



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Time Change

**BOARD OF DIRECTORS
CLOSED SESSION MEETING**

**10:30 a.m.
Tuesday, January 10, 2017**

Notice is hereby given that on Tuesday, January 10, 2017 the Closed Session Meeting of the Board of Directors has been rescheduled from 11:00 a.m. to 10:30 a.m. The meeting will be held in the Board Room of the Administration Building, 375 - 11th Street, Oakland, California.

Dated: January 5, 2017

A handwritten signature in blue ink, reading 'Lynelle M. Lewis', is written over a horizontal line.

Lynelle M. Lewis
Secretary of the District



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA
Tuesday, January 10, 2017**

**REGULAR CLOSED SESSION
10:30 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.

BROWN ACT BRIEFING:

- Presentation of the Brown Act and the Ethics Policy of the EBMUD Board of Directors

BOARD SUCCESSION PLAN:

- Presentation of legal and policy considerations in developing a succession plan for the EBMUD Board of Directors that would be implemented in the event that one or more board members become unavailable due to a state or local emergency.

ANNOUNCEMENT OF CLOSED SESSION AGENDA:

1. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2): one matter.
2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(4): one matter.
3. Conference with Labor Negotiators Bruce Heid and Glenn Berkheimer from the Industrial Employers Distributors Association (I.E.D.A.), Alexander R. Coate and Laura Brunson pursuant to Government Code Section 54957.6: Employee Organizations International Union of Operating Engineers, Local 39; American Federation of State, County and Municipal Employees, Locals 444 and 2019; and International Federation of Professional & Technical Engineers, Local 21.
4. Personnel exception pursuant to Government Code section 54957 to consider selection for the position of Secretary of the District.

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

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

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance
- Election of Officers
- 2017 Board Committee Assignment Preferences
- Board Service Award

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 8 recommendations.)

1. Approve the Regular and Special Meeting Minutes of December 13, 2016.
2. File correspondence with the Board.
3. Award a contract to the lowest responsive/responsible bidder, GSE Construction Company, Inc., in the amount of \$14,766,000 for construction of the South Reservoir Replacement under Specification 2075.
4. Award a contract and authorize an agreement related to the South Interceptor 3rd Street Rehabilitation Phase 1 Project.
 - 4.1. Award a contract to the lowest responsive/responsible bidder, F.D. Thomas, Inc., in the amount of \$4,937,816 for construction of the South Interceptor 3rd Street Rehabilitation Phase 1 Project under Specification SD-379A.
 - 4.2. Authorize an agreement beginning on or after January 10, 2017 with Carollo Engineers, Inc., in an amount not to exceed \$370,018 for supplemental construction inspection services for the South Interceptor 3rd Street Rehabilitation Phase 1 Project.
5. Award a contract to the lowest responsive/responsible bidder, Con-Quest Contractors, Inc., in the amount of \$525,000 for construction of the Main Wastewater Treatment Recycled Water 12-inch Pipeline Extension and Commercial Fill Station Project under Specification SD-387.
6. Authorize an agreement beginning on or after January 10, 2017 with Integral Group, Inc., in an amount not to exceed \$1,658,198 for design and construction management support services for upgrading the heating, ventilation, and air conditioning systems at the Administration Building and Adeline Maintenance Center.

CONSENT CALENDAR: (Continued)

7. Approve a Fifth Amendment to the Lease Agreement between Viridis Fuels, LLC (Viridis), and the District for a portion of the West End Property adjacent to the District's Main Wastewater Treatment Plant, in which Viridis will be allowed to defer the monthly "Additional Value" payment of \$21,666.67 for a period not to exceed six months.
8. Adopt revised Principles for Use by Other Parties of Unassigned EBMUD Capacity in the Freeport Regional Water Project.

DETERMINATION AND DISCUSSION:

9. Legislative Update:
 - Federal Legislative Initiatives for 2017
 - Update on Legislative Issues of Interest to EBMUD
10. Board's Annual Review of Directors' Compensation.
11. General Manager's Report:
 - Chevron Recycled Water Contract Negotiations Update
 - 2016 Statistical Opinion and Customer Outreach Research Results and 2017 Outreach Plan
 - Water Supply Update
 - 2016 Interdepartmental Committee Reports
 - Monthly Report – December 2016

REPORTS AND DIRECTOR COMMENTS:

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

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, January 24, 2017 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.

Disability Notice

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

Document Availability

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

BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Tuesday, January 10	Planning Committee Linney {Chair}, McIntosh, Young	9:00 a.m. Training Resource Center	<ul style="list-style-type: none"> West County Wastewater District Recycled Water Supply Agreement EBMUD's Lead in Drinking Water Plans
	Legislative/Human Resources Committee Patterson {Chair}, Coleman, Young	9:45 a.m. Training Resource Center	<ul style="list-style-type: none"> Federal Legislative Initiatives for 2017 EBMUD and Peralta College Partnership for Workforce Development
	Board of Directors	10:30 a.m. 1:15 p.m.	<ul style="list-style-type: none"> Closed Session Regular Meeting
Monday, January 16	Martin Luther King Jr. Holiday		<i>District Offices Closed</i>
Tuesday, January 24	Finance/Administration Committee	10:00 a.m. Training Resource Center	<ul style="list-style-type: none"> Closed Session Regular Meeting
	Sustainability/Energy Committee	TBD Training Resource Center	
	Budget Workshop	TBD Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	
Tuesday, February 14	Planning Committee	9:15 a.m. Training Resource Center	<ul style="list-style-type: none"> Closed Session Regular Meeting
	Legislative/Human Resources Committee	10:15 a.m. Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	
Monday, February 13	Lincoln's Birthday Holiday		<i>District Offices Closed</i>
Monday, February 20	Washington's Birthday Holiday		<i>District Offices Closed</i>
Tuesday, February 28	Finance/Administration Committee	10:00 a.m. Training Resource Center	<ul style="list-style-type: none"> Closed Session Regular Meeting
	Board of Directors	11:00 a.m. 1:15 p.m.	

MINUTES

Tuesday, December 13, 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 10:02 a.m. in the Training Resource Center. The Board met in workshop session to receive an update on Long-Term Financial Stability.

ROLL CALL

Directors John A. Coleman, Doug Linney, Lesa R. McIntosh (teleconference), William B. Patterson, Marguerite Young, and Frank Mellon were present at roll call. Director Andy Katz arrived at 10:13 a.m.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Finance Sophia D. Skoda, Special Assistant to the General Manager Alison A. Kastama, Assistant to the General Manager Rischa S. Cole, and Secretary of the District Lynelle M. Lewis.

PUBLIC COMMENT

There was no public comment.

DISCUSSION

- Filed with the Board was a presentation entitled "Long Term Financial Stability Workshop FY17" dated December 13, 2016.

General Manager Alexander R. Coate presented an overview of the meeting agenda. Director of Finance Sophia D. Skoda reviewed key elements from the FY15 Long-Term Financial Stability workshops which covered financial planning, reserves, capital spending, and drought impacts. Ms. Skoda reported that the District has made progress in addressing key elements of the goals; however, the recent drought has impacted the FY16 and FY17 financial plan. It was noted that in FY16, the District adopted strategies to ease the impact of lower than projected water sales by adopting drought rates, reducing spending, and using the Rate Stabilization Fund. The FY17 financial plan will also be impacted due to lower than planned water sales. The revenue/expense gap is projected at \$93 million in FY16 and \$112 million in FY17. Ms. Skoda reviewed key considerations for financing strategies to address the gap and to meet the long-term goal to fund 50 percent of annual capital expenses from annual revenue for infrastructure projects.

There was discussion regarding the pros and cons of various financing strategies (i.e. increasing rates, issuing debt, maintaining reserves, etc.). Ms. Skoda noted that significant growth in future capital spending will require prudent use of debt and cash funding. Staff will present additional information for Board consideration in January 2017 including: information on FY18 and FY19

budget and rates, revenue opportunities, grants and State Revolving Fund loans, and system capacity fees.

Board Discussion

Board members expressed appreciation for staff's efforts in addressing these long-term financial issues. There was discussion about rate impacts on customers who use less water, the public goods surcharge, use of debt to fill the revenue/expense gap, debt ratio coverage, projected capital improvement project expenditures, comparison of debt for other agencies, and use of reserves. The Board requested the following follow-up information:

- What is the impact on consumption and revenue when we increase rates?
- What would a surge in infrastructure investment cost?
- Provide a breakdown of what was purchased with debt issues.
- Re-issue Projected CIP Expenditures – Water, No Inflation graph on 11x17 paper for the next workshop.
- Explain what the rate impact would be if debt service coverage was increased to 2.0.
- Provide suggestions for new revenue opportunities for the next workshop.
- Provide more detail on the basis for water sales forecasting rationale.
- Clarify how we could use reserves to temper rate increases.
- Explain the history and provide trend information on the Rate Stabilization Fund from 1996 to present.

ADJOURNMENT

President Mellon adjourned the Special Meeting at 11:31 a.m.

SUBMITTED BY:

Lynelle M. Lewis, Secretary of the District

APPROVED: January 10, 2017

Frank Mellon, President of the Board

MINUTES

Tuesday, December 13, 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 11:35 a.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh (teleconference), 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 General Counsel Xanthe Berry (Items 1a, 1b, 2a, and 3), Risk Manager Karen K. Curry (Items 1a, 1b, and 2a), Assistant General Counsel Fred S. Etheridge (Item 2b), Director of Water and Natural Resources Richard G. Sykes (Item 2b), Attorney Derek T. McDonald (Item 3), Director of Operations and Maintenance Michael J. Wallis (Item 3), Attorney Rachel R. Jones (Item 3), Director of Engineering and Construction Xavier J. Irias (Item 3), Engineering Manager David J. Rehnstrom (Item 3), Attorney Lourdes Matthew (Item 4), Manager of Human Resources Laura A. Brunson (Item 4), Director of Finance Sophia D. Skoda (Item 4), IDEA representative Bruce Heid (Item 4), and IDEA representative Glenn Berkheimer (Item 4).

PUBLIC COMMENT

- Addressing the Board were the following persons: 1) John M. Briceno, President, AFSCME Local 444, commented that only four of the 17 union's requests for classification studies had been completed, and Human Resources staff refuses to meet and confer about salary adjustments; 2) Boris Noss, Wastewater Instrument Technician, requested reopening of the Wastewater Instrument Technician classification study because the job duties have changed; 3) Damadar D. Devine, Treatment Plant Specialist, requested a review of compensation and an equity adjustment citing increased job responsibilities; 4) Kevin D. Osborn, Maintenance Specialist, requested a classification study and an equity adjustment citing increased duties and specialized skills; 5) Jaswan P. Mahabali, Meter Mechanic/Backflow Tester, requested that the job title be updated as a result of new duties for the Recycled Water Program along with a salary adjustment; 6) Tim P. Collins, Senior Meter Mechanic/Backflow Tester, said his job title and class description does not reflect current duties and should be updated; 7) Louis A. Bell, Paving Crew Foreman, commented that the equity adjustment process is unfair, that classification revisions were made without the meet and confer process, asked for a response from Human Resources, and requested an equity adjustment; 8) Adam D. Berchem, Heavy Equipment Mechanic, said this the request for an equity adjustment has been ignored despite additional job duties, urged the Board to speak with Human Resources, and said that management's actions do not reflect the District values; 9) Juan C. Valencia, Gardener, commented that a job audit

of the Gardner II classification should be completed because they are not getting credit for added duties; 10) Eric O. Larsen, Wastewater Plant Operator, commented that the class description has not been updated since 1995 despite greater responsibilities and the upcoming job audit should reflect the new duties; 11) Mark Foley, President, AFSCME Local 2019, commented that class descriptions for Local 2019 members do not reflect the current duties and that Human Resources should conduct comparative studies of other water agencies; and 12) Ruben F. Rodriguez, 1st Vice-President, AFSCME Local 444, commented on the District's values and said that management is not listening to and giving respect to union employees.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

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

Regular Business Meeting

President Mellon called to order the Regular Business Meeting of the Board of Directors at 1:45 p.m. in the Administration Center Board Room.

ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Lesa R. McIntosh (teleconference), 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.

PUBLIC COMMENT

- Addressing the Board were the following persons: 1) Mark Foley, President, AFSCME Local 2019, asked that the Board close the meeting in memory of the 36 people who lost their lives in the Ghost Ship fire on December 2 in Oakland; 2) Lauren Westreich, business owner, West Oakland Business Association, invited Board members and staff to attend their meetings to discuss issues that impact development in the West Oakland area; and 3) Julia R. Halsne, EBMUD Manager of Business Continuity, commented that designated smoking areas are contrary to the District's wellness program and requested elimination of these areas on District properties to ensure a smoke-free environment.

