:jtz



ITEM 9

WATER SUPPLY UPDATE

WILL BE GIVEN AS AN  
ORAL REPORT



**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: April 7, 2016

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Sophia D. Skoda, Director of Finance *SDS*

SUBJECT: Drought Financial Considerations

Staff will provide an update of the impact of drought on revenues at the Board meeting on April 12, 2016. The presentation will update the water sales and revenue information presented at the February 23, 2016 Board meeting including financial impacts of fiscal year 2016 and 2017 water sales levels and possible future scenarios.

ARC:SDS:RL





**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: April 7, 2016

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager 

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

SUBJECT: 2016 Critical Drought Action Plan Update - April

**SUMMARY**

Staff continues implementing the 2015-2016 Critical Drought Action Plan to support customer conservation and customer compliance with drought-related regulations and ordinances adopted by the Board and the state. March water production was 121 million gallons per day (which is the lowest March water production since District records were kept in 1961) and 38 MGD less than March 2013. The savings for March is 24% compared to March 2013, and cumulative savings since June 1, 2015 is 24%.

**DISCUSSION**

**Excessive Use.** In response to the media's public records requests for the names, addresses and consumption of customers who violated the Excessive Water Use Penalty Ordinance, staff released seven lists of names of excessive users to date, totaling 6,360 customers (not counting appeals) for violations through February 26, 2016, representing less than 2 percent of single-family customers. Some customers have been penalized more than once. The number of violations is declining. The District continues to provide this information monthly for media outlets (25) who filed public records requests.

As of March 31, 107 Excessive Water Use Penalty exemption requests were received, as compared to 95 requests received for the previous month. To date 813 appeals have been filed with 379 requests (47 percent) approved, 336 requests (41 percent) denied and 98 requests (12 percent) in progress. Denied appeals are generally the result of the inability of the customer to demonstrate or provide documentation of a leak and/or the timely action by customers to file an appeal.

**Water Theft.** As of March 31, 2016, eight water theft penalty notices were mailed to customers as compared with ten notices mailed in the previous month. No appeals were received this month. Water theft penalty charges were mailed to a total of 84 customers since June 2015. A detailed report on the Water Theft Ordinance and water theft was provided to the Board on April 7, 2016.

**Customer Outreach and Activity.** The District continues to work with residential and business customers to meet outdoor watering restrictions. During March:

- Staff responded to 104 drought-related phone and email inquiries and 263 calls and emails regarding customer conservation efforts, rebate programs, excessive use penalties and the drought surcharge.
- Home Water Reports continue to be an effective engagement tool to help customers conserve through the personalized household comparisons, online portal savings tools and streamlined access to the District website. To date, more than 62,000 households are receiving reports, with 30,785 distributed during the month. Since April 2014, more than 12,600 customers have registered on the portal for access to additional conservation services.
- Water conservation rebates distributed totaled 891 for the month.
- Distribution of free water conserving devices such as showerheads, faucet aerators, toilet dye tabs and bags, and hose nozzles totaled 327 for the month.
- Orders for conservation materials such as home survey kits, lawn signs, restaurant table tents, hotel linen cards, shower stickers, nursery plant tags and school education materials totaled 320 orders placed for the month.
- Although lower than prior months, staff continues to respond to a relatively large volume of water waste reports; 149 were received in March, with 56 percent related to residential water use. The number of water waste reports received since February 2014 totals nearly 8,900.
- For the first quarter of 2016, plant book retail sales totaled 87.
- During March, staff responded to 16 drought-related media inquiries that were focused on reservoir levels and water supply. Additional drought-related media inquiries were received on water supply and outdoor restrictions.

A summary of the March water conservation activities is included in Attachment 1. Recent and upcoming speaking engagements are shown in Attachment 2.

**Trucked Recycled Water Program.** In March, customers picked up 85,729 gallons from the East Bayshore recycled water truck station. Customers did not collect any water from the North Richmond water treatment plant. Hydrants at the two stations remain open 24/7.

## **NEXT STEPS**

Staff will continue to release, on a rolling basis, names of customers who have violated the Excessive Water Use Penalty Ordinance once per month until Stage 3 or 4 drought is lifted and will be prepared to communicate with customers about changes to water shortage emergency scenarios and any changes to the declared stage of drought.

Attachments:

1. Water Conservation Outreach Update as of March 31, 2016
2. Speakers Bureau Update as of March 31, 2016



# SPEAKERS' BUREAU and OUTREACH RECORD CY16

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
TBD	Director Andy Katz's Ward Briefing	Director Katz	Presentation	Climate change, water conservation and drought, pipeline rebuild and infrastructure renewal, innovation and technology, state water board update	
TBD	Eden Information & Referral Property Owners' Appreciation Day Oakland	TBD	Booth	Water conservation	100
TBD	Lawrence Berkeley National Lab	TBD	Presentation	Water conservation	100
TBD	Moraga Historical Society	Michelle Blackwell	Presentation	History of water storage, rights and usage in the East Bay or the greater Bay Area	35
TBD	Oak Park Christian Center Pleasant Hill	TBD	Presentation	Water conservation	60
TBD	United for Success Academy Oakland	TBD	Presentation	How EBMUD gets and treats its water, how children can contribute to conservation, and the impact of drought	120
TBD	United States Coast Guard Alameda	TBD	Booth	What does EBMUD do to be "green"?	
TBD	West Contra Costa Unified School District - Adult Education Richmond	TBD	Presentation	Water conservation	25
9/21/16	San Ramon Sons in Retirement	Alex Coate	Presentation	Overview of EBMUD programs and drought	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
6/7/16 10am-11am	Town of Danville Senior Center	Kristin Bowman	Presentation	Water conservation during a drought, even after a rainy season	25
6/4/16 11am-6pm	City of San Leandro Cherry Festival	Salbra James, Joseph Lerma	Booth	Water conservation	
5/26/16 7:30am-9:00am	Director John Coleman's Ward Briefing - Walnut Creek	Director Coleman	Presentation	Climate change, water conservation and drought, pipeline rebuild and infrastructure renewal, innovation and technology, state water board update	
5/18/16 12pm-2pm	Department of Energy Joint Genome Institute - Berkeley	Joseph Lerma	Booth	Water conservation	
5/11/16 10:00am-11:30am	Kenneth Aitken Senior & Community Center - Castro Valley	Richard Harris	Presentation	Water conservation, ways to save during the drought, and incentive programs	50
5/7/16 9am-2pm	Pleasant Hill Garden Study Club Annual Plant Sale	Scott Sommerfeld	Booth	Water conservation	
5/1/16 11am-4pm	City of Albany Arts & Green Festival	Rolando Gonzalez	Booth	Water conservation	
4/26/16 7:30pm-8:30pm	Essex HOA Oakland	Jolene Bertetto	Presentation	Water conservation	
4/23/16 10am-3pm	Oakland Zoo Earth Day Festival	Jolene Bertetto	Booth	Water conservation activities for families	
4/23/16 10am-3pm	City of Alameda Earth Day Festival	TBD	Booth		