CONSENT CALENDAR

- Items 7, 9 and 10 were removed from the Consent Calendar for discussion.
 - Motion by Director Coleman, seconded by Director Patterson, to approve the recommended actions for Items 1-6 and 8 on the Consent Calendar, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 201-16** – Approved the Regular Meeting and Special Meeting Minutes of November 22, 2016.
 2. The following correspondence was filed with the Board: 1) Letter dated December 13, 2016 from Meter Mechanic/Backflow Tester Jaswan Mahabali regarding the outdated job title for Meter Mechanic/Backflow Tester (with attachments including a Memorandum dated October 14, 2015 to Michael Rich, Manager of Employee Relations, from Lori Worden, Senior Human Resources Analyst, regarding Class Description Updates, Meter Mechanic/Backflow Tester and Senior Meter Mechanic/Backflow Tester; draft class descriptions for Cross-Connection Specialist and Senior Cross-Connection Specialist/Meter Technician); 2) Job Audit Request Survey for EBMUD Paving Crew Foreman submitted by Paving Crew Foreman Louis A. Bell (with attachments including Classification Study for the Classification of Paving Crew Foreman, dated March 2015 and an email to Richard Jung from Lori Worden dated March 17, 2015 regarding Classification Study-Paving Crew Foreman); 3) Presentation entitled “Alameda-North Bay Farm Island Pipeline Crossings Environmental Impact Report Project Approval” dated December 13, 2016; 4) Letter dated December 12, 2016 to Chair Mellon, et al, from Kathy Neal, CEO, Viridis Fuels, regarding a request to defer the monthly “Additional Value” payment related to the lease/rental site at the District’s West End property; 5) Presentation entitled “East Bay Watershed Master Plan Update” dated December 13, 2016; 6) Letter dated December 13, 2016 to Frank Mellon, President, from Pam Young, Chair, Golden Gate Audubon Society, East Bay Conservation Committee, regarding EBMUD draft Watershed Master Plan and proposed mountain bike pilot; 7) Presentation entitled “State Draft Framework for Long-term Urban Water Conservation Policy” dated December 13, 2016; 8) Presentation entitled “Water Supply Board Briefing” dated December 13, 2016; 9) Letter dated November 28, 2016, to Frank Mellon, President, from Mary Lou Lopez, Vice-President Relationship Manager, Wells Fargo Bank, regarding Acknowledgment to Wells Fargo Management Letter; and 10) Memorandum dated December 13, 2016 to Board of Directors from Rischa S. Cole, Assistant to the General Manager, regarding Emergency Notification System Testing-Tuesday, December 20, 2016.
 3. **Motion No. 202-16** – Awarded a contract to the lowest responsive/responsible bidder Jifco, Inc., in the total amount of \$157,512, after the addition of taxes, for supplying two 30-foot segments of 66-inch outside diameter pipe for the Bixler Maintenance Center Yard under Request for Quotation No. 1701.
 4. **Motion No. 203-16** – Awarded a contract to the lowest responsive/responsible bidder Ferguson Waterworks in an amount, after the addition of taxes, not to exceed \$143,000 for supplying 5,700 feet of restrained joint ductile iron pipe and fittings for a pilot pipeline replacement project beginning on or after December 13, 2016 under Request for Quotation No. 1707.

5. **Motion No. 204-16** – Authorized an agreement beginning on or after December 15, 2016 with LCPtracker, Inc., for a cloud-based, prevailing wage and local workforce compliance and management software for three years, with two options to renew for an additional one year period for a total cost of \$150,000.
6. **Motion No. 205-16** – Authorized execution of an agreement with San Joaquin County and North San Joaquin Water Conservation District to amend the existing Protest Dismissal Agreement (PDA) between the District and five San Joaquin County parties to extend the deadline from December 31, 2016 to June 30, 2017 regarding San Joaquin County's issuance of the export permit under Section 5.e. of the PDA.
7. **Motion No. 207-16** – Authorized a Power Purchase Agreement with SolarCity that provides for the purchase of approximately 380 kilowatts of photovoltaic-generated electricity at the Camanche Dam at a fixed purchase price of \$0.101 per kilowatt hour. The agreement has an initial term of 15 years with three five-year options to renew for up to an additional 15 years.
 - Item 7 was removed from the Consent Calendar by Director Coleman to thank staff for bringing this project to fruition.
 - Motion by Director Coleman, seconded by Director Katz, to approve the recommended action for Item 7, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
8. **Motion No. 206-16** – Authorized the District to discontinue participation in the Statewide Community Infrastructure Program after completion of the work being done to accommodate the current applicant.
9. **Resolution No. 35018-16** – Declaring Results Of Election Held On November 8, 2016 For The Election Of Directors Of The East Bay Municipal Utility District.
 - Item 9 was removed from the Consent Calendar by President Mellon to offer congratulatory remarks to Directors Linney, McIntosh, and Patterson on being re-elected to the Board.
 - Motion by Director Mellon, seconded by Director Young, to approve the recommended action for Item 9, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
10. **Resolution No. 35019-16** – Appointing Antonio Martinez As Manager Of Distribution Maintenance & Construction.
 - Item 10 was removed from the Consent Calendar by President Mellon to offer congratulatory remarks. Mr. Martinez thanked the Board for the opportunity to serve in this capacity.
 - Motion by Director Mellon, seconded by Director Young, to approve the recommended action for Item 10, carried (7-0) by the following roll call vote: AYES (Coleman, Katz,

Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

DETERMINATION AND DISCUSSION

11. Legislative Update.

Manager of Legislative Affairs Marlaigne K. Dumaine highlighted the four proposed state legislative initiatives for the 2017 Legislative Year: 1) Legislation to impose a point of sale requirement on residential homes for the installation of smart water meters compatible with advanced metering infrastructure (AMI); 2) Advance EBMUD's interests in any efforts to impose a statewide surcharge or public goods charge on water; 3) Protect EBMUD-sponsored water supply assessment law; and 4) Advance EBMUD's interests in any efforts to impose a water recycling mandate. There was discussion about the policy issues surrounding technology for AMI and there was consensus to refer this issue to the Planning Committee in the latter part of 2017. There was also considerable discussion regarding Legislative Proposal No. 2 and EBMUD's role in advocating for solutions to the right to water for disadvantaged communities and who should pay for this.

- Motion by Director McIntosh, seconded by Director Mellon, to approve the staff recommendation with an amendment to Legislative Proposal No. 2 to advocate for alternative statewide solutions to address the affordability issue for disadvantaged communities and low income ratepayers throughout the state, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 208-16 – Approved the following state legislative initiatives for the 2017 Legislative Year with amendments:

LEGISLATIVE PROPOSAL	2017 RECOMMENDATIONS
1. Legislation to impose a point of sale requirement on residential homes for the installation of smart water meters compatible with advanced metering infrastructure.	<u>Do not pursue legislation at this time; evaluate a point of sale requirement as part of a detailed Advanced Metering Infrastructure (AMI) plan that is being developed</u> – This proposal would impose a point of sale requirement on all municipal and industrial properties for the installation of AMI-compatible smart water meters. EBMUD is in the process of evaluating the feasibility of using AMI throughout its service area and will be implementing two grant-funded pilot projects which will inform the development of a detailed AMI plan for the District. Staff will include an evaluation of a point of sale requirement for AMI-compatible smart water meters as part of the AMI plan being developed for the District.
2. Advance EBMUD's interests in any efforts to impose a statewide water surcharge or public goods charge.	<u>Proceed</u> – The issue of providing a steady source of funding for water-related projects and programs, such as a statewide low-income rate assistance program, is expected to be discussed in the Legislature in 2017. Discussions will likely include the feasibility of some type of statewide surcharge or public goods charge on

	<p>water to fund such a statewide low-income rate assistance program.</p> <ol style="list-style-type: none"> 1. Staff will represent EBMUD's interests in any effort to impose a statewide surcharge on water. 2. Staff will advocate for a balanced approach that considers the root causes of water affordability and accessibility issues as well as comprehensive solutions, and takes existing local programs into account. 3. <i>Staff will advocate for alternative statewide solutions to address the affordability issue for disadvantaged communities and low income ratepayers throughout the state.</i>
3. Protect EBMUD-sponsored water supply assessment law.	<p><u>Proceed</u> – The Legislature will discuss the 2001 EBMUD-sponsored water supply assessment law, in the context of continuing an exemption for solar photovoltaic and wind energy projects using less than 75 acre-feet/year of water.</p> <ol style="list-style-type: none"> 1. Staff will represent EBMUD's interests in any efforts to amend the water supply assessment law, including efforts to extend or make permanent the exemption for solar photovoltaic and wind energy projects. 2. Staff will seek opportunities to lead the discussion via a proactive approach. 3. Staff will advocate for a reasonable approach that balances the important priorities of renewable energy and reliable water supply.
4. Advance EBMUD's interests in any efforts to impose a water recycling mandate.	<p><u>Proceed</u> – The Legislature will continue to discuss the issue of a statewide mandate requiring wastewater agencies that discharge to the ocean and bays to recycle a specified amount of their wastewater.</p> <ol style="list-style-type: none"> 1. Staff will represent EBMUD's interests in any effort to impose a statewide mandate to eliminate wastewater discharges to the ocean and bays. 2. Staff will advocate for a balanced approach that facilitates increasing the production and use of recycled water while providing a clear path forward to overcome the significant barriers that currently exist.

Next, Ms. Dumaine highlighted 2017 state and federal legislative issues including transportation, affordable housing, water policy, and marijuana legalization. Following Board comments, staff was asked to explore what would be involved in leasing EBMUD watershed land to marijuana growers. The Board also asked staff to coordinate with federal lobbyist Eric Saperstein to provide an update on policy issues related to the Safe Drinking Water Act, Clean Water Act, Endangered Species Act, Water Infrastructure Improvement Act and other water policy issues that could impact EBMUD.

12. Approve Actions Related to the Alameda-North Bay Farm Island Pipeline Crossings Project Final Environmental Impact Report.

Associate Civil Engineer Aaron L. Hope presented the following recommended actions: 1) Certify the Final Environmental Impact Report for the Alameda-North Bay Farm Island Pipeline Crossings Project; 2) Make findings in accordance with the California Environmental Quality Act (CEQA) including a Statement of Overriding Considerations; 3) Adopt the Mitigation Monitoring and Reporting Plan in accordance with CEQA; and 4) Approve the Project. He reviewed the Draft EIR analyses, public outreach, Draft EIR comments, along with the schedule and next steps. There was discussion about sea level rise requirements, the potential for contaminated soils, collection of system capacity charges, and the cost of the project. General Manager Coate said staff would look into this and report back to the Board.

- Motion by Director Linney, seconded by Director Patterson, to approve the recommended action for Item 12, carried (7-0) by the following roll call vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

Resolution No. 35020-16 – Certifying The Final Environmental Impact Report For The Alameda-North Bay Farm Island Pipeline Crossings Project, Making Findings, Adopting The Mitigation Monitoring And Reporting Plan, And Approving The Project.

13. Viridis Fuels, LLC Lease Amendment.

Kathy Neal, CEO Viridis Fuels, presented a request that the District defer for a period not to exceed six months the monthly “Additional Value” payment of \$21,666.67 due under the Lease Agreement between Viridis and the District for a portion of the District’s West End property. There was a question and answer period regarding Ms. Neal’s request.

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

Motion No. 209-16 – Approved a request from Viridis Fuels, LLC (Viridis), to defer for a period not to exceed six months the monthly “Additional Value” payment of \$21,666.67 due under the Lease Agreement between Viridis and the District for a portion of the District’s West End property.

14. General Manager's Report.

Environmental Affairs Officer Douglas I. Wallace presented a status update on the East Bay Watershed Master Plan (EBWMP) and highlighted the staff proposal for a limited opening of trails in the Pinole Valley and San Pablo watershed. He also presented issues related to the California Environmental Quality Act (CEQA) compliance and next steps (i.e. board direction, funding for specialized consulting, conducting studies, and final Board review in spring 2018).

- Addressing the Board were the following persons: 1) Helen Burke, representing Safe Trails Environmental Protection, expressed general support for mountain bike access but recommended rerouting the trail between Pinole Valley and El Sobrante Preserve, adding language to Biodiversity Guideline #10 (identify key habitat areas to protect special status plants and animals), encouraging stakeholder meetings to discuss enforcement and baseline monitoring, provide full cost of pilot project to ratepayers, and review adequacy of CEQA report; 2) Jim Hanson, Richmond resident, urged the Board to reconsider allowing bicyclists on the Sobrante Ridge Trail segment; 3) Norman LaForce, representing the Sierra Club, commented that the EBWMP should include additional enforcement, analysis of habitat destruction from rogue bicycle activity, a full environmental impact report, and an additional vegetation management plan; 4) Pam Young, representing the Golden Gate Audubon Society, commented that mountain biking is inconsistent with EBMUD's commitment to protect the biodiversity in the watershed and urged strict oversight of mountain bike activity to avoid impacts to sensitive habitats, recommended undertaking a baseline study to evaluate the ecosystem of the trail area, and to prepare a cost analysis for studying this two-year pilot project; and 5) Glen Schneider, California Native Plant Society, commented on the work performed to protect the Skyline Garden Project and said he looked forward to continued collaboration in the area.

There was Board comment and discussion regarding the pros and cons of allowing bicyclists on watershed lands. Board members expressed concerns about enforcement on watershed lands, protection of biodiversity, and the need for a full environmental impact report. Board members also expressed support for alternative options to accommodate biking as a recreational use on watershed lands. The Board provided direction to staff which included performing an assessment of trail impacts, conducting a full environmental impact report, performing analysis of alternative trails for biking activity, establishing thresholds for acceptable impacts, and providing photos and topography of single use trails in Pinole Valley.

Next, Manager of Water Conservation Richard W. Harris presented an update on the State of California Framework for Long-term Urban Water Conservation Policy – Executive Order B-37-16. He reported that the District had provided written and oral comments on the four basic elements: use water more wisely, eliminate water waste, strengthen local drought resilience, and improve agricultural water use efficiency and drought planning. He pointed out that the District is generally well prepared for compliance.

Next, Operations and Maintenance Department Manager Eileen M. White reported that our water supply is good, we have received increased revenue from hydropower generation, and we will be carefully managing our water supply. General Manager Coate announced two Wastewater System storm related compliance incidents as a result of two recent large rain events. Staff is investigating these incidents and will provide all necessary regulatory reporting. He also announced that the Office of the General Manager will conduct a test of the District's Emergency Notification System on December 20 which will include Board members. In concluding, Mr. Coate noted that staff provided a memorandum regarding the Six Month Forecast of Board Committee and Workshop Agenda Topics and Summary of 2016 Committee and Workshop Topics along with the November 2016 Monthly Report.

REPORTS AND DIRECTOR COMMENTS

15. Committee Reports.

- Filed with the Board were the Finance/Administration Committee Minutes of November 22, 2016.

16. Other Items for Future Consideration.

- Advanced Metering Infrastructure Update
- Food waste funding

17. Director Comments.

- Director Coleman reported attending/participating in the following events: Scoping meeting for Leland Reservoir on November 28 in Lafayette; ACWA Fall Conference from November 29-December 1 in Anaheim; ACWA teleconference meeting on December 5 in Oakland; R2D2 Resilience Workgroup on December 7 in Oakland; and ACWA teleconference meeting on December 12 in Oakland.
- Director Katz reported attending/participating in the following events: Building and Construction Trades Council of Alameda County's 42nd Annual Holiday Luncheon on December 2 in Oakland; Alameda County Community Choice Aggregation Steering Committee on December 7 in Castro Valley; and the Northern California Carpenters Council meeting on December 9 in San Francisco.
- Director Linney reported attending/participating in the following events: Retirement reception for East Bay Regional Park District Board Members Doug Siden and John Sutter on December 1 in Oakland; Building and Construction Trades Council of Alameda County's 42nd Annual Holiday Luncheon on December 2 in Oakland; and the West Oakland Commerce Association luncheon meeting on December 7 in Oakland.
- Director McIntosh had no comment.

- Director Patterson reported attending/participating in the following events: ACWA Fall Conference from November 29-December 2 in Anaheim; retirement reception for East Bay Regional Park District Board Members Doug Siden and John Sutter on December 1 in Oakland; and meeting with David Harris of the Oakland Urban Council on December 5 in Oakland.
- Director Young had no comment.
- President Mellon reported attending/participating in the following events: Retirement reception for East Bay Regional Park District Board Members Doug Siden and John Sutter at on December 1 in Oakland; and the Building and Construction Trades Council of Alameda County's 42nd Annual Holiday Luncheon on December 2 in Oakland.

ADJOURNMENT

President Mellon closed the meeting in memory of the 36 lives lost in the Ghost Ship Warehouse Building fire on December 2.

President Mellon adjourned the meeting at 5:04 p.m.

SUBMITTED BY:

Lynelle M. Lewis, Secretary of the District

APPROVED: January 10, 2017

Frank Mellon, President of the Board



AGENDA NO.
MEETING DATE

3.
January 10, 2017

TITLE SOUTH RESERVOIR REPLACEMENT

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, GSE Construction Company, Inc., in the amount of \$14,766,000, for construction of the South Reservoir Replacement under Specification 2075.

SUMMARY



Contract work includes construction of a nine million gallon (MG) pre-stressed concrete tank, valve vault, associated piping, control systems, and related work at the South Reservoir site in Alameda County.

DISCUSSION

Built in 1956, the 50 MG South Reservoir earthen embankment dam was demolished in 2015 (as part of Specification 2049A), following significant water quality and roof stability issues. The objective of Specification 2075 is to complete the reservoir replacement by installing a nine MG pre-stressed concrete tank, valve vault, associated piping and appurtenances; constructing approximately 615 feet of 42- and 48-inch diameter inlet-outlet pipe, 690 feet of 28- and 36-inch diameter High Density Polyethylene (HDPE) drainage pipe, 500 feet of 15- to 36-inch diameter HDPE and steel drainage pipe; and constructing the electrical, instrumentation, control, and telemetry systems. The nine MG tank is required to ensure reliable levels of service in the southern portion of the Central Pressure Zone. See attached map for location details. This project supports the District's Strategic Plan goal for Long-Term Infrastructure Investment by ensuring sustainable delivery of high quality water service.

BID RESULTS

Bid documents were issued to 31 resource organizations and 36 prospective bidders. Nine bids were received, ranging from \$14,766,000 to \$17,119,000. The bid summary is attached. The engineer's estimate for this work is \$12,142,651. The low bid was approximately 21 percent higher than the engineer's estimate. The engineer's estimate did not fully account for a lower production rate due to

Funds Available: FY16-17; CIP #000241; Page 28		Budget Code: WSC\570\7999\2007165:25
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR  Xavier J. Irias	APPROVED  General Manager

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

South Reservoir Replacement

January 10, 2017

Page 2

congested site conditions, higher than quoted tank subcontractor bid amounts, and higher than estimated materials removal and disposal costs.

The lowest responsive/responsible bidder, GSE Construction Company, Inc., is licensed to perform work in California, and is not on the State Department of Industrial Relations (DIR) debarment list. GSE Construction Company, Inc. and its listed subcontractors are properly registered with the State DIR. In the past five years, GSE Construction Company, Inc. has not filed a Government Code Claim and has not initiated any litigation against the District.

SUSTAINABILITY

Economic

This item is included in the FY16-17 budget for the Open Cut Reservoir Rehabilitation project. On November 22, 2016, the Board approved Resolution 35015-16, which declared the District's intent to use Drinking Water State Revolving Funds for the project. Financing the project through the State Water Resources Control Board State Revolving Fund loan program can potentially save the District more than \$7 million compared to traditional revenue bonds.

Social

Demolition of South Reservoir was completed in December 2015. The demolition outreach included notifying the public that the reservoir will be subsequently replaced. In January 2017, postcards will be mailed to over 100 neighbors adjacent and near South Reservoir notifying them of the upcoming replacement work at the site. Another postcard notification will be sent to neighbors as the construction start date approaches. Based on the award date, construction activity will likely begin in March 2017.

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

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

Local 444 was notified of this contract on June 12, 2012 and did not raise any specific issues related to this contract.

Environmental

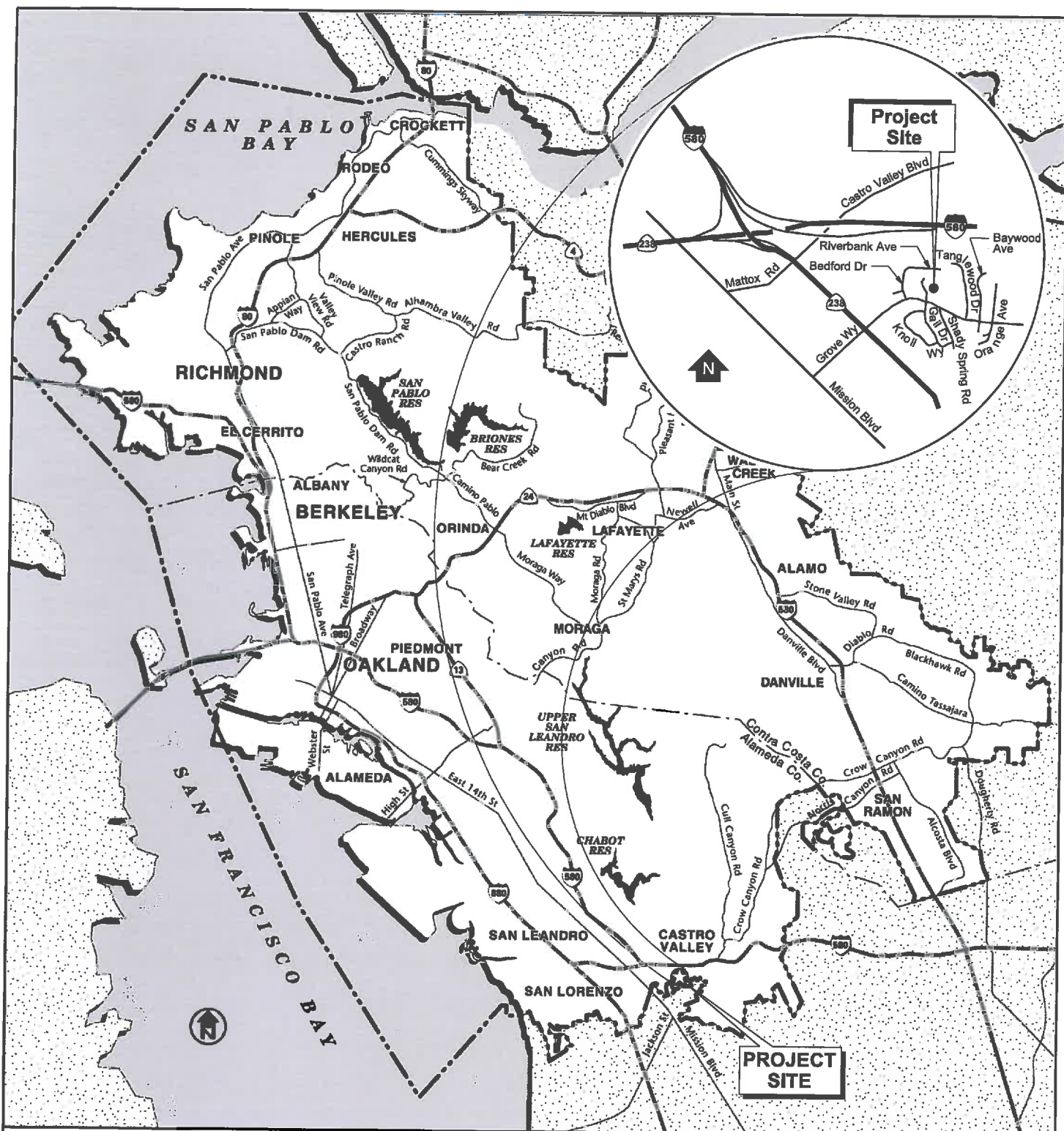
A Notice of Exemption for South Reservoir Replacement was posted with the Alameda County Clerk on January 12, 2011.

ALTERNATIVES

Do not complete the project. This alternative is not recommended because District studies have demonstrated the need for replacing the demolished open cut reservoir to ensure reliable levels of service in the Central Pressure Zone.

Perform the work with District forces. This alternative is not recommended because the scope and scale of the required work is beyond typical District staff duties and because allocating the necessary staff resources would preclude normal routine maintenance work.

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



PROJECT SITE LOCATION MAP

NOT TO SCALE

EAST BAY MUNICIPAL UTILITY DISTRICT

SOUTH RESERVOIR REPLACEMENT

SPECIFICATION 2075

EAST BAY MUNICIPAL UTILITY DISTRICT
SPECIFICATION 2075
SOUTH RESERVOIR REPLACEMENT
Bids Opened November 2, 2016

	BIDDER	TOTAL AMOUNT BID
1.	GSE Construction Company, Inc. 6950 Preston Ave. Livermore, CA 94551 (925) 447-0292	\$14,766,000
2.	J.F. Shea Construction, Inc. 667 Brea Canyon Rd., Ste. 30 Walnut, CA 91789 (909) 595-4397	\$14,934,000
3.	Myers and Sons Construction, LP 4600 Northgate Blvd., Ste. 100 Sacramento, CA 95834 (916) 283-9950	\$14,940,000
4.	Steve P. Rados, Inc. 2002 E. McFadden Ave., Ste. 200 Santa Ana, CA 92705 (714) 835-4612	\$15,265,000
5.	Sierra Mountain Construction, Inc. DBA SMCI (SBE/DVBE) 13919 Mono Wy. Sonora, CA 95370 (415) 896-2859	\$15,483,000 / 15,223,000*
6.	DMZ Builders (SBE/DVBE) 1717 Solano Wy., #19 Concord, CA 94520 (925) 826-5387	\$15,990,000 / 15,740,000*
7.	Proven Management, Inc. 225 3 rd St. Oakland, CA 94607 (510) 671-0000	\$16,490,777
8.	Mountain Cascade, Inc. 555 Exchange Ct. Livermore, CA 94551 (925) 373-8370	\$16,561,000
9.	McGuire and Hester 9009 Railroad Ave. Oakland, CA 94603 (951) 632-7676	\$17,119,000

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

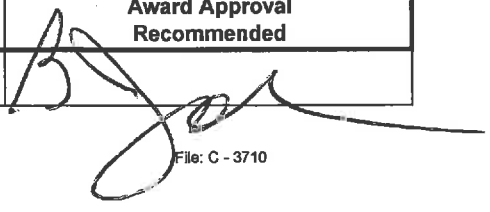
* Effective Bid Amount due to SBE/DVBE discount (5% of the low bid amount, not to exceed \$250,000)

Engineer's Estimate: \$12,142,651



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE SPECIFICATION NO.: 2075 South Reservoir Replacement				DATE: November 15, 2016										
CONTRACTOR: GSE Construction Company Inc. Local Business Livermore, CA 94551				PERCENTAGE OF CONTRACT DOLLARS										
BID/PROPOSER'S PRICE: \$14,766,000		FIRM'S OWNERSHIP		Availability Group White Men	Contracting Objectives 25%	Participation 57.9%								
		Ethnicity Hispanic	Gender Men	White Women	9%	0.0%								
				Ethnic Minorities	25%	36.1%								
CONTRACT EQUITY PARTICIPATION														
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION									
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign			
PRIME:														
GSE Construction Company Inc.	\$4,616,165	Hispanic	X					31.3%						
SUBS:														
Avar Construction Inc.	\$264,750	White	X		1.8%									
Ransome Company	\$239,950	White	X		1.6%									
All Commercial Fence	\$180,705	White	X		1.2%									
Takehara Landscape Inc.	\$152,406	A/PI	X					1.0%						
Pipe Jacking Trenchless Inc.	\$885,000	PHC								6.0%				
DN Tanks	\$6,199,036	White	X		42.0%									
Waterproofing Associates, Inc.	\$483,400	White	X		3.3%									
Fidel Electric Inc.	\$198,100	White	X		1.3%									
Jeffco Painting & Coating, Inc.	\$94,410	White	X		0.6%									
TOTAL	\$14,766,000				57.9%	0.0%	36.1%	0.0%	6.0%	0.0%	0.0%	0.0%		
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)														
		White Men	White Women	Ethnic Minorities	Total Employees									
No. of Employees:		32	6	70	108									
Percent of Total Employees:		29.6%	5.6%	64.8%										
MSA Labor Market %:		32.3%	27.8%	39.9%										
MSA Labor Market Location:		9 Bay Area Counties												
COMMENTS														
Contract Equity Participation - 57.9% White Men participation and 36.1% Ethnic Minority participation														
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended						
NA				YES										

CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Specification No.: 2075 South Reservoir Replacement	DATE November 15, 2016
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CONTRACT EQUITY PARTICIPATION (cont. from page one)

COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White- Men	White- Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
SUBS:											
Economy Trucking	\$195,000	A/PI		X			1.3%		1.3%		
G2 Metal Fab, Inc.	\$370,012	Hispanic	X				2.5%				
Aqua Pipe & Fabrication	\$653,521	White	X		4.4%						
Crump & Co. Inc.	\$233,545	White	X		1.6%						
Total	See page 1 for total										



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: South Reservoir Replacement			Ethnic Minority Percentages From U.S. Census Data						
				B	H	A/PI	AI/AN		
Spec. No.: 2075 DATE: 11/15/2016			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: H - LBE	Company Wide	1	62	3	4	70	64.8%	39.9%
GSE Construction Company, Inc. Orlando Gutierrez 6950 Preston Ave. Livermore, CA 94551 925-447-0292		Manager/Prof	0	6	0	0	6	27.3%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	1	44	3	4	52	83.9%	
		Semi/Unskilled	0	12	0	0	12	52.2%	
		Bay Area	1	62	3	4	70	64.8%	39.9%
		AA Plan on File:	NA		Date of last contract with District:		11/8/2016		
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		108 Bay Area: 108		
S	WM: LBE	Company Wide	1	37	3	0	41	51.3%	53.9%
AVAR Construction Inc. Amy Winford 47375 Fremont Blvd. Fremont, CA 94538 510-354-2000		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	-	NA	
		Clerical/Skilled	1	37	3	0	41	60.3%	
		Semi/Unskilled	0	0	0	0	-	NA	
		Bay Area	1	37	3	0	41	51.3%	39.9%
		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		80 Bay Area: 80		
S	WM: L/SBE	Company Wide	2	44	0	0	46	78.0%	39.9%
Ransome Company Geoff Raaka 1933 Williams Street San Leandro, CA 94577 510-686-9900		Manager/Prof	1	3	0	0	4	44.4%	
		Technical/Sales	0	1	0	0	1	50.0%	
		Clerical/Skilled	1	20	0	0	21	77.8%	
		Semi/Unskilled	0	20	0	0	20	95.2%	
		Bay Area	2	44	0	0	46	78.0%	39.9%
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		59 Bay Area: 59		
S	WM: L/SBE	Company Wide	0	6	0	0	6	37.5%	38.6%
All Commercial Fence Noel Stamper 121 F Street Waterford, CA 95386 209-874-5484		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	6	0	0	6	50.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA:	Modesto		# Employees-Co. Wide:		16 Bay Area: 33		
S	EMM: AA/SBE	Company Wide	0	26	4	0	30	93.8%	39.9%
Takehara Landscape Walt Takehara 9343 Elder Creek Road Sacramento, CA 95829 916-366-9487		Manager/Prof	0	1	4	0	5	71.4%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	25	0	0	25	100.0%	
		Bay Area	0	26	4	0	30	93.8%	39.9%
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		32 Bay Area: 32		
S	Publicly Held Corporation	Company Wide	0	11	0	0	11	57.9%	48.4%
Pipe Jacking Trenchless Inc. Glen Welsh 5486 Industrial Parkway San Bernadino, CA 92407 225-295-4830		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	6	0	0	6	60.0%	
		Semi/Unskilled	0	5	0	0	5	71.4%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		19 Bay Area: 33		

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							
South Reservoir Replacement			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
Construction Agreement		DATE:	9 Bay Area Counties	5.5	18.2	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 %
S	WM	Company Wide	2	74	12	2	90	57.0%	48.4%
DN Tanks Debbie Martinez 351 Cypress Lane El Cajon, CA 92020 619-440-8181		Manager/Prof	1	7	1	0	9	28.1%	
		Technical/Sales	0	3	1	0	4	50.0%	
		Clerical/Skilled	0	47	1	0	48	59.3%	
		Semi/Unskilled	1	17	9	2	29	78.4%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		158	Bay Area:	0
S	WM	Company Wide	1	130	0	1	132	86.3%	48.4%
Waterproofing Associates, Inc. Dennis Ryan 975 Terra Bella Avenue Mountain View, CA 94043 650-937-1299		Manager/Prof	1	2	0	1	4	25.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	3	0	0	3	42.9%	
		Semi/Unskilled	0	125	0	0	125	96.2%	
		Bay Area	0	88	0	0	88	89.8%	39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		153	Bay Area:	98
S	WM: SBE	Company Wide	0	3	0	0	3	100.0%	38.5%
Fidel Electric Inc. Anthony Fidelus 428 N. Buchanan Cir. #4 Pacheco, CA 94553 925-687-1449		Manager/Prof	0	2	0	0	2	100.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	1	0	0	1	100.0%	
		Bay Area	0	3	0	0	3	100.0%	39.9%
		Co. Wide MSA:	Contra Costa		# Employees-Co. Wide:		3	Bay Area:	3
S	WM: SBE	Company Wide	4	21	1	2	28	41.8%	39.9%
Jeffco Painting & Coating, Inc. Matt Eggle 1260 Railroad Ave. Vallejo, CA 94592 707-562-1900		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	3	19	1	1	24	50.0%	
		Semi/Unskilled	1	2	0	1	4	40.0%	
		Bay Area	4	21	1	2	28	41.8%	39.9%
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		67	Bay Area:	67
S	EMW: L/SBE	Company Wide	3	1	7	0	11	100.0%	53.9%
Economy Trucking Preet Johal 24701 Clawiter Road Hayward, CA 94544 510-733-9100		Manager/Prof	0	1	0	0	1	100.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	3	0	7	0	10	100.0%	
		Bay Area	3	1	7	0	11	100.0%	39.9%
		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		11	Bay Area:	11
S	EMM: H - L/SBE	Company Wide	0	7	2	0	9	60.0%	53.9%
G2 Metal Fab, Inc. Orlando Gutierrez 6954 Preston Avenue Livermore, CA 94551 925-447-0292		Manager/Prof	0	2	2	0	4	50.0%	
		Technical/Sales	0	0	0	0	-	NA	
		Clerical/Skilled	0	0	0	0	-	NA	
		Semi/Unskilled	0	5	0	0	5	71.4%	
		Bay Area	0	7	2	0	9	60.0%	39.9%
		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		15	Bay Area:	15

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							
South Reservoir Replacement			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
Construction Agreement		9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9		
DATE: 11/15/2016		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 %
S	WM	Company Wide	0	12	0	2	14	11.3%	13.2%
Aqua Pipe and Fabrication Paul Gomez 1880 N. Parkway Ct. Springville, UT 84663 801-853-3003		Manager/Prof	0	2	0	0	2	7.4%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	7	0	1	8	9.0%	
		Semi/Unskilled	0	3	0	1	4	57.1%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA: Utah	# Employees-Co. Wide: 124				Bay Area: 0		
S	WM	Company Wide	0	1	0	0	1	33.3%	48.4%
Crump & Co. Inc. Stephen Crump 787 W. Woodbury Rd., #5 Altadena, CA 91001 626-794-1685		Manager/Prof	0	1	0	0	1	50.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	0	0	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA: California	# Employees-Co. Wide: 3				Bay Area: 0		
P	WM	Company Wide	44	515	134	10	703	25.9%	63.5%
J. F. Shea Construction, Inc. John F. Shea 667 brea Canyon Road, Suite 30 Walnut, CA 91789 909-595-4397		Manager/Prof	15	96	73	2	186	17.4%	
		Technical/Sales	3	31	15	0	49	20.2%	
		Clerical/Skilled	6	162	25	4	197	31.4%	
		Semi/Unskilled	20	226	21	4	271	34.7%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA: Los Angeles	# Employees-Co. Wide: 2,717				Bay Area: 0		
P	WM	Company Wide	15	219	4	1	239	52.6%	37.3%
Myers abd Sons Construction LP Clinton Myers 4600 Northgate Blvd., Ste. 100 Sacramento, CA 95834 916-283-9950		Manager/Prof	2	11	1	1	15	20.8%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	9	133	3	0	145	53.9%	
		Semi/Unskilled	4	75	0	0	79	69.9%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA: Sacramento	# Employees-Co. Wide: 72				Bay Area: 0		
P	WM	Company Wide	5	69	7	1	82	48.0%	48.4%
Steve P. Rados, Inc. Steve P. Rados 2002 E. McFadden Avenue, Ste. 200 Santa Ana, CA 92705 714-835-4612		Manager/Prof	0	0	0	0	0	0.0%	
		Technical/Sales	0	11	4	0	15	42.9%	
		Clerical/Skilled	3	50	3	1	57	53.3%	
		Semi/Unskilled	2	8	0	0	10	47.6%	
		Bay Area	0	0	0	0	0	0.0%	39.9%
		Co. Wide MSA: California	# Employees-Co. Wide: 171				Bay Area: 0		

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



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: South Reservoir Replacement		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	
Construction Agreement		DATE: 11/15/2016	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=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 %
P	WM	Company Wide	0	76	0	0	76	100.0%
Sierra Mountain Construction, Inc. Douglas Benton 13919 Mono Way Sonora, CA 95370 415-896-2859		Manager/Prof	0	8	0	0	8	100.0%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	68	0	0	68	100.0%
		Semi/Unskilled	0	0	0	0	0	0.0%
		Bay Area	0	0	0	0	0	0.0%
		Co. Wide MSA: California	# Employees-Co. Wide: 76				Bay Area: 0	39.9%
P	WM: L/SBE	Company Wide	1	12	3	0	16	66.7%
DMZ Builders Richard Zito 1717 Solano Way, #19 Concord, CA 94520 925-826-5387		Manager/Prof	0	0	2	0	2	25.0%
		Technical/Sales	0	0	1	0	0	0.0%
		Clerical/Skilled	1	12	0	0	0	0.0%
		Semi/Unskilled	0	0	0	0	0	0.0%
		Bay Area	1	12	3	0	16	66.7%
		Co. Wide MSA: 9 Bay Area Counties	# Employees-Co. Wide: 24				Bay Area: 24	39.9%
P	EMM: H - LBE	Company Wide	3	45	5	0	53	42.4%
Proven Management, Inc. Alan Varela 225 3rd Street Oakland, CA 94607 510-671-0000		Manager/Prof	0	2	0	0	2	18.2%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	3	43	5	0	0	0.0%
		Semi/Unskilled	0	0	0	0	0	0.0%
		Bay Area	3	45	5	0	53	42.4%
		Co. Wide MSA: 9 Bay Area Counties	# Employees-Co. Wide: 125				Bay Area: 125	39.9%
P	WM: LBE	Company Wide	3	119	1	1	124	48.1%
Mountain Cascade Michael Duke Fuller 555 Exchange Ct. Livermore, CA 94551 925-373-8370		Manager/Prof	0	1	0	0	1	3.3%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	1	1	0	2	0.0%
		Semi/Unskilled	3	117	0	1	121	57.9%
		Bay Area	3	119	1	1	124	48.1%
		Co. Wide MSA: Alameda	# Employees-Co. Wide: 258				Bay Area: 258	39.9%
P	WM: LBE	Company Wide	32	263	8	2	305	62.8%
McGuire and Hester Michael R. Hester 9009 Railroad Ave. Oakland, CA 94603 510-632-7676		Manager/Prof	1	9	1	0	11	15.9%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	23	108	6	0	137	0.0%
		Semi/Unskilled	8	146	1	2	157	89.7%
		Bay Area	32	263	8	2	305	62.8%
		Co. Wide MSA: Sacramento	# Employees-Co. Wide: 486				Bay Area: 486	39.9%

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

4.1.

January 10, 2017

TITLE CONSTRUCTION FOR SOUTH INTERCEPTOR 3RD STREET REHABILITATION PHASE 1

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, F.D. Thomas, Inc., in the amount of \$4,937,816 for construction of the South Interceptor 3rd Street Rehabilitation Phase 1 Project under Specification SD-379A.

SUMMARY



This construction contract includes rehabilitation of approximately 1,500 feet of the 105-inch diameter South Interceptor, which is over 60 years old and conveys over 60 percent of all wastewater flow to the Main Wastewater Treatment Plant. This work will help ensure the structural integrity and reliability of this critical wastewater infrastructure element in the City of Oakland. This project was discussed as part of the Wastewater Collection System Infrastructure Condition Update at the May 12, 2015 Planning Committee meeting.

DISCUSSION

In 2008, the District completed an update to its Interceptor System Master Plan, which included an assessment of the physical condition of the interceptors and manholes in the District's wastewater collection system, an evaluation of the remaining useful life of these critical infrastructure components, and a phased, priority-based infrastructure rehabilitation program. The 2008 update identified the need for the South Interceptor to be rehabilitated to prevent advanced corrosion that may threaten structural integrity. A corrosion-resistant plastic liner system will be installed to protect the pipe against any further corrosion. This project is the first of four planned project phases to rehabilitate the South Interceptor along 3rd Street. This project supports the District's Strategic Plan goals for Long-Term Infrastructure Investment, specifically to "meet operational needs and reliability goals by effectively maintaining infrastructure."

BID RESULTS

Bid documents were issued to 22 resource organizations and 12 prospective bidders. Two bids were received, ranging from \$4,937,816 to \$7,478,675. The bid summary is attached. The engineer's estimate for this work is \$5,978,220. The engineer's estimate includes a 15 percent contingency to reflect specific uncertainties in the bid marketplace, including the limited number of specialty contractors available to

Funds Available: FY17		Budget Code: 927/7999/2010677/5561
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.

perform the work and limited historical data on the specialized nature of the work. The engineer's estimate without the 15 percent contingency is \$5,198,452, which is within 5 percent of the bid amount.

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

SUSTAINABILITY

Economic

This item is included in the FY17 budget for the 3rd Street Sewer Interceptor Rehabilitation Project.

A life-cycle cost analysis prepared as part of the Interceptor Corrosion Prevention Study in March 2014 demonstrated that pipe rehabilitation yields the lowest life-cycle cost compared to other corrosion prevention methods such as chemical addition or sewer crown spraying.

Social

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

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

Local 444 was notified of this contract on November 4, 2016, and did not raise any specific issues related to this contract.

Environmental

A Notice of Exemption was filed with the Alameda County Clerk on November 25, 2015.