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
4/22/16 11am-2pm	Saint Mary's College Earth Fair Moraga	Rolando Gonzalez	Booth	Water conservation	
4/21/16 12:30pm-1:30pm	Plaza at Walnut Creek Earth Day	Rolando Gonzalez	Booth	Home Survey Kits for Water Conservation, graywater, rebate information	300
4/21/16	African American Water Leadership Coalition - Southern California Forum	Director Patterson	Presentation		
4/19/16 10am-2pm	Kaiser Walnut Creek Earth Day	Joseph Lerma	Booth	Sustainable practices at work and at home	300
4/16/16 12:00pm-1:30pm	City of El Cerrito Earth Day Celebration	Richard Harris	Booth	Drought and water conservation	
4/15/16 12pm-5pm	Sustainable Rossmoor Club Walnut Creek	Scott Sommerfeld	Booth	Drip irrigation	
4/14/16 7:30am-8:30am	Lake Merritt Breakfast Club Oakland	President Mellon	Presentation		50
4/12/16 9:15am-9:45am	West Contra Costa Unified School District - Adult Education Richmond	Rolando Gonzalez	Presentation	Water conservation	25
4/9/16 10:30am-4:00pm	Friends of San Leandro Creek Watershed Festival	Jessica Woodward	Booth	Water conservation	
4/7/16 11:30am-1:30pm	El Cerrito Rotary Club	Charles Bohlig	Presentation	Water conservation	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
4/6/16 1:00pm-2:30pm	Girl Scout Troop 33700 Corpus Christi School Piedmont	Jolene Bertetto	Presentation	Water conservation	12
4/6/16 10am-2pm	City of Oakland Earth EXPO	Rolando Gonzalez	Booth	Water conservation	
4/6/16 8am	Las Lomas High School Walnut Creek	Rick Sakaji	Presentation	Water quality	120
4/2/16 9:30am-11:00am	Public tour	Joe Barge	Tour	Wastewater Treatment Plant	3
3/26/16 9:30am-1:00pm	San Lorenzo Village Homes Association	Chris Timmer	Presentation	Landscape rebate program	45
3/23/16 12:00pm-1:30pm	San Pablo Rotary	Director McIntosh	Presentation	Drought and the current water year	20
3/22/16 9am-6pm	PG&E and Green Builders Council Water Conservation Showcase San Francisco	Charles Bohlig, Rolando Gonzalez, Jessica Woodard, Jolene Bertetto	Booth/ Presentation	Innovations and developments in water conservation	450
3/22/16	American Water Works Association Sacramento	Gordon Williams	Presentation	Granular media filtration for surface water treatment	50
3/21/16	San Leandro City Council	President Mellon, Michelle Blackwell	Presentation	Chabot Dam project	
3/16/16	East Bay Realtors Castro Valley	President Mellon	Presentation	EBMUD efforts and programs including private sewer laterals	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
3/15/16 12:00pm-1:30pm	El Cerrito Chamber	Director Katz	Presentation	Drought update	25
3/14/16	Central Contra Costa Solid Waste Authority	John Hake	Tour	Wastewater Treatment Plant	2
3/10/16 9:00am-11:30am	Laney College	Joe Barge	Tour	Wastewater Treatment Plant	33
3/8/16 10am	Downtown Charter Academy Oakland	Victor De Loza	Presentation	All about EBMUD, drought, and water conservation	90
3/7/16 7pm	Richmond Heights Neighborhood Council	Director McIntosh	Presentation	Drought, water conservation, rates, infrastructure, and future water supplies	30
3/4/16	Hispanic Real Estate Breakfast Castro Valley	President Mellon	Presentation		
3/2/16 6:30pm-8:00pm	West Oakland Liaison Group Oakland	Director Linney, David Beyer, Vince De Lange, Ben Horenstein, Eileen White, Jackie Zipkin	Presentation	Drought update, interceptor projects, odor control, recycled water station, solar panels at Adeline, wastewater plant updates	30
3/2/16 4:15pm-5:30pm	League of California Cities San Ramon	Director Coleman	Presentation	Water supply and water conservation	
2/29/16 7:00pm-7:30pm	Rochdale Village Student Coop Berkeley	Richard Harris	Presentation	Water conservation	50

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
2/26/16	City of Berkeley staff	Ben Horenstein, Jackie Zipkin, John Hake	Tour	Food waste to energy facilities at the wastewater plant	4
2/23/16 12:50pm-2:10pm	Oakland Unity High School	Gordon Williams	Presentation	Water purification, techniques and devices	26
2/19/16 3pm-4pm	UC Berkeley Spring 2016 Environmental Engineering Seminar	Alex Coate	Presentation	EBMUD water and wastewater issues and efforts	
2/18/16 5-6pm	Barrett Terrace Plaza Apartments Richmond	Jolene Bertetto	Presentation	Water conservation	40
2/18/16 12:00pm-1:30pm	San Ramon Valley Kiwanis Club	Charles Bohlig	Presentation	Water conservation	25
2/18/16	Lafayette Rotary Club	Director Coleman	Presentation	Drought and construction update	
2/17/16 7:30pm	East Bay Rose Society Oakland	Scott Sommerfeld	Presentation	Landscape irrigation rebates, drip irrigation benefits, water conservation, ways to stop water waste, how to read a water meter, and sheet mulching	20
2/11/16	Berkeley High School Environmental Science Class	Joshua Bergstrom	Presentation	Where water comes from, the state of the current drought, and career path.	80
2/9/16	Oakland High School Environmental Science Class	Charles Bohlig	Presentation	Overview of water in California and all about EBMUD	60
2/3/16 8am	Public Works Institute Berkeley	Eileen White	Presentation	Potable water system management	30
1/31/16 10am-4pm	LaMorinda Web/Home Expo Lafayette	Joseph Lerma	Booth	Water conservation	800

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
1/27/16 12:15pm-12:45pm	San Leandro Rotary	President Mellon	Presentation	EBMUD updates for San Leandro	25
1/26/16 2pm	Earthworms Garden Club of Berkeley	Scott Sommerfeld	Presentation	Saving gardens in a drought, water supply	20
1/26/16 12:00pm-12:30pm	Bay-Friendly Coalition Landscape Training Oakland	Jolene Bertetto	Presentation	Water conservation rebate programs available in Alameda County	62
1/26/16 12pm	Association of Safeway Retired Executives Danville	Richard Sykes	Presentation	Short and long term water supply for Contra Costa County, effects of El Nino	50
1/25/16	American Water Works Association International Symposium Long Beach	Gordon Williams	Presentation	Potable reuse source water characterization	150
1/23/16 12:00pm-1:45pm	EBMUD Career Day	Nelsy Rodriguez, Laura Johnson	Presentation	EBMUD history, introduce other speakers, act as emcee	200
1/22/16 8:30am-9:30am	San Leandro Downtown Association	President Mellon	Presentation	EBMUD update	
1/20/16 4pm-7pm	Richmond Chamber of Commerce 2016 West County Super Mixer	Rolando Gonzalez	Booth	Water conservation	500
1/7/16 10:00am-12:30pm	St. Mary's College Moraga	Joe Barge	Tour	Wastewater Treatment Plant	24