The project will help provide long-term compliance with Statewide General Waste Discharge Requirements, which prohibit sanitary sewer overflows.

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 and rebidding the work would result in continued corrosion of a key District asset, a significant delay, and increased construction costs.

Construction for South Interceptor 3rd Street Rehabilitation Phase 1

January 10, 2017

Page 3

Reject all bids and do not perform the work. This alternative is not recommended because the project will rehabilitate a key District asset that is actively corroding, reduce long-term maintenance costs, and help provide for long-term compliance with Statewide General Waste Discharge Requirements.

Attachments

Bid Summary

Location Map

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary

I:\Sec\2017 Board Related Items\011017 Board Agenda Items\WW\WW - Construction for South Interceptor 3rd St Rehab Ph 1.doc

EAST BAY MUNICIPAL UTILITY DISTRICT

SPECIAL DISTRICT NO. 1

SPECIFICATION SD-379A

SOUTH INTERCEPTOR 3RD STREET REHABILITATION PHASE 1 REBID

December 14, 2016

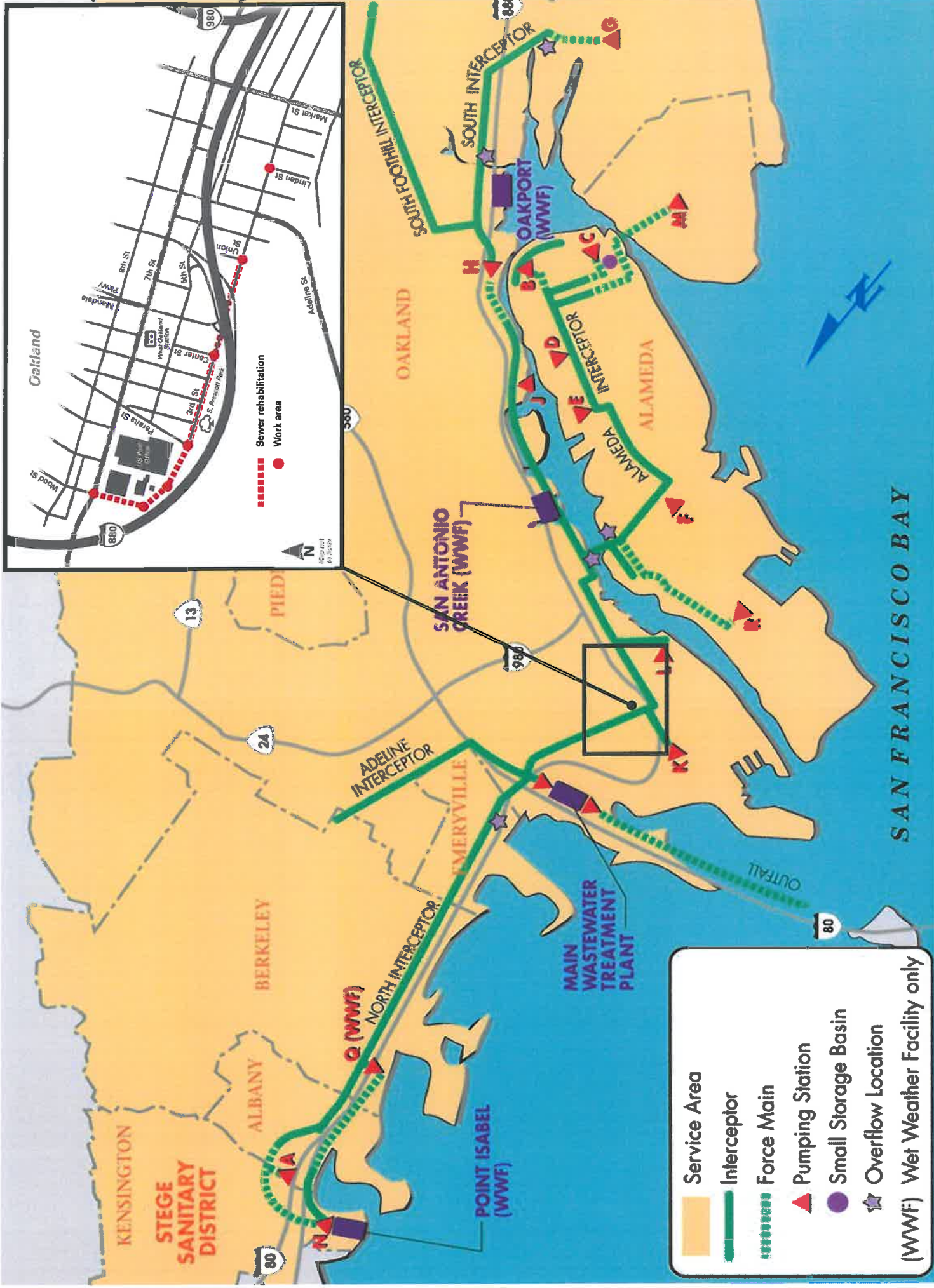
BID SUMMARY

BIDDER		TOTAL BID
1.	F.D. Thomas, Inc.*	\$4,937,816.00
2.	J.R. Pipeline Co., Inc.	\$7,478,675.00

*** Apparent Low Bidder**

Number of Proposals sent to Contractor	12
Number of Proposals sent to Resource Orgs	22
Number of Proposals sent to MBEs	2
Number of Proposals sent to WBEs	0
Number of Proposals sent to SBs	1
Number of bids received	2

Engineer's Estimate:	\$5,978,220
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Location Map — South Interceptor 3rd St. Rehabilitation Sewer Interceptor Rehabilitation Project



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE SPECIFICATION NO.: SD-379A Construction for the South Interceptor 3rd Street Rehabilitation Phase I						DATE: December 21, 2016						
CONTRACTOR: F.D Thomas, Inc. Oakland, CA 94608					Local Business					PERCENTAGE OF CONTRACT DOLLARS		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		75.5%		Participation		
Ethnicity		Gender		White Women		9%		22.9%		Participation		
\$4,937,816		White		Men		Ethnic Minorities		25%		1.6%		
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION							
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign	
PRIME: F.D Thomas, Inc.	\$3,338,412	White	X		67.6%	---	---	---	---	---	---	
SUBS: Pipe & Plant Solutions, Inc.	\$387,404	White	X		7.8%	---	---	---	---	---	---	
Bay Area Traffic Solutions, Inc.	\$80,000	Hispanic	X		---	---	1.6%	---	---	---	---	
Manito Construction, Inc.	\$1,132,000	White		X	---	22.9%	---	---	---	---	---	
					---	---	---	---	---	---	---	
					---	---	---	---	---	---	---	
					---	---	---	---	---	---	---	
					---	---	---	---	---	---	---	
					---	---	---	---	---	---	---	
TOTAL	\$4,937,816				75.5%	22.9%	1.6%	0.0%	0.0%	0.0%	0.0%	
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)												
White Men		White Women		Ethnic Minorities		Total Employees						
No. of Employees:		153		16		135		304				
Percent of Total Employees:		50.3%		5.3%		44.4%						
MSA Labor Market %:		39.0%		33.7%		27.3%						
MSA Labor Market Location:		Total USA										
COMMENTS												
Contract Equity Participation - 100% White Men participation												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				YES								



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Construction for the South Interceptor 3rd Street Rehabilitation Phase I			Ethnic Minority Percentages From U.S. Census Data							
				B	H	A/PI	AI/AN			TOTAL
			National	10.5	10.7	3.7	0.7			27.3
Spec. No.: SD-379A			DATE: 12/21/2016	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=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number				B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE		Company Wide	12	108	5	4	129	42.4%	27.3%
F. D. Thomas, Inc. F. Dan Thomas 5301 Adeline Street Oakland, CA 94608 415-242-1164			Manager/Prof	1	6	1	0	8	16.7%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	11	102	4	4	121	48.2%	
			Semi/Unskilled	0	0	0	0	0	0.0%	
			Bay Area	0	0	0	0	0	0.0%	39.9%
			AA Plan on File:	NA		Date of last contract with District:		3/17/2016		
			Co. Wide MSA:	Total USA		# Employees-Co. Wide:		304		Bay Area: 0
S	WM: L/SBE		Company Wide	5	4	6	0	15	50.0%	39.9%
Pipe and Plant Solutions, Inc. William J. Gilmartin IV 225 3rd Street Oakland, CA 94607 888-978-8264			Manager/Prof	0	0	1	0	1	16.7%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	0	1	0	1	100.0%	
			Semi/Unskilled	5	4	4	0	13	56.5%	
			Bay Area	0	4	6	0	10	33.3%	39.9%
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		30		Bay Area: 30
S	WM: L/SBE		Company Wide	0	5	0	0	5	38.5%	48.4%
Manito Construction, Inc. Jeff Perko 1288 Quarry Lane, Suite C Pleasanton, CA 94566 925-600-0220			Manager/Prof	0	1	0	0	1	16.7%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	4	0	0	4	57.1%	
			Semi/Unskilled	0	0	0	0	0	0.0%	
			Bay Area	0	0	0	0	0	0.0%	39.9%
			Co. Wide MSA:	California		# Employees-Co. Wide:		13		Bay Area: 0
S	EM: L/SBE		Company Wide	11	173	5	0	189	88.7%	48.4%
Bay Area Traffic Solutions Inc. Rafael De La Cruz 44800 Industrial Drive Fremont, CA 94538 510-657-2543			Manager/Prof	1	8	0	0	9	81.8%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	0	0	0	0	0.0%	
			Semi/Unskilled	10	165	5	0	180	90.0%	
			Bay Area	11	173	5	0	189	89.2%	39.9%
			Co. Wide MSA:	California		# Employees-Co. Wide:		213		Bay Area: 212
P	EM: SBE		Company Wide	0	15	0	0	15	83.3%	48.3%
J.R. Pipeline Co., Inc. Juan P. Renteria 1530 Nandina Avenue Perris, CA 92571 951-940-5090			Manager/Prof	0	5	0	0	5	62.5%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	2	0	0	2	100.0%	
			Semi/Unskilled	0	8	0	0	8	100.0%	
			Bay Area	0	0	0	0	0	0.0%	39.9%
			Co. Wide MSA:	Riverside-San Bernadino		# Employees-Co. Wide:		18		Bay Area: 0

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



AGENDA NO.
MEETING DATE

4.2.

January 10, 2017

TITLE CONSULTANT AGREEMENT FOR CONSTRUCTION INSPECTION SERVICES FOR SOUTH INTERCEPTOR 3RD STREET REHABILITATION PHASE 1

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Authorize an agreement beginning on or after January 10, 2017 with Carollo Engineers, Inc., in an amount not to exceed \$370,018 for supplemental construction inspection services for the South Interceptor 3rd Street Rehabilitation Phase 1 Project.

SUMMARY

The District is planning to rehabilitate approximately 1,500 feet of the 105-inch diameter South Interceptor to maintain the structural integrity and reliability of this critical wastewater infrastructure element. This agreement provides for construction inspection services for the South Interceptor 3rd Street Rehabilitation Phase 1 Project to ensure quality control during installation of the specialized pipe rehabilitation liner.

DISCUSSION

This agreement provides a supplemental construction inspector to ensure proper installation of a corrosion-resistant plastic liner in the South Interceptor. The work requires confined-space entry during active wastewater flow conditions from 5:00 am to 3:00 pm each day. The scope of services includes inspecting construction quality, monitoring the pipeline rehabilitation, documenting all construction activities on daily inspection reports, and field-verifying that the contractor's work is in compliance with the construction contract. The supplemental construction inspector will perform these activities under the direction of District staff. This project supports the District's Strategic Plan goals for Long-Term Infrastructure Investment, specifically to "meet operational needs and reliability goals by effectively maintaining infrastructure."

CONSULTANT SELECTION

Project-specific requests for proposals were sent to seven firms from the District's engineering consultant roster, including one minority-owned firm with expertise in construction inspection services. Two firms

Funds Available: FY17		Budget Code: 927/7999/2010677/5231	
DEPARTMENT SUBMITTING Wastewater	DEPARTMENT MANAGER or DIRECTOR <i>Bennett K. Horenstein</i> Bennett K. Horenstein		APPROVED <i>Michael R. Cline</i> General Manager

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

submitted proposals and were interviewed. Carollo Engineers, Inc. was selected based on demonstrating the strongest qualifications in providing the necessary specialized inspection expertise.

SUSTAINABILITY

Economic

This item is included in the FY17 budget for the 3rd Street Sewer Interceptor Rehabilitation Project.

Social

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

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

Locals 2019 and 21 were notified of this contract on December 9, 2016 and did not raise any specific issues related to this contract.

Environmental

A Notice of Exemption was filed with the Alameda County Clerk on November 25, 2015.

The project will provide long-term compliance with Statewide General Waste Discharge Requirements, which prohibit sanitary sewer overflows.

ALTERNATIVES

Select a different consultant to perform the work. This alternative is not recommended because Carollo Engineers, Inc., provided the best qualified construction inspector through the selection process and has demonstrated a clear understanding of the project scope and construction inspection methodology that is consistent with the District's construction inspection approach.

Perform work with District forces. This alternative is not recommended because District staff does not have the technical expertise and experience required to inspect installation of the specialized plastic liner required for this project.

Delay or do not proceed with the work. This alternative is not recommended because the construction project is required to rehabilitate a key District asset.

Attachments

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary

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CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Professional Services Agreement Consultant Agreement for Construction Inspection Services for the South Interceptor 3rd Street Rehabilitation Phase I						DATE: December 20, 2016					
CONTRACTOR: Carollo Engineers, Inc. Walnut Creek, CA 94598				Local Business				PERCENTAGE OF CONTRACT DOLLARS			
BID/PROPOSER'S PRICE: \$370,018 *		FIRM'S OWNERSHIP		White Men		25%		100.0%			
		Ethnicity	Gender	White Women		6%		0.0%			
		White	Men	Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Carollo Engineers, Inc.	\$355,018	White	X		95.9%						
SUBS: Geosphere	\$15,000	White	X		4.1%						
TOTAL		\$370,018				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		447		188		193		828			
Percent of Total Employees:		54.0%		22.7%		23.3%					
MSA Labor Market %:		39.0%		33.7%		27.3%					
MSA Labor Market Location:		Total USA									
COMMENTS											
Contract Equity Participation - 100.0% White Men participation											
*Total Not to Exceed											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Consultant Agreement for Construction Inspection Services for the South Interceptor 3rd Street Rehabilitation Phase I		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		
Professional Services Agreement	DATE: 12/20/2016	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=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM: LBE	Company Wide	23	62	90	0	175	21.1%	27.3%
Carollo Engineers, Inc. Michael Warriner 2700 Tyngnacio Valley Road, Suite 300 Wlanut Creek, CA 94598 925-932-1710		Manager/Prof	21	36	74	0	131	19.5%	
		Technical/Sales	2	12	11	0	0	0.0%	
		Clerical/Skilled	0	14	5	0	0	0.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	4	5	0	0	9	7.3%	39.9%
		AA Plan on File: NA	Date of last contract with District: 8/2/2016						
Co. Wide MSA: Total USA		# Employees-Co. Wide: 828		Bay Area: 124					
S	WM: LBE	Company Wide	0	2	3	0	5	35.7%	39.9%
Geosphere Consultants, Inc. Eric J. Swenson 2001 Crow Canyon Rd., Suite 210 San Ramon, CA 94583 925-314-7137		Manager/Prof	0	1	3	0	4	50.0%	
		Technical/Sales	0	0	0	0	0	0.0%	
		Clerical/Skilled	0	1	0	0	1	50.0%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	0	2	3	0	5	35.7%	39.9%
		Co. Wide MSA: 9 Bay Area Counties	# Employees-Co. Wide: 14		Bay Area: 14				
P	EM: SBE	Company Wide	INFORMATION NOT PROVIDED						
EPC Consultants, Inc. Robert T. Cockburn 655 Davis Street San Francisco, CA 94111 415-675-7580		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
Co. Wide MSA:									
S	WM	Company Wide	INFORMATION NOT PROVIDED						
Brown and Caldwell Robert T. Cockburn 655 Davis Street San Francisco, CA 94111 415-675-7580		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
Co. Wide MSA:									

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



AGENDA NO.
MEETING DATE

5.
January 10, 2017

**TITLE MAIN WASTEWATER TREATMENT PLANT RECYCLED WATER
 12-INCH PIPELINE EXTENSION AND COMMERCIAL FILL STATION**

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, Con-Quest Contractors, Inc., in the amount of \$525,000 for construction of the Main Wastewater Treatment Plant (MWWTP) Recycled Water 12-inch Pipeline Extension and Commercial Fill Station Project under Specification SD-387.

SUMMARY

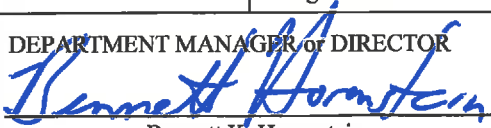
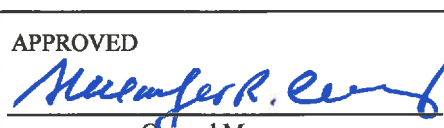
This construction contract includes installation of 440 feet of 12-inch pipeline to provide recycled water from the MWWTP to the City of Oakland's former Oakland Army Base redevelopment area and a new fill station located immediately outside the MWWTP to provide recycled water to commercial trucks. In February 2002, the Board approved a Water Supply Assessment that considered future recycled water use for the Oakland Army Base redevelopment plan.

DISCUSSION

The City of Oakland is redeveloping the former Oakland Army Base area, which includes installation of recycled water distribution infrastructure. This construction contract will provide a new recycled water main extension from the MWWTP to the City of Oakland's recycled water system at Engineers Road. In addition, a new recycled water fill station will be constructed immediately outside the MWWTP fence line to serve commercial trucks. Trucks currently must enter the MWWTP to obtain recycled water. The new fill station will allow commercial customers more convenient access to recycled water for construction and other purposes, while reducing traffic and potential security concerns within the MWWTP. This project supports the District's Strategic Plan goals for Long-Term Water Supply, specifically to "ensure a reliable high quality water supply for the future." Because the MWWTP site has access and security issues, staff is continuing to identify alternative locations for a residential customer recycled water fill station.

BID RESULTS

Bid documents were issued to 22 resource organizations and 14 prospective bidders. Three bids were received, ranging from \$525,000 to \$814,900. The bid summary is attached. The engineer's estimate for

Funds Available: FY17		Budget Code: WWC/927/2004621/5561	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR		APPROVED
Wastewater	 Bennett K. Horenstein		 General Manager

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

this work is \$480,000. Although the low bid is 9 percent higher than the engineer's estimate, the cost is within the range of construction costs for similar recycled water pipeline installation projects.

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

SUSTAINABILITY

Economic

This item is included in the FY17 budget under the Treatment Plant Infrastructure Project and the Water Recycling Water Supply Management Program Project.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached. This project will improve commercial customer access to recycled water and reduce traffic at the MWWTP.

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

Local 444 was notified of this contract on November 4, 2016, and did not raise any specific issues related to this contract.

Environmental

A Notice of Exemption was filed with the Alameda County Clerk on June 15, 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, and rebidding the work would result in a significant delay and increased project costs.

Reject all bids and do not perform the work. This alternative is not recommended because this project will provide the City of Oakland's Oakland Army Base redevelopment area customers with recycled water and improved access to a recycled water fill station for commercial trucks.

Perform the work with District forces. This alternative is not recommended because staff does not perform this type of major capital construction work.

EAST BAY MUNICIPAL UTILITY DISTRICT

SPECIAL DISTRICT NO. 1

SPECIFICATION SD-387

**MAIN WASTEWATER TREATMENT PLANT RECYCLED WATER
12-INCH PIPELINE EXTENSION AND COMMERCIAL FILL STATION**

November 16, 2016

BID SUMMARY

BIDDER		TOTAL BID
1.	Con-Quest Contractors, Inc.*	\$525,000
2.	McGuire and Hester	\$599,450
3.	Monterey Mechanical Co	\$814,900

*** Apparent Low Bidder**

Number of Proposals sent to Contractor	14
Number of Proposals sent to Resource Orgs	22
Number of Proposals sent to MBEs	0
Number of Proposals sent to WBEs	1
Number of Proposals sent to SBs	1
Number of bids received	3

Engineer's Estimate:	\$480,000
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EAST BAY MUNICIPAL UTILITY DISTRICT

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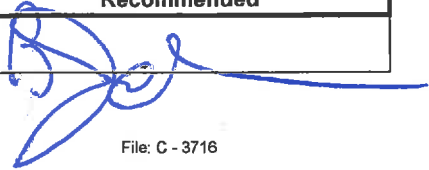
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Number of Proposals sent to WBEs	1
Number of Proposals sent to SBs	1
Number of bids received	3

Engineer's Estimate:	\$480,000
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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)

TITLE SPECIFICATION NO.: SD-387 Main Wastewater Treatment Plant Recycled Water 12-Inch Pipeline Extension and Commercial Station						DATE: November 22, 2016					
CONTRACTOR: Con-Quest Contractors, inc. San Francisco, CA 94124				Local/Small Business		PERCENTAGE OF CONTRACT DOLLARS					
BID/PROPOSER'S PRICE: \$525,000		FIRM'S OWNERSHIP		White Men		25%		96.2%			
		Ethnicity	Gender	White Women		9%		3.8%			
		White	Men	Ethnic Minorities		25%		0.0%			
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Con-Quest Contractors, inc.	\$500,000	White	X		95.2%						
SUBS: Value Painting	\$5,000	White	X		1.0%						
Blocka Construction, Inc.	\$20,000	White		X		3.8%					
TOTAL		\$525,000				96.2%	3.8%	0.0%	0.0%	0.0%	
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men	White Women	Ethnic Minorities	Total Employees						
No. of Employees:		13	3	28	44						
Percent of Total Employees:		29.5%	6.8%	63.6%							
MSA Labor Market %:		32.3%	27.8%	39.9%							
MSA Labor Market Location:		9 Bay Area Counties									
COMMENTS											
Contract Equity Participation - 96.2% White Men participation and 3.8% White Women participation.											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
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: Main Wastewater Treatment Plant Recycled Water 12-Inch Pipeline Extension and Commercial Station			Ethnic Minority Percentages From U.S. Census Data							
				B	H	A/PI	AI/AN	TOTAL		
			National	10.5	10.7	3.7	0.7	27.3		
Spec. No.: SD-387			DATE: 11/22/2016	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=Recmmd P=Prime S=Sub	Composition of Ownership		Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM: SBE		Company Wide	0	24	4	0	28	63.6%	39.9%
Con-Quest Contractors, Inc. Paul Loukianoff 290 Toland Street San Francisco, CA 94124 415-206-0524			Manager/Prof	0	1	2	0	3	23.1%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	0	2	1	0	3	42.9%	
			Semi/Unskilled	0	21	1	0	22	91.7%	
			Bay Area	0	24	4	0	28	63.6%	39.9%
			AA Plan on File:	NA		Date of last contract with District:		11/2/2016		
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		44	Bay Area: 44	
S	WM: L/SBE		Company Wide	NOT APPLICABLE						
Value Painting Tony Heyman 3363 somerset ave. Castro Valley, CA 94546 510-728-1328			Manager/Prof							
			Technical/Sales							
			Clerical/Skilled							
			Semi/Unskilled							
			Bay Area							
			Co. Wide MSA:							
S	WW: L/SBE		Company Wide	NOT APPLICABLE						
Blocka Construction, Inc. Brian Young 4455 Enterprise Street Fremont, CA 94538 510-657-3686			Manager/Prof							
			Technical/Sales							
			Clerical/Skilled							
			Semi/Unskilled							
			Bay Area							
			Co. Wide MSA:							
P	WM: LBE		Company Wide	32	263	8	2	305	62.8%	48.4%
McGuire and Hester Michael Hester 9009 Railroad Ave. Oakland, CA 94603 510-632-7676			Manager/Prof	1	9	1	0	11	15.9%	
			Technical/Sales	0	0	0	0	0	0.0%	
			Clerical/Skilled	23	108	6	0	137	56.6%	
			Semi/Unskilled	8	146	1	2	157	89.7%	
			Bay Area	0	0	0	0	0	0.0%	39.9%
			Co. Wide MSA:	California		# Employees-Co. Wide:		486	Bay Area: 0	
P	WM: LBE		Company Wide	3	22	4	1	30	30.6%	39.9%
Monterey Mechanical Co. Richard Hamilton 8275 San Leandro Street Oakland, CA 94621 510-632-3173			Manager/Prof	0	2	1	1	4	18.2%	
			Technical/Sales	0	0	1	0	1	100.0%	
			Clerical/Skilled	2	16	2	0	20	33.3%	
			Semi/Unskilled	1	4	0	0	5	33.3%	
			Bay Area	1	22	4	1	28	28.6%	39.9%
			Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		98	Bay Area: 98	

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



AGENDA NO.
MEETING DATE

6.

January 10, 2017

TITLE **ADMINISTRATION BUILDING AND ADELINE MAINTENANCE CENTER HVAC
SYSTEM UPGRADES**

☒ **MOTION** ☐ **RESOLUTION** ☐ **ORDINANCE**

RECOMMENDED ACTION



Authorize an agreement beginning on or after January 10, 2017 with Integral Group, Inc. in an amount not to exceed \$1,658,198 for design and construction management support services for upgrading the heating, ventilation, and air conditioning (HVAC) systems at the Administration Building and Adeline Maintenance Center.

SUMMARY

The purpose of this contract is to plan and design upgrades to the HVAC systems at the Administration Building and Adeline Maintenance Center. The upgrades will include improvements to the Data Center, occupied spaces, and central plant equipment (boilers, chillers, and cooling towers) to reduce energy consumption and improve reliability. The consultant contract has two phases: the Phase 1 budget is approximately \$970,000 for planning and design, which includes an energy audit of the Administration Building and development of construction documents for the Administration Building and Adeline Maintenance Center; and the Phase 2 budget is approximately \$690,000 for design support during construction, commissioning and optional services for both facilities. Construction will occur under separate contracts starting approximately in FY18.

DISCUSSION

The Administration Building and Adeline Maintenance Center HVAC mechanical equipment is in need of replacement due to age, deteriorating condition, and obsolescence. In addition, both buildings use a large amount of energy and generate enormous amounts of heat compared to modern buildings and systems. This project will improve building systems' efficiency and reliability, and reduce capital, operating and maintenance costs. The consultant will conduct an energy audit and modeling to identify energy and maintenance cost savings and sustainability benefits. The consultant will then prepare applications for PG&E energy efficiency incentive rebates and provide a design report recommending specific improvements. Design services will include preparing contract documents, providing permit application

Funds Available: FY16-17; CIP #003033, Page 3		Budget Code: Budget Code: WSC\566\7999\2010965:22
DEPARTMENT SUBMITTING Engineering and Construction	DEPARTMENT MANAGER or DIRECTOR  Xavier J. Irias	APPROVED  General Manager

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

support, and developing construction cost estimates and construction schedules. Construction support services will include on-site commissioning to ensure the new systems function properly. District staff will manage the design and construction efforts, as well as manage the interface between construction and District operations within the buildings.

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

CONSULTANT SELECTION

A request for proposals was posted on the District's website and an announcement was placed on the website and local newsletter of the American Society of Heating, Refrigeration, and Air Conditioning Engineers. Seven firms submitted proposals and a short-list of three was established. Integral Group, Inc. was selected based on their superior expertise of energy modeling of high rise office buildings, strong capability in evaluating and selecting cost-effective improvements to HVAC systems, and extensive experience in permitting and design of HVAC systems and data centers. The firm, located on 13th Street near Franklin Street, has operated in Oakland during the past 15 years and completed hundreds of energy efficiency projects.