## FY16 Demand Reduction Program

As of March 31, 2016<sup>4,7</sup>

Monthly Water Conservation Activity	Current Month	Activity Level to Date
<b>Customer Outreach (on-site audits, self-survey kits, landscape consultations, high-bill inquiries, new account review, WaterSmart Home Water Reports<sup>1</sup>) - Residential</b>	<b>31,192</b>	<b>464,058</b>
Single Family	30,893	460,997
Multi Family (number of dwelling units audited)	299	3,061
<b>Customer Outreach (on-site audits, landscape consultations, high bill inquiries) - Non Residential</b>	<b>1,165</b>	<b>37,351</b>
Commercial	58	406
Industrial	-	12
Institutional	-	30
Irrigation and IRIS Water Budget Program	1,107	36,903
<b>Devices, Materials and Information Distributed</b>	<b>647</b>	<b>43,921</b>
Water Saving Devices (showerheads, aerators, dye tabs, toilet bags, hose nozzles)	327	13,405
School materials and publications <sup>6</sup>	108	2,483
Table tents, hotel cards, shower stickers	212	28,033
<b>Water Waste Response<sup>3</sup></b>	<b>149</b>	<b>8,941</b>
Residential	83	5,821
Commercial	19	1,351
Institutional	9	482
Street and Misc. <sup>4</sup>	38	1,287
<b>Rebates (toilets, clotheswashers, irrigation controllers, landscape, etc.)</b>	<b>891</b>	<b>25,602</b>
Rebates Paid (toilets, clotheswashers, irrigation controllers, landscape, etc.) :		
Residential	703	23,727
Non-Residential	188	1,875
<b>Community Outreach Presentations/Events</b>	<b>7</b>	<b>304</b>
Contact Center Activity	Current Month	Activity Level to Date
<b>No. of Leak Adjustments</b>	<b>357</b>	<b>8,278</b>
<b>Drought Related Calls</b>	<b>94</b>	<b>5,792</b>
<b>Drought Related Emails</b>	<b>10</b>	<b>915</b>
<sup>1</sup> WaterSmart Home Water Reports added in September 2014 <sup>2</sup> Note this is a new category as of August 2014 <sup>3</sup> Adjustment in plant book sales versus consignments occurred January 2015 <sup>4</sup> Data Collection started February 2014 <sup>5</sup> Onetime adjustment of totals - correcting year-to-date <sup>6</sup> School materials and publications added to November 30, 2015 report <sup>7</sup> As of January 2016, plant book totals will not be included in this report per GM's office.		



## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: April 7, 2016

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager *ARC*

SUBJECT: Monthly Report – March 2016

### HIGHLIGHTS

**The Draft Initial Study/Mitigated Negative Declaration for the San Joaquin County (SJC) - EBMUD Groundwater Banking Demonstration Project was released for public comment on March 4.** The comment period closes in early May. Draft Operating and Funding Agreements are almost complete and are expected to be presented to the Board for consideration in late April. The schedule for completing the preliminary efforts and detailed design will be developed once the IS/MND comment period closes.

**On March 9, the District launched its Wastewater Treatment Plant Tour Program.** The District is offering tours of the plant for East Bay residents on the first Saturday of each month and tours for middle and high school students on the first Wednesday of each month. Plant visitors will learn how EBMUD keeps the San Francisco Bay clean by treating the water and what they can do to help protect the environment.

### WATER SUPPLY AND WATER RIGHTS PROGRAMS AND ACTIVITIES

**Water use data submitted to the State Water Resources Control Board (SWRCB) as part of state drought reporting requirements.** Staff submitted water use data for the month of February, including required information on water waste complaints and enforcement. The District's total production in February 2016 is approximately 10 percent lower compared to February 2013. The residential water use for February 2016 is 56 gallons per capita per day (gpcd) as compared to 64 gpcd in February 2013 and compared to 68 gpcd in February, 2005-2007. The District has surpassed EBMUD's goal of 20 percent and SWRCB's target of 16 percent by achieving a cumulative savings of 24 percent and 24 percent respectively. Staff submitted a request to receive a 2 percent credit on SWRCB's 16 percent target due to growth in population and commercial/industrial sector that has occurred in the area since 2013. If approved by SWRCB, the District's new target will be 14 percent.

**Staff provided input to the SWRCB regarding drought actions after April.** The SWRCB requested assistance in developing a process to determine how urban agencies are doing with supplies and informing SWRCB on setting levels of water use reduction goals for June through October. District staff developed a template based on Urban Water Management Plan tables and is sharing this information with neighboring Bay Area agencies prior to sharing with SWRCB.

**Chevron recycled water projects update.** On March 24 two members each from the West County Wastewater District (WCWD) Board and the EBMUD Board met for a joint briefing on upcoming improvements at WCWD and the impact on recycled water production. On March 28, staff met a second time with management from Chevron's Richmond refinery to begin negotiations on an updated agreement for North Richmond recycled water sales. In 2015, 60 percent of the refinery's 11 MGD total water demand was provided from the North Richmond Water Reclamation Plant and the RARE treatment plant. Both EBMUD and Chevron seek to increase use of recycled water at the refinery, which is currently limited by the quantity and quality of WCWD wastewater effluent and the treatment capacity of the RARE plant. The Richmond Refinery Recycled Water study, currently being completed, is evaluating the feasibility of recycling a portion of the refinery's wastewater stream.

**Satellite recycled water treatment plants at Diablo and Moraga Country Clubs.** Central Contra Costa Sanitary District's (CCCSD) Board of Directors recently voted to own and operate the satellite plant at Diablo Country Club. CCCSD will pursue a planning grant and develop an agreement with DCC. EBMUD supports this arrangement and will provide ongoing coordination. Staff also worked with CCCSD and Moraga Country Club (MCC) to finalize a Memorandum of Understanding between the entities to explore the feasibility of a plant at MCC. The MOU has been signed by MCC. CCCSD will present the MOU to their Board for consideration on April 7.

**Oakland Hills Alternative Water Supply Feasibility Study.** Staff is preparing a Request for Proposals to be issued to consultants from the District's Engineering Consultant Roster for a feasibility study that evaluates recycled water, raw water, and secondary effluent from the Livermore-Amador Valley Wastewater Management Agency to serve the Oakland Zoo, Sequoyah Country Club and other surrounding customers in that portion of the Oakland Hills.

**Biological assessments indicate a healthy east bay watershed.** Rainbow trout/steelhead spawning surveys were conducted on the tributaries of USL Reservoir, below Chabot Dam and in Pinole Creek. Spawning in the USL tributaries has rebounded well after many poor recruitment years due to the drought. Also, surveys for the California red-legged frog indicate a significant expansion of frogs in the USL watershed.

**Precipitation.** The East Bay precipitation for March was 7.94 inches (203% of average) and the season total through March 2016 is 23.44 inches (98% of average). The Mokelumne precipitation for March was 11.16 inches (155% of average) and the season total through March 2016 is 44.55 inches (108% of average).

**Water storage:**

- **Mokelumne reservoirs storage is 78% of average.** As of March 31, 2016, Pardee was at 565.6 feet or 106% of average, and the Camanche was at 198.2 feet or 61% of average. Combined Pardee and Camanche reservoir storage was 378,000 acre-feet compared to 292,000 acre-feet last year.
- **East Bay reservoirs storage is 98% of average.** As of March 31, 2016, USL was at 456.4 feet or 103% of average, San Pablo was at 303.7 feet or 89% of average, and Briones was at 575.3 feet or 102% of average. Total terminal reservoir storage was

139,000 acre-feet compared to 114,000 acre-feet last year.

**Water Releases:**

- **Camanche Reservoir.** The average rate of Camanche release for March was 245 cfs (12 cfs generation, 190 cfs sluice, and 43 cfs through the hatchery), and the average flow below Woodbridge Dam was 104 cfs, both in accordance with the Joint Settlement Agreement.
- **East Bay Reservoirs.** There were no East Bay reservoir releases in March.

**Mokelumne Aqueducts and Raw Water Pumping Plants.** The average rate of Mokelumne Aqueduct draft for March 2016 was 104 MGD. Walnut Creek, Moraga and Briones Raw Water Pumping Plants remained out of service for the month.

**Water Production.** Average rate of gross water production for March:

	March 2016	March 2015	March 2013	Average of FY 2005-2007
East of Hills	23 MGD	38 MGD	43 MGD	33 MGD
West of Hills	98 MGD	109 MGD	116 MGD	129 MGD
Total	121 MGD	147 MGD	159 MGD	162 MGD
Max Day Production	135 MGD (3/14/2016)	160 MGD (3/30/2015)	172 MGD (3/27/2013)	

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

**CUSTOMER EVENTS AND PUBLIC OUTREACH**

**On March 4, the District hosted the Bay Area Regional Reliability Drought Contingency Plan (BARR DC Plan) agency kick-off meeting.** Representatives from the eight BARR member agencies met with the BARR consultant to discuss the DC Plan development effort, the concept of task subcommittees and the first Task Force meeting to be held on April 15 at the District.

**Students from East Bay and Mokelumne Area schools participate in the Environmental Education programs.** 181 students from Cornell (Albany), Aurora (Oakland), Madera (El Cerrito), and Black Pine School (Berkeley) planted hundreds of willow stakes to stabilize and restore the creek riparian habitat in the Nunes Creek /San Pablo watershed and the Pinole Creek watershed. On March 9, staff discussed ecological diversity and careers in resource management with 39 first and second graders from Mokelumne Hill Elementary School at the Salt Gulch Restoration Area of Pardee Reservoirs.

**DERWA Board and staffing updates.** At its March 14 meeting, the DERWA Board elected Dublin San Ramon Services District Director Georgean Vonheeder-Leopold as the new Board Chair, EBMUD Director Frank Mellon as the new Board Vice-Chair and appointed EBMUD Manager of Water Supply Improvements Michael Tognolini as the new DERWA Authority Manager.

**Pardee Recreation Area opens for the season on March 11.** All facilities were open and available to visitors with the exception of the RV park, which is still under construction.

**On March 7, staff presented an overview of the District's implementation process in response to the State Water Resources Control Board's new general permit for drinking water discharges.** Staff was invited to present for a second time to the stormwater managers with the Contra Costa County Clean Water Program (Municipal Operations Committee). Staff answered questions about enhanced communication between agencies and coordination for responding to discharges. The group expressed appreciation for the District's efforts to minimize impacts and for keeping their staffs informed. Staff will continue to provide outreach to external stakeholders to discuss what to expect when they encounter planned and unplanned discharges in their respective service areas.

**Staff presented at the WaterReuse California Annual Conference in Santa Rosa held on March 13-15.** Staff presentations discussed responding to the drought with a recycled water commercial truck fill program and recycled water funding in the Bay Area through the Integrated Regional Water Management Program which was co-presented with San Francisco Public Utilities Commission.

**On March 21, staff gave a presentation to the San Leandro City Council on the Chabot Dam Seismic Upgrade project.** The presentation included background information, reviewed the project design, and discussed the construction schedule that is expected to begin in May. Staff addressed several questions regarding temporary construction impacts. The District will hold a follow up pre-construction community meeting on April 28 at Chabot Park to inform the neighborhood of upcoming construction activities and recreation closures.

**New business activity update.** System Capacity and Wastewater Capacity fees from the development sector are currently exceeding 2015 collections. FY15 net collections totaled \$30,422,430 compared to FY16 collections through March 31, 2016 at \$35,308,170 with 25 percent of the fiscal year remaining.

### **Contract Equity**

**Certified payroll project update.** Staff has reviewed vendor submissions and will select a certified payroll reporting application vendor by the end of April. The application will ensure that the District complies with California Department of Industrial Relations (DIR) regulations as stipulated in Senate Bill 854 to submit electronic copies of certified payroll records to the DIR. The application will also enable staff to more efficiently monitor contractor payroll submittals and compile data on local hiring efforts on targeted District projects as part of the Contract Equity Program's pilot local hire component.

## **Water Conservation Outreach**

**On March 2-3, staff attended an Alliance for Water Efficiency (AWE) Board of Directors Meeting in Chicago, Illinois.** The meeting focused on AWE board and membership recruitment, revenue strategies, research collaboration with outside entities such as the USEPA WaterSense Program, the California Urban Water Conservation Council and other states on outdoor landscape water savings. The District serves on the AWE Board through December 2016. Approximately 20 Board members and staff attended.

**On March 21, staff held its bi-monthly Landscape Advisory Committee meeting.** The meeting focused on updates from the Education and Outreach, Professional Development, and Technology sub-committees, plus an update on the drought and water supply, and long-term planning for water conservation.

**On March 22, the District co-hosted the 13th Annual Water Conservation Showcase at PG&E's Pacific Energy Center in San Francisco.** The showcase featured eight presentation tracks and more than 45 vendors offering the latest technologies in water conservation. Over 750 people from varying disciplines attended.

**On March 22, staff participated in a panel discussion at the American Water Works Association Cal-Nevada Spring Conference in Sacramento.** The panel discussed the proposed California Public Utilities Commission (CPUC) Advanced Metering Infrastructure water-energy nexus pilot studies between investor-owned energy and water utilities. Utilities present included EBMUD, PG&E, California Water Association, and the Southern California Gas Company. Staff from the CPUC and consultants also participated. Approximately 25 people attended.

**On March 26, staff participated in a lawn-to-garden workshop hosted by StopWaste at the San Lorenzo Village Homes Association.** The workshop included hands-on practices in sheet mulching and lawn conversions. Staff provided landscape water saving practices and available rebates. Approximately 15 HOA members attended.

**On March 29, staff partnered with the PG&E Food Service Technology Center at the "Where Does the Water Go? Understanding Water Usage in Your Kitchen" seminar.** District staff provided an update on the current drought and the status of our current water supply. Approximately 45 people attended.

**On March 29, staff was a guest lecturer at UC Berkeley's Energy DeCal class.** The talk is an introduction to water resources throughout California with an overview of the complexities in being a water provider. Approximately 32 students attended.

**On March 29, staff attended a meeting of the Bay Area Water Conservation Coordinators hosted by the Sonoma County Water Agency at their new water education center in Forestville.** Topics discussed included the changes at the California Urban Water Conservation Council, drought response, and new water conservation programs and technologies. Approximately 25 water conservation professionals from Bay Area water agencies attended.