SUSTAINABILITY

Economic

Funding for this item is included in the FY16-17 Capital Improvement Program under the Administration Building Modifications Project. Economic benefits from the project include reduced energy costs for operating the Administration Building and lower maintenance costs associated with upgraded mechanical and electrical equipment. Two businesses in Oakland and two in San Francisco will participate in the consulting services on the project, and additional local firms are anticipated to participate in the construction of the improvements. The project will improve the reliability of the Data Center, which is the core data management tool for District operations and communications. The improvements will provide for more energy efficient temperature control and improved power reliability.

Social

The completed P-035 and P-061 forms for the Contract Equity Program are attached. Improved reliability of the HVAC system, more equal distribution of conditioned air to office spaces, and improved lighting are expected to enhance workplace environment and productivity.

Locals 2019 and 21 were notified of this contract on August 18, 2016 and did not raise any specific issues related to this contract.

Environmental

A Notice of Exemption was submitted to the Alameda County Clerk on December 13, 2016. The project will result in energy savings due to the use of more efficient HVAC and lighting equipment. The exact savings will depend on the results of the audit and exact equipment selection, but could be up to \$350,000, which is approximately half of the current energy use of the Administration Building. In addition, replacement of the current obsolete systems will result in use of more environmentally favorable materials and will result in maintenance cost savings, estimated to be approximately \$100,000 per year.

ALTERNATIVES

Select a different consultant to perform the work. This alternative is not recommended because the District conducted a comprehensive evaluation process and found Integral Group, Inc. to possess superior expertise in energy modeling of high rise buildings and design of energy efficient HVAC systems and data centers. Staff contacted references provided by Integral Group, Inc. and all provided high recommendations for their technical competence and administrative effectiveness in the design of HVAC systems.

Perform the work with District forces. This alternative is not recommended because District staff does not have specialized expertise in energy modeling of high rise buildings and does not regularly engage in the design of major HVAC system upgrades to office buildings. The need for expertise in office building HVAC upgrades within the District is infrequent and intermittent. District staff will perform project management and be responsible for overall construction management on the project.

Do not perform the work. This alternative is not recommended because the Administration Building and Adeline Maintenance Center HVAC mechanical equipment is in need of replacement due to age, deteriorating condition and obsolescence; improvements to the Data Center and occupied spaces will also improve operational reliability and energy efficiency.

Attachments

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Professional Services Agreement Administration Building HVAC System Upgrade Project						DATE: November 30, 2016					
CONTRACTOR: Integral Group, Inc. Oakland, CA 94612					PERCENTAGE OF CONTRACT DOLLARS						
Local Business					Availability Group		Contracting Objectives		Participation		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP			White Men		25%		100.0%		
		Ethnicity	Gender		White Women		6%		0.0%		
\$1,658,198		White	Men		Ethnic Minorities		25%		0.0%		
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Integral Group, Inc.											
	\$1,566,038	White	X		94.4%						
SUBS: Byrens Kim Design Works											
	\$20,100	White	X		1.2%						
KPFF											
	\$22,500	White	X		1.4%						
Cumming											
	\$49,560	White	X		3.0%						
TOTAL		\$1,658,198			100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		31		30		24		85			
Percent of Total Employees:		36.5%		35.3%		28.2%					
MSA Labor Market %:		39.0%		33.7%		27.2%					
MSA Labor Market Location:		Total USA									
COMMENTS											
Contract Equity Participation - 100.0% White Men participation											
Workforce Profile & Statement of Nondiscrimination Submitted					Good Faith Outreach Efforts Requirement Satisfied			Award Approval Recommended			
NA					NA						



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Administration Building HVAC System Upgrade Project		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		
Professional Services Agreement	DATE: 11/30/2016	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=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM: LBE	Company Wide	INFORMATION NOT PROVIDED					27.2%	
Integral Group, Inc. Tiffany Elston 427 13th Street Oakland, CA 94612 510-663-2070		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area						39.9%	
		AA Plan on File: NA	Date of last contract with District: NA						
		Co. Wide MSA: Total USA	# Employees-Co. Wide: 85		Bay Area: 1				
S	WM: L/SBE	Company Wide	NOT APPLICABLE						
Byrens Kim design Works Dong Kim 6842 4th Street Oakland, CA 94607 510-452-3224		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
S	WM	Company Wide	NOT APPLICABLE						
KPFF David Rossi 45 Fremont Street, 28th Floor San Francisco, CA 94105 415-989-1004		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
S	WM	Company Wide	NOT APPLICABLE						
Cumming Sean McDermott 475 Sansome Street, Suite 520 San Francisco, CA 94111 415-748-3089		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
P	WM: L/SBE	Company Wide	8	30	31	0	69	31.2%	27.2%
Salas O'Brien Melissa Johnson 180 Grand Avenue, Suite 1325 Oakland, CA 95112 408-899-3056		Manager/Prof	2	14	19	0	35	27.3%	
		Technical/Sales	4	4	6	0	14	41.2%	
		Clerical/Skilled	2	12	6	0	20	33.9%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	2	11	9	0	22	28.9%	39.9%
		Co. Wide MSA: Total USA	# Employees-Co. Wide: 221		Bay Area: 76				
P	WM	Company Wide	148	463	366	21	998	15.7%	48.4%
Stantec Consulting Services, Inc. Tony Zavaneli 100 California Street, Suite 1000 San Francisco, CA 94111 925-296-2102		Manager/Prof	72	276	286	13	647	15.1%	
		Technical/Sales	43	123	59	6	231	15.4%	
		Clerical/Skilled	33	64	21	2	120	20.9%	
		Semi/Unskilled	0	0	0	0	0	0.0%	
		Bay Area	4	10	34	0	48	27.3%	39.9%
		Co. Wide MSA: California	# Employees-Co. Wide: 6,368		Bay Area: 176				

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. 7.MEETING DATE January 10, 2017TITLE VIRIDIS FUELS, LLC LEASE AMENDMENT☒ MOTION ☐ RESOLUTION ☐ ORDINANCE**RECOMMENDED ACTION**

Approve a Fifth Amendment to the Lease Agreement between Viridis Fuels, LLC (Viridis) and the District for a portion of the West End Property adjacent to the District's Main Wastewater Treatment Plant, in which Viridis will be allowed to defer the monthly "Additional Value" payment of \$21,666.67 for a period not to exceed six months.

SUMMARY

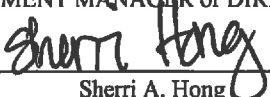

In December 2016, Viridis requested a six-month deferral of its obligation to pay "Additional Value" payments under its lease for the District's West End property and stated that the deferred "Additional Value" payment will be paid with interest after six months. At the December 13, 2016 Board of Directors' meeting, the Board expressed support for such a deferral and authorized staff to draft a Fifth Amendment to the lease to memorialize the terms of the deferral.

DISCUSSION

The District entered into a lease agreement with Viridis on October 27, 2011, for a portion of the West End Property adjacent to the District's Main Wastewater Treatment Plant, which Viridis plans to develop as a biodiesel fuel refining facility. The lease requires Viridis to make monthly rental payments for the use of the property, as well as monthly "Additional Value" payments. These "Additional Value" payments were meant to compensate the District in lieu of providing the District with glycerin from the refining process. Rental payments were to begin on the lease "Commencement Date," and "Additional Value" payments were to begin one year later.

The lease has been amended four times since it was originally executed, resulting in several extensions of the "Commencement Date" and Viridis' corresponding obligation to begin making rent and "Additional Value" payments. Viridis began paying \$24,393.60 in full rent and \$21,666.67 in "Additional Value" payments in July 2016.

On December 2, 2016, Viridis requested that the District defer the "Additional Value" payments for a period beginning December 2016 for up to six months in order to relieve "substantial pressure" on

Funds Available: FY17		Budget Code:
DEPARTMENT SUBMITTING <u>Customer and Community Svcs.</u>	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.

Viridis' development funds. Viridis proposed to make these deferred "Additional Value" payments with interest at the end of six months or at the close of its request for \$24,165,000 in funding from the California Pollution Control Finance Authority, whichever comes first. The Board expressed support for the deferment at its December 13, 2016 meeting and the Fifth Amendment incorporates the terms of the deferment.

SUSTAINABILITY

Economic

An additional deferral of the "Additional Value" payment for six months would temporarily result in a cost of \$130,000 to the District; however, under the Fifth Amendment terms, Viridis will also pay interest that will be included in the June 1, 2017 rent invoice.

Environmental

The District finalized and certified the Environmental Impact Report for the Main Wastewater Treatment Plant Land Use Master Plan (EIR), in accordance with the California Environmental Quality Act, on June 28, 2011. The EIR analyzes the impact of the biodiesel processing facility included in the lease agreement. The proposed deferral of the "Additional Value" payment will not change the analyzed project in any way.

Social

When constructed, the Viridis biodiesel project intends to support local community efforts to reduce pollution in West Oakland and to provide jobs for local community members.

ALTERNATIVES

The Fifth Amendment is drafted in accordance with the Board's direction after weighing the alternatives listed below:

Accept request to defer payments. Authorize staff to prepare and execute a Fifth Amendment to the lease agreement that will provide for a temporary suspension of the "Additional Value" payments from December 1, 2016 through May 31, 2017. The amendment shall include an interest rate the same as the District pays on its debt for the deferred payments and Viridis will have the right to pay the deferred amount and accumulated interest sooner than May 31, 2017. It is uncertain if Viridis will be able to pay the deferred "Additional Value" payments at the end of the six month period should it fail to obtain its financing.

Reject the request to defer payments. Do not accept Viridis' request. It is unclear if Viridis will be able to continue timely rent payments and "Additional Value" payments in the event its request is rejected, thus there is a risk that Viridis will default on its lease payment obligations. Should Viridis default, it is possible that the loss in income to the District from Viridis may be mitigated at least in part by leasing the West End property to a new party.



AGENDA NO.
MEETING DATE

8.
January 10, 2017

**TITLE REVISED PRINCIPLES FOR USE OF UNASSIGNED EBMUD CAPACITY IN THE
FREEPORT REGIONAL WATER PROJECT**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Adopt revised Principles for Use by Other Parties of Unassigned EBMUD Capacity in the Freeport Regional Water Project (Freeport).



SUMMARY

On February 8, 2005, EBMUD's Board approved Principles for Use by Other Parties of Unassigned EBMUD Capacity in the Freeport Regional Water Project Facilities (Principles). The Principles were originally developed in consultation with environmental groups and potential users of Freeport. Staff is proposing revisions to the Principles to reflect current regulatory conditions and possible interest by Bay Area agencies and others in using Freeport. The proposed revisions to the Principles (attached) were discussed at the December 13, 2016 Planning Committee meeting and reflect input received at the meeting.

DISCUSSION

The Freeport Regional Water Authority Joint Powers Agreement specifies that EBMUD and the Sacramento County Water Agency are respectively entitled to exclusive use of 100 million gallons per day (mgd) and 85 mgd of the total 185 mgd Freeport Project capacity. EBMUD's contract with the U.S. Bureau of Reclamation provides for delivery of water from the Central Valley Project through Freeport during dry years. EBMUD also uses Freeport to deliver purchased transfer water, when needed. The District adopted the Principles to address the likelihood that other parties may want to use Freeport when EBMUD is not conveying water for its needs in dry years.

The Principles include objectives that would be used to guide the District during the review of use requests. The objectives focus on improving water reliability for EBMUD customers, facilitating maintenance of EBMUD facilities, protecting the environment of the Delta and its tributaries, and minimizing EBMUD's capital and operating costs for constructing and operating Freeport.

Funds Available: FY17		Budget Code:
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR  Richard G. Sykes	APPROVED  General Manager

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

During discussions regarding how Freeport could potentially be used in conjunction with an expanded Los Vaqueros Reservoir, the Sierra Club encouraged EBMUD to revisit the Principles. As a result, the Principles were revised to remove outdated references and to give priority to agencies with robust water conservation programs and for uses that do not result in unsustainable new development. Based on Board and public input at the December 13, 2016 Planning Committee meeting, Condition 7 in the Principles was further revised.

SUSTAINABILITY

Economic

The revised Principles provide direction in developing agreements that could lead to substantial capital cost recovery and new revenue from Freeport.

Social

The revised Principles reflect objectives to protect the Freeport partnership between EBMUD and Sacramento County. The principles also propose an open and inclusive stakeholder process.

Environmental

The Principles reflect an objective to "Protect and restore or enhance the environment of the Delta and its tributaries, and meet water conservation and recycling objectives as detailed in the Delta Plan." Additionally they reflect updated water conservation goals and standards.

ALTERNATIVE

Do not adopt revised Principles. This alternative is not recommended because the original 2005 Principles contain outdated references and do not reflect updated conservation goals and standards.

RGS:MTT:acr

Attachment

I:\SEC\2017 Board Related Items\Board Packets 2017\011017 Regular Board Meeting\WNR - Revised Principles for Freeport Unassigned Capacity.doc

Revised
Principles for Use by Other Parties of Unassigned EBMUD Capacity in
Freeport Regional Water Project Facilities
January 10, 2017

Definition:

Unassigned East Bay Municipal Utility District (EBMUD) capacity means any capacity dedicated to EBMUD remaining in the Freeport Regional Water Project (Freeport Project) facilities after meeting all EBMUD needs.

Purpose:

EBMUD anticipates interest on the part of third parties regarding EBMUD's unassigned capacity of the Freeport Project facilities. These principles are intended to guide decisions related to the use of the unassigned capacity.

EBMUD Objectives:

1. Deliver water to improve reliability for EBMUD customers.
2. Deliver water as an alternate supply to facilitate maintenance of Mokelumne facilities.
3. Protect and restore or enhance the environment of the Delta and its tributaries, and meet water conservation and recycling objectives as detailed in the Delta Plan.
4. Minimize EBMUD capital and operation cost for Freeport Project.