## **Diversity and Inclusion Outreach**

**On March 3, District staff participated in BAYWORK's STEM Career Exploration and Job Fair in San Jose.** Staff showcased the importance of mission critical jobs in the water and wastewater industry through fun and educational hands-on activities. Staff discussed career opportunities in instrumentation and engineering with over 400 local San Jose high school students and provided information on the District's civil service exam process and upcoming job openings to over 200 job seekers interested in the water and wastewater industry. Staff's participation at this event supports the District's long-term efforts to develop a pipeline of candidates for our future workforce needs.

**On March 4, EBMUD was recognized for being a "Champion of Youth Advocacy" at the Earn & Learn 2016 kick-off breakfast and awards ceremony.** Earn & Learn East Bay, a shared initiative of the Workforce Development Board, the Contra Costa Economic Partnership and the Diablo Gateways to Innovation Consortium, recognized the District for partnering with the Contra Costa County Office of Education in the summer of 2015 to provide eight high quality work-based learning experiences to youths from the West Contra Costa County Unified School District. Nominated by the Contra Costa County Office of Education, the District was among several employers considered for its significant contribution in engaging youths and shaping the Bay Area's future workforce.

**On March 23, staff participated in San Lorenzo High School's annual Career Fair.** Staff's presentation focused on water distribution, water/wastewater treatment and engineering career pathways. Three small learning communities (SLC) are housed in the San Lorenzo High School campus, including the Green Engineering and Technology SLC. Participation at this event exposes local youths within our service areas to EBMUD employment and career opportunities. Approximately 1,400 high school students attended.

## **CUSTOMER CONCERNS AND SERVICE RESPONSES**

**One odor complaint was received at the MWWTP in March.** Staff conducted investigations and concluded that the source of the odors was the result of performance testing of the odor control unit on the blend tanks at the new receiving facility. The tests confirmed the need to add a second stage to the filter to adequately treat the emissions from the blend tank.

## **CAPITAL IMPROVEMENTS AND FACILITY MAINTENANCE**

**Watercraft decontamination station installed at Camanche South Shore.** The system uses hot water to decontaminate vessels that pose a higher risk of harboring invasive species, such as the Quagga and Zebra Mussels. Visitors whose vessels fail inspection can have their vessel decontaminated instead of being denied launching privileges. The station is operated by the Camanche Concessionaire and decontamination fees start at \$25 and may increase based on vessel size. This purchase was made possible by a \$200,000 grant from the CA Department of Boating and Waterways.



**The Camanche North Shore Boat Dock Replacement project was accepted as complete on March 30.** This project included the construction of a new 52-berth boat dock and an ADA accessible parking spot. The berth had been temporarily placed at low-water anchorage. The recent rise in water levels at the lake allowed it to be moved to its normal operating anchorage at the main boat launch ramp.

**The Camanche Water Transmission Pipeline project was accepted as complete on March 30.** This project installed 7,500 linear feet of 10-inch high-density polyethylene (HDPE) pipe and 5,800 linear feet of 12-inch HDPE pipe adjacent to and across Camanche Lake.

**The Adeline Maintenance Center Fire Alarm System Upgrade (Oakland) requires an increase in the change order contingency.** This project included upgrades to the fire alarm systems at the Adeline Maintenance Center Administration Building, Materials Laboratory, Fleet, Shops, Stores, and Construction Maintenance Support buildings. The project is 99 percent complete and a number of additional changes are needed to complete the project. Changes include installation of an emergency power off system; additional shutdown modules, detectors, strobes, or annunciators as required by the Oakland Fire Department; and fiber optic cables between buildings. The work is being performed by the contractor, Triple S Electric Company. The total change order amount is expected to be \$205,464 or 42 percent of the original contract amount of \$489,200.

**The Crockett Aqueducts Cathodic Protection Improvements requires an increase in the change order contingency.** This project is about 60 percent complete. Due to differing site conditions, construction of a new deep well anode and associated electrical appurtenances is needed. This work is being performed by the contractor, Alisto Engineering Group. The total change order amount is now projected to be \$35,000, or 20 percent of the original contract amount of \$174,950.

**The District submitted the 2015 Dam Instrumentation Report to the California Division of Dam Safety (DSOD) on March 30.** The annual report required by DSOD covers the 20 local dams and appurtenant structures under DSOD jurisdiction. The report details improvements at the dams for the reporting year, summarizes instrumentation data, and provides assessment of dam safety. Based on the instrumentation data and District inspection reports, all the dams are considered safe for continuous operation. The annual reports are required by the DSOD to help them monitor ongoing conditions for dam safety. The instrumentation report for the Mokelumne dams is expected to be submitted to DSOD in April 2016.

**Pipeline installations.** In Lafayette, staff completed installation of 2,420 feet of 8-inch water pipe on Olympic Boulevard from Panoramic Way to Newell. On March 10, staff began work on a high priority relocation project on Read Drive to install 1,080 feet of 8-inch water pipe. In Richmond, staff completed the infrastructure renewal (IR) installation of 1,065 feet of 16-inch water pipe on Collins Avenue, and began work on a high priority IR job on Griffin Street to install 1,210 feet of 6-inch water pipe ahead of the scheduled paving project by the City.

**In March, staff completed a walk through inspection/condition assessment of the Lafayette Aqueduct No. 2.** The aqueduct is an 8-mile, 108-inch pipeline that brings raw water to the Orinda and Lafayette treatment plants. This is the first time it has been inspected since its installation in 1960. A few repair areas were identified and staff is working on completing the repairs.

**Staff completed design of the SD-378 Main Wastewater Treatment Plant Digester Lighting Project.** This project will replace the existing high-pressure sodium light fixtures that contain PCBs and mercury with LED light fixtures. These energy-efficient lighting improvements will enhance lighting conditions around the digester area, while also extending service life and reducing maintenance costs.

## **WATER AND WASTEWATER SYSTEM OPERATIONS**

**Poison Lake remediation site update.** A Bureau of Land Management contractor presented a 60 percent design for the remediation project to District staff in February. The project was revised from excavating the entire upper pond and capping onsite to excavation of a small portion and capping onsite. The conceptual cost estimate for the current project scope is approximately \$800K, which is much less than the original cost estimate of \$3 million. The conceptual design was shared with the Central Valley Regional Water Quality Control Board on March 18.

**All authorized discharges from the MWWTP were in compliance with the permit limits for the month of March.** This is the 199<sup>th</sup> consecutive month that the MWWTP experienced no exceedances.

**The North Richmond Water Reclamation Facility (NRWRF) resumed delivering recycled water to the Chevron refinery for use in its cooling towers.** The plant had been shut down since January 3, 2016. The initial shut down was to upgrade its distributed control system which is used for operating and monitoring processes at the NRWRF, RARE facility, and East Bayshore Recycled Water facility. In addition, poor effluent water quality from the West County Wastewater District extended the facility's downtime until March 22. The RARE facility remained online during the NRWRF outage.

**Two wet weather facilities activated as a result of March storms.** In March, the Oakport and Pt. Isabel wet weather facilities had a combined total of over 134.1 hours of discharge time and released approximately 84.8 million gallons. The discharges will be reported to the Regional Board as part of the District's required monthly report. There are no regulatory implications as a result of these discharges. They are allowed under the Wet Weather Consent Decree which contemplates continued decreased discharges from the District's wet weather facilities throughout the 20-year term.

**March main breaks.** The attached table lists the main breaks that were repaired by staff in March, sorted by city and street. The associated map shows the locations of the breaks geographically.

## **ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY**

**Fire prevention work near Camanche.** Using Prop. 40 grant funding, staff worked with the California Conservation Corps to complete 1.5 miles of shaded fuel break along a brushy section of property boundary on the southeast side of Camanche. Approximately 45 piles of woody debris were prepped for burning.

**2016 Infrastructure Week activities - February 29 to March 4.** This week had been previously titled Engineers and Surveyors week. However, to be more inclusive of all staff and uphold the District's values, the week was renamed "Infrastructure Week." Activities included:

- On March 4, staff introduced the District and structural engineering as a career to high school students at the Envision Academy in Oakland and participated in an open career fair. Following the event, students sent letters to staff sharing that they were inspired to pursue an engineering career and to someday work for the District.
- On March 8, staff presented information to ninety 6<sup>th</sup> and 8<sup>th</sup> grade students at the Downtown Charter Academy in Oakland regarding the water cycle, the District's water system, the current drought and conservation. Staff also presented information at San Leandro High School and Bancroft Middle School.
- Staff volunteered to be on a team of judges from EBMUD, which sponsored special awards for water and wastewater related projects for over 600 students and 400 projects at the Alameda County Science and Engineering Fair.
- Distinguished speaker Dr. Jeffrey Mount from the Public Policy Institute of California Water Policy Center provided a presentation entitled "Drought – Lessons Learned from the 2012 to 2015 Drought".
- The project manager for the San Francisco Public Utilities Commission New Irvington Tunnel Project presented at the Engineer's Forum.

**On March 9, staff presented at the 23<sup>rd</sup> Annual Institute of Electrical and Electronics Engineers (IEEE) Electrical Safety Workshop.** Staff presented a paper entitled "Electrical Hazard Prevention Program at a Water and Wastewater Utility." The District's electrical hazard program was started in 2004 in the Water Department and in 2008 in the Wastewater Department. Sponsored by the IEEE Industrial Applications Society, the workshop provided a forum for people to exchange ideas for preventing electrical accidents and injuries in the workplace.

**On March 18, staff participated at the Contra Costa County Science Fair as a judge for the Senior Category for the Excellence in Wastewater/Water Research award.** EBMUD is a sponsor of the Science and Engineering Fairs in collaboration with 20 agencies and municipalities in Contra Costa and Alameda Counties. This award promotes scientific research and awareness at the high school level in our communities.

**Staff attended the North American Society for Trenchless Technology (NASTT) 2016 No-Dig Show from March 20-23rd.** This technical conference offered 160 peer-reviewed presentations covering environmentally friendly trenchless pipeline replacement alternatives and

cost-saving opportunities for municipalities and utilities. NASTT's No-Dig Show is the largest trenchless technology conference for underground infrastructure professionals. Knowledge gained from this conference will be applied when analyzing pipeline replacement alternatives and developing replacement strategies.

**On March 25, staff presented “A Career in Civil Engineering and EBMUD” to a general engineering class at San Jose State University.** The Introduction to Engineering class helps prepare students aspiring to pursue a career in engineering by providing exposure to several engineering disciplines through seminars and hands-on activities. The presentation provided information about civil engineering and encouraged students to pursue an engineering career. Approximately 50 undergraduate students and one professor attended.

**Staff attended and presented at NACE International's 71<sup>st</sup> annual conference Corrosion 2016.** The conference also included a Water Research Foundation workshop on retrofitting existing pipelines with corrosion-arresting anodes. Staff presented “A Case History” which consisted of an overview of corrosion projects at the District. Over 5,500 corrosion professionals attended the conference.

#### **Tuition Reimbursement**

	<b>March 2016</b>	<b>FY16 Total</b>
# of Employees	11	157
# of Classes	14	183
Total Reimbursed	\$12,934	\$128,294

#### **Employment Information**

	<b>March 2016</b>	<b>FY16 Total</b>
Retirements – Regular	8	59
Retirements – Vested	1	5
Hires	22	183
Other Separations	9	69

#### **FINANCIAL NEWS**

**There was one contract over \$70,000 and less than \$100,000 approved by the General Manager in March 2016.**

<b>VENDOR NAME</b>	<b>DATE AWARDED</b>	<b>CEP STATUS</b>	<b>ITEM (S) PURCHASED</b>	<b>PROJECT</b>	<b>CONTRACT TERM</b>	<b>VALUE</b>
Rodney Hunt-Fontaine	3/3/16	White Male	Stop Logs for Orinda Water Treatment Plant	RFQ 1617	3/8/16-9/15/16	\$ 81,777.00

**The Net Mokelumne power revenue for March was \$638,500.** Inflows into Pardee Reservoir for March were 286 percent of plan which increased the level of Pardee Reservoir nine feet. Pardee powerhouse produced approximately 21,600 MWhs of generation. No generation occurred at Camanche powerhouse. The District sold renewable power and related renewable energy credits to Marin Clean Energy (MCE) under the power purchase agreement. MCE exercised their option to purchase all generation in excess of 120,000 MWhs in calendar year 2016. Sales of resource adequacy capacity to Shell Energy North America generated \$9,000 in revenue. Total net revenue for FY16 to date is \$2,038,851 which is 101.9 percent of the FY16 planned \$2,000,000 and 58.3 percent of the budgeted \$3,500,000.

FY16	Net Revenue		Inflow (Acre Feet)	
	Plan	Actual	Plan	Actual
January 16	\$5,300	\$5,095	23,600	42,608
February 16	\$34,820	<b>\$284,311</b>	33,300	50,375
March 16	\$36,760	<b>\$638,500</b>	40,600	<b>116,000</b>
<b>FY16 YTD Total</b>	\$1,001,420	<b>\$2,038,851</b>	180,300	<b>304,212</b>

***Bold items are estimated***

**Water Sales.** The following consumption information is the average water consumption in million gallons per day (MGD) based on the first eight months of FY16. Billed water consumption for FY16 through February 2016 averaged 132.3 MGD. This is historically low particularly given that the first half of the fiscal year generally has higher water use than the second half.

The table below breaks out the billed water consumption information by customer class with a comparison to FY15 data from the same period of time. The budgeted average daily water consumption budget for the 12 month period for FY16 was 151 MGD; at the start of FY16 under the Stage 4 drought, the average daily water consumption for the 12 month period was estimated to be 137 MGD. Because of the greater than planned customer water use reductions, it is anticipated that the FY16 water sales will be significantly below 137 MGD.

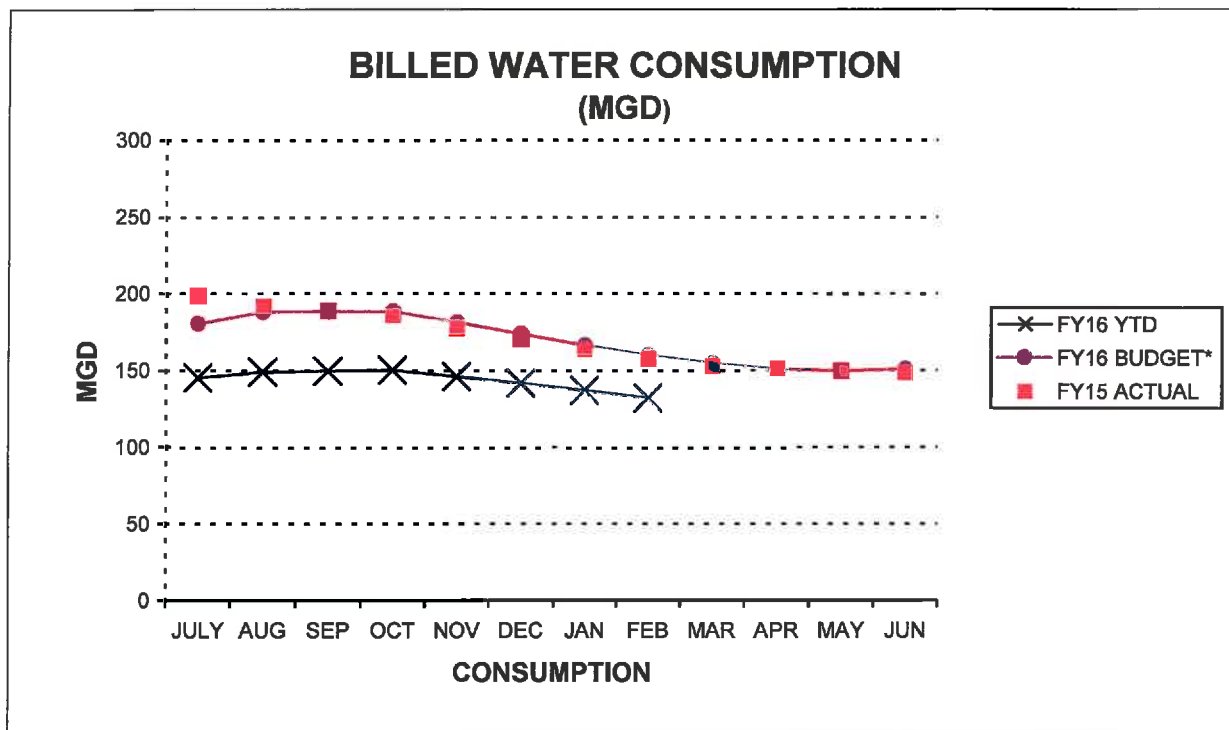
Year To Date Billed Water Consumption		
Usage Type (FY16 vs FY15)	FY16 (MGD)	FY15 (MGD)
Residential (20.3% lower than FY15)	65.6	82.3
Commercial (11.6% lower than FY15)	45.1	51.0
Industrial (6.0% lower than FY15)	15.8	16.8
Public Authority (15.9% lower than FY15)	5.8	6.9
<b>Total Billed Water Consumption (15.7% lower than FY15)</b>	<b>132.3</b>	<b>157.0</b>

Water revenues billed for the fiscal year through February were \$286.6 million or 6.3% more than the FY15 revenue through February of \$269.7 million. This increase reflects the net impact of lower consumption and the 8% FY16 rate increase in addition to the 25% Stage 4 Drought

Surcharge. Water revenues through February are down \$6.5 million or 2.2% year-to-date compared to the budgeted water revenue. Due to meter reading schedules, some customers' February bills were postponed to March 1<sup>st</sup> and are not reflected in the February total. The District also incurred additional drought expenditures not included in the regular budget but included in the contingency budget.

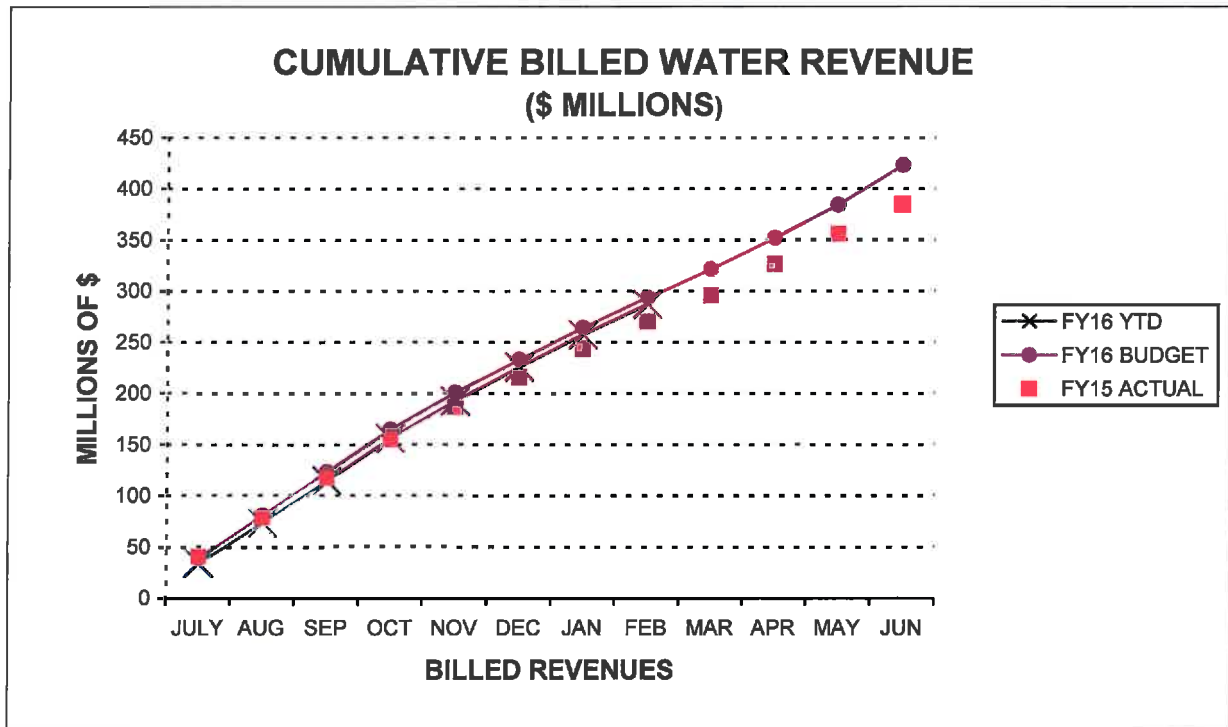
Year to Date Billed Water Revenue		
Usage Type	FY16 Actual Revenue (\$ M)	FY16 Budgeted* Revenue Seasonally Adjusted (\$ M)
Normal Water Revenue	\$252.3	\$293.1
Drought Surcharge Revenue	\$33.7	-
Drought Excessive Use Penalty Revenue	\$0.6	-
<b>Total Billed Water Revenue</b>	<b>\$286.6</b>	<b>\$293.1</b>

\*Based on the estimated first quarter water sales for 151 MGD annual water use under normal seasonal water use patterns.



Source: Customer Information System

\*Stage 4 Drought Annual Consumption Estimated at 138 MGD



Source: Customer Information System

**MARCH 2016 MAIN BREAKS**

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
ALAMEDA		ENCINAL	AVE	CAST IRON	6.00	1896	0	3/10/2016	3/16/2016	Yes
ALAMO		BOLLA	AVE	ASBESTOS CEMENT	6.00	1953	8,640	3/25/2016	3/30/2016	Yes
ALBANY		EVELYN	AVE	CAST IRON	6.00	1940	12,960	3/17/2016	3/25/2016	Yes
BERKELEY		67TH	ST	CAST IRON	6.00	1927	1,800	3/15/2016	3/15/2016	Yes
BERKELEY		EUCLID	AVE	CAST IRON	6.00	1913	0	3/15/2016	3/15/2016	Yes
BERKELEY		GRANT	ST	CAST IRON	12.00	1933	45,000	3/18/2016	3/18/2016	Yes
BERKELEY		OXFORD	ST	STEEL	8.00	1956	900	3/16/2016	3/17/2016	Yes
BERKELEY		PARDEE	ST	CAST IRON	6.00	1933	11,520	3/25/2016	3/28/2016	Yes
BERKELEY		PARK	ST	CAST IRON	6.00	1931	9,000	3/20/2016	3/20/2016	Yes
BERKELEY		SUMMIT	RD	CAST IRON	6.00	1960	1,800	3/10/2016	3/10/2016	Yes
CASTRO VALLEY		ROLANDO	AVE	CAST IRON	12.00	1957	0	3/9/2016	3/14/2016	Yes
EL CERRITO		BLAKE	ST	CAST IRON	6.00	1925	9,000	3/10/2016	3/10/2016	Yes
EL CERRITO		RICHMOND	ST	CAST IRON	6.00	1952	8,640	3/18/2016	3/23/2016	Yes
LAFAYETTE		LAS TRAMPAS	RD	ASBESTOS CEMENT	6.00	1963	1,350	3/9/2016	3/9/2016	Yes
LAFAYETTE		TOPPER	LN	ASBESTOS CEMENT	6.00	1948	1,440	3/24/2016	3/24/2016	Yes
MORAGA		ST ANDREWS	DR	STEEL	12.00	1975	37,440	2/26/2016	3/9/2016	Yes
OAKLAND	E	17TH	ST	ASBESTOS CEMENT	6.00	1959	10,080	3/1/2016	3/7/2016	Yes
OAKLAND	E	28TH	ST	ASBESTOS CEMENT	6.00	1962	1,800	3/16/2016	3/16/2016	Yes
OAKLAND		56TH	ST	CAST IRON	4.00	1895	9,000	3/27/2016	3/27/2016	Yes
OAKLAND		65TH	ST	CAST IRON	4.00	1931	36,000	3/18/2016	3/22/2016	Yes
OAKLAND		82ND	AVE	CAST IRON	4.00	1911	9,000	3/10/2016	3/10/2016	Yes
OAKLAND		45TH	ST	CAST IRON	8.00	1933	1,350	3/21/2016	3/21/2016	Yes
OAKLAND		ANTIOCH	ST	CAST IRON	4.00	1951	10,080	3/23/2016	3/29/2016	Yes
OAKLAND		CLARA	ST	CAST IRON	6.00	1942	0	3/2/2016	3/7/2016	Yes
OAKLAND		ELMWOOD	AVE	ASBESTOS CEMENT	6.00	1961	0	2/29/2016	3/3/2016	Yes
OAKLAND		KINGSTON	AVE	CAST IRON	6.00	1910	36,000	3/26/2016	3/30/2016	Yes
OAKLAND		LOUISE	ST	CAST IRON	6.00	1933	8,640	2/27/2016	3/3/2016	Yes
OAKLAND		MACARTHUR	BL	CAST IRON	6.00	1908	0	2/29/2016	3/4/2016	Yes
OAKLAND		MARGARIDO	DR	STEEL	8.00	1996	0	1/11/2016	3/14/2016	No
OAKLAND		MOUNTAIN	BL	CAST IRON	6.00	1929	0	3/22/2016	3/29/2016	Yes

**\*KPI = turn around time to repair the leak**



**MARCH 2016 MAIN BREAKS**

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
OAKLAND		STANFORD	AVE	CAST IRON	6.00	1901	2,250	3/29/2016	3/29/2016	Yes
OAKLAND		VALLEJO	ST	CAST IRON	6.00	1933	46,080	3/23/2016	3/30/2016	Yes
OAKLAND		WEST	ST	CAST IRON	6.00	1934	2,700	3/21/2016	3/21/2016	Yes
ORINDA	E	ALTARINDA	DR	ASBESTOS CEMENT	8.00	1955	9,000	3/22/2016	3/22/2016	Yes
ORINDA		DARYL	DR	CAST IRON	6.00	1947	11,520	2/26/2016	3/4/2016	Yes
ORINDA		IRONBARK	PL	ASBESTOS CEMENT	6.00	1972	14,400	3/27/2016	3/28/2016	Yes
ORINDA		MORAGA	WAY	CAST IRON	8.00	1934	4,500	3/11/2016	3/11/2016	Yes
ORINDA		VALLEY	DR	ASBESTOS CEMENT	6.00	1965	0	3/24/2016	3/25/2016	Yes
ORINDA		VALLEY	DR	CAST IRON	6.00	1945	0	3/25/2016	3/30/2016	Yes
ORINDA		VIA HERMOSA		CAST IRON	4.00	1934	900	3/28/2016	3/28/2016	Yes
PINOLE		DOIDGE	AVE	ASBESTOS CEMENT	8.00	1966	900	3/3/2016	3/3/2016	Yes
PLEASANT HILL		PLEASANT HILL	RD	CAST IRON	6.00	1947	1,440	3/7/2016	3/7/2016	Yes
RICHMOND		GERTRUDE	AVE	ASBESTOS CEMENT	6.00	1961	8,640	3/28/2016	3/30/2016	Yes
RICHMOND		ROCKY	RD	ASBESTOS CEMENT	8.00	1979	1,350	3/3/2016	3/3/2016	Yes
RICHMOND		ROLLINGWOOD	DR	CAST IRON	6.00	1950	8,640	3/7/2016	3/9/2016	Yes
SAN LEANDRO		CROSBY	ST	CAST IRON	6.00	1948	0	3/24/2016	3/28/2016	Yes
SAN LEANDRO		DARTMOUTH	AVE	ASBESTOS CEMENT	6.00	1951	13,500	3/24/2016	3/24/2016	Yes
SAN PABLO		13TH	ST	ASBESTOS CEMENT	6.00	1954	4,500	3/22/2016	3/22/2016	Yes
SAN PABLO		20TH	ST	CAST IRON	6.00	1940	11,520	2/23/2016	3/1/2016	Yes
SAN PABLO		MCBRYDE	AVE	CAST IRON	6.00	1937	0	3/11/2016	3/14/2016	Yes
SAN PABLO		RIVERSIDE	AVE	CAST IRON	6.00	1953	3,150	3/24/2016	3/24/2016	Yes
WALNUT CREEK	N	CALIFORNIA	BL	CAST IRON	6.00	1953	30,240	3/17/2016	3/23/2016	Yes
WALNUT CREEK		JULIANNE	CT	ASBESTOS CEMENT	6.00	1959	1,350	3/25/2016	3/25/2016	Yes
WALNUT CREEK		SAND WEDGE	PL	ASBESTOS CEMENT	6.00	1971	2,700	3/2/2016	3/2/2016	Yes
						<b>TOTAL</b>	<b>450,720</b>			