Conditions for Use:

1. Any proposed use of the Freeport Project unassigned EBMUD capacity must be consistent with the Freeport Regional Water Authority (FRWA) Joint Powers Agreement between EBMUD and the Sacramento County Water Agency, and the settlement agreements between FRWA and the state and federal water contractors. The Joint Powers Authority agreement between EBMUD and Sacramento County Water Agency prohibits EBMUD from contracting for the use of its Dedicated Capacity for the delivery of water for use within the County of Sacramento without the prior approval of Sacramento County Water Agency.
2. Any proposed use of the unassigned EBMUD capacity will include a complete project description and shall be subject to applicable environmental regulations and laws including the California Environmental Quality Act (CEQA), the National Environmental Protection Act (NEPA), the Endangered Species Act (ESA), the Clean Water Act (CWA), the state and federal Wild and Scenic Rivers Acts, and all others that may also be applicable. This shall include providing a project description with full environmental review and permitting.
3. Any proposed use of the EBMUD unassigned capacity shall not negatively impact project performance for FRWA member agencies, including water quantity and water quality.

4. The proposed use shall not negatively impact EBMUD or Sacramento County Water Agency water rights, contract rights, water quality, or customer rates. The proposed use shall not interfere with current or future needs of EBMUD customers.
5. Any proposed use of the EBMUD unassigned capacity that requires conveyance through the Folsom South Canal must have the approval of the U.S. Bureau of Reclamation. It is the FRWA agencies' expectation and preference that any uses of the unassigned capacity shall have a diversion point only on the Sacramento River.
6. Proposed uses shall:
 - ◆ Not diminish water quality, environmental, reliability, or recreational benefits unless mitigated.
 - ◆ Not redirect impacts from one sensitive fishery of concern to another, and preferably provide net benefits to fish and wildlife.
 - ◆ Utilize the best available scientific analysis within an open and inclusive stakeholder process.
7. Water agencies proposing to use EBMUD's unassigned capacity shall demonstrate:
 - ◆ Water conservation programs achieving high levels of savings including compliance with state-mandated drought demand reductions compliant with SBx7-7, agency demand limits under Executive Order B-37-16 for urban and agricultural users, or the most current state or local use restrictions applicable for the area of intended use;
 - ◆ That the capacity will not be used to serve unsustainable new development or agricultural uses (consistent with the definition of sustainable in Policy 7.05);
 - ◆ That end use billing will include a volumetric component;
 - ◆ That water losses are being reduced in accordance with the most current state or local requirements.
8. In the event of competing applications for use of the unassigned capacity, the project that is deemed to best meet EBMUD objectives and result in the greatest environmental benefit will be favored. Environmental benefits may include, but are not limited to increased releases for fisheries, wetland creation, surface and groundwater quality improvements, groundwater basin recovery, or increased surface water flows in dry years.
9. Proponents for use of EBMUD's unassigned capacity should work with relevant agencies to ensure any use of unassigned EBMUD capacity is consistent with the Delta Plan and all other applicable state requirements. Such use of EBMUD's unassigned capacity is further conditioned on continued compliance with all applicable State Board standards and decisions.
10. Proponents for use of EBMUD's unassigned capacity shall pay all costs of operation related to their use of the unassigned capacity and a negotiated share of capital and financing costs of

the EBMUD portion of the Freeport Project capacity. Proponents shall also pay all additional capital costs that result specifically from the proponents' use.

11. Approval of any future contracts or agreements concerning use of EBMUD's unassigned capacity will be publicly noticed by the EBMUD Board of Directors, with opportunity for public comment.

Revised
**Principles for Use by Other Parties of Unassigned EBMUD Capacity in
Freeport Regional Water Project Facilities**
January 10, 2017

Definition:

Unassigned East Bay Municipal Utility District (EBMUD) capacity means any capacity dedicated to EBMUD remaining in the Freeport Regional Water Project (~~Freeport Project~~RWP) facilities after meeting all EBMUD needs.

Purpose:

EBMUD anticipates interest on the part of third parties regarding EBMUD's unassigned capacity of the ~~FRWP~~Freeport Project facilities. -These principles are intended to guide decisions related to the use of the unassigned capacity.

EBMUD Objectives:

1. Deliver water to improve reliability for EBMUD customers.
2. Deliver water as an alternate supply to facilitate maintenance of Mokelumne facilities.
3. Protect and restore or enhance the environment of the Delta and its tributaries, and meet water conservation and recycling objectives as detailed in the Delta Plan, ~~defined by the Bay-Delta program.~~
4. Minimize EBMUD capital and operation cost for ~~FRWP~~Freeport Project.

Conditions for Use:

1. Any proposed use of the ~~FRWP~~Freeport Project unassigned EBMUD capacity must be consistent with the Freeport Regional Water Authority (FRWA) Joint Powers Agreement between EBMUD and the Sacramento County Water Agency (~~SCWA~~), and the settlement agreements between FRWA and the state and federal water contractors. The Joint Powers Authority agreement between EBMUD and ~~SCWA~~Sacramento County Water Agency prohibits EBMUD from contracting for the use of its Dedicated Capacity for the delivery of water for use within the County of Sacramento without the prior approval of ~~SCWA~~Sacramento County Water Agency.
2. Any proposed use of the unassigned EBMUD capacity will include a complete project description and shall be subject to applicable environmental regulations and laws including the California Environmental Quality Act (CEQA), the National Environmental Protection Act (NEPA), the Endangered Species Act (ESA), the Clean Water Act (CWA), the state and federal Wild and Scenic Rivers Acts, and all others that may also be applicable. This shall include providing a project description with full environmental review and permitting.

3. Any proposed use of the EBMUD unassigned capacity shall ~~neither lengthen the FRWP implementation schedule nor not~~ negatively impact project performance for FRWA member agencies, including water quantity and water quality.
4. The proposed use shall not negatively impact EBMUD or ~~SCWA~~Sacramento County Water Agency water rights, contract rights, water quality, or customer rates. -The proposed use shall not interfere with current or future needs of EBMUD customers.
5. Any proposed use of the EBMUD unassigned capacity that requires conveyance through the Folsom South Canal must have the approval of the U.S. Bureau of Reclamation. -It is the FRWA agencies' expectation and preference that any uses of the unassigned capacity shall have a diversion point only on the Sacramento River.
6. Proposed uses shall ~~be guided by the CALFED solution principles. In particular, proposed uses shall:~~
 - ◆ Not diminish water quality, environmental, reliability, or recreational benefits unless mitigated.
 - ◆ Not redirect impacts from one sensitive fishery of concern to another, and preferably provide net benefits to fish and wildlife.
 - ◆ Utilize the best available scientific analysis within an open and inclusive stakeholder process.

7. Water agencies proposing to use EBMUD's unassigned capacity shall demonstrate:

- ◆ Water conservation programs achieving high levels of savings including compliance with state-mandated drought demand reductions compliant with SBx7-7, agency demand limits and pending requirements under Executive Order B-37-16 for urban and agricultural users, or the most current state or local use restrictions applicable for the area of intended use;:-
- ◆ That the capacity will not be used to serve unsustainable new development or agricultural uses (consistent with the definition of sustainable in Policy 7.05);:-
- ◆ That end use billing will include a volumetric component;
- ◆ That water losses are being reduced in accordance with the most current state or local requirements.

7.8. In the event of competing applications for use of the unassigned capacity, the project that is deemed to best meet EBMUD objectives and result in the greatest environmental benefit will be favored. Environmental benefits may include, but are not limited to increased releases for fisheries, wetland creation, surface and groundwater quality improvements, groundwater basin recovery, or increased surface water flows in dry years.

8.9. Proponents for use of EBMUD's unassigned capacity should work with relevant agencies to ensure any use of unassigned EBMUD capacity is consistent with the Delta Plan and all other applicable state requirements. ~~CALFED ROD, including ROD assumptions of regulatory~~

Principles for EBMUD Unassigned Capacity

January 10, 2017

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~~flows of Tier I b(2) water as defined in the final Interior policy, plus Tier II and Tier III requirements.~~ Such use of EBMUD's unassigned capacity is further conditioned on continued compliance with all applicable State Board standards and decisions.

~~9.10.~~ Proponents for use of EBMUD's unassigned capacity shall pay all costs of operation related to their use of the unassigned capacity and a negotiated share of capital and financing costs of the EBMUD portion of the ~~FRWP~~Freeport Project capacity. Proponents shall also pay all additional capital costs that result specifically from the proponents' use.

~~10.~~11. Approval of any future contracts or agreements concerning use of EBMUD's unassigned capacity will be publicly noticed by the EBMUD Board of Directors, with opportunity for public comment.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

FROM: Marlaigne Dumaine, Manager of Legislative Affairs *MD*

SUBJECT: Federal Legislative Initiatives for 2017

RECOMMENDED ACTION

Approve the proposed federal legislative initiatives for 2017 which focus on: 1) advancing EBMUD's interests in the context of protecting EBMUD's Mokelumne water rights, EBMUD's water supply reliability, and the Mokelumne fishery; 2) seeking federal funding opportunities for EBMUD projects via any new and existing federal programs; and 3) continuing to investigate federal efforts to promote healthy forests and watersheds, and identifying opportunities for EBMUD to engage.

DISCUSSION

The 115th Congress convened this month amidst a new dynamic of a Republican-controlled Congress with a Republican Administration set to take office later this month, the first time Republicans have controlled the White House and Congress since 2005-2006. Congress's policy agenda is likely to be focused on issues the new Administration identifies as priorities for its first 100 days, which is expected to include issues of interest to EBMUD, such as water supply reliability, species protection, and infrastructure. At the same time, Congress must also resolve fiscal year (FY) 2017 and FY 2018 spending. What remains uncertain at this time is how the Administration will approach regulatory issues that could impact EBMUD in areas such as enforcement of the Safe Drinking Water Act, the Clean Water Act, and the Clean Air Act, and whether any congressional action in these areas is planned. Accordingly, these areas are not included in the legislative initiatives. Staff will monitor activities in these areas and provide updates to the Board, as appropriate.

On the policy front, successful enactment of the California drought language, included in the Water Infrastructure Improvements for the Nation (WIIN) Act, will spur congressional efforts to re-examine federal natural resources policies and programs, including changing or overturning various statutes such as the Endangered Species Act (ESA) and the Central Valley Project Improvement Act (CVPIA). These discussions could pose significant risks to, and have important consequences for, EBMUD's water rights, water supply, the Mokelumne fishery and EBMUD's commitment to natural resources as an integral part of EBMUD's primary role to provide water supply and wastewater treatment services.

With regard to forest health, the issue of ensuring adequate funding for both forest management and wildfire suppression in the long-term has not been resolved. It is expected that Congress will continue to consider this issue in 2017.

On fiscal issues, Congress passed a Continuing Resolution in late 2016 to fund the federal government at existing 2016 levels through late April 2017. The need to address funding for the rest of FY 2017 could provide the new Administration and Congress an opportunity to reshape spending priorities before finalizing the FY 2017 budget. However, it is possible that Congress could instead opt to extend the current spending levels for FY 2017 in order to focus on enacting a FY 2018 budget by October. Regardless of the approach taken, it is expected that funding for infrastructure, including water resources, and drought relief will remain priorities.

In 2017, Congress may consider how to fund programs authorized in the recently passed WIIN Act. The WIIN Act includes a \$100 million increase to the United States Bureau of Reclamation's WaterSmart program, \$50 million for new recycling projects, \$30 million for desalination projects, \$20 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program, and \$300 million for a nationwide grant program for projects to reduce lead in drinking water supplies, including replacement of lead service lines. In addition, Congress is also likely to continue to explore ways to develop new federal infrastructure funding assistance programs with discussions likely to include alternative financing proposals, such as ways to facilitate private financing. The issue of whether to eliminate local and state tax-exempt financing is likely to resurface whether in the context of larger infrastructure discussions or as part of any tax reform efforts.

Given the current lack of a clear pathway for securing federal funding, it will continue to be important to advance EBMUD's project funding needs, irrespective of whether the projects have existing Water Resources Development Act (WRDA) authorizations, with the Administration and EBMUD's congressional delegation.

EBMUD's 2017 federal legislative initiatives have been developed based on known congressional priorities at this time and are consistent with EBMUD's core mission. Once the new Administration is in place and has begun work on its priorities with Congress, staff will evaluate whether it is appropriate to bring new or additional initiatives to the Board for consideration.

EBMUD's 2017 federal legislative initiatives are focused on three items to address the areas of highest risk need, and opportunity for EBMUD in the context of the current congressional climate:

- 1) advancing EBMUD's interests in the context of protecting EBMUD's Mokelumne River water rights, EBMUD's water supply reliability, and the Mokelumne fishery;

- 2) funding; and
- 3) continuing to investigate federal efforts to promote healthy forests and watersheds, and identifying opportunities for EBMUD to engage.

FEDERAL INITIATIVE	ACTION
1. Advance EBMUD's interests in the context of Mokelumne River water rights, water supply reliability, and the Mokelumne fishery.	<ul style="list-style-type: none"> • Staff will focus on EBMUD's priority issues: <ul style="list-style-type: none"> ○ Protect EBMUD's Mokelumne water rights. ○ Preserve EBMUD's access to water transfers. ○ Protect regional water supply programs and projects, including the Freeport Regional Water Project. ○ Ensure that EBMUD's ratepayers are not be held responsible for the flow obligations, project mitigations, or expected habitat restoration success of others, including the state and federal projects. ○ Protect the Mokelumne fishery by working to ensure that any policy or program revision, or project or project-related activity that would impact the Mokelumne salmonid fishery includes mitigation by the responsible parties for the impacts. ○ Support appropriate stewardship responsibilities for the CVP. ○ Support the preservation of the ESA and the CVPIA.
2. Seek federal funding opportunities for EBMUD projects via any new and existing federal programs.	<ul style="list-style-type: none"> • Pursue FY18 federal funding for WRDA authorized projects: the San Ramon Valley Recycled Water Project, the Integrated Regional Recycled Water Program, and seek to leverage the Bay Area Regional Desalination Project authorization as a component of the Bay Area Regional Reliability Project. • Advance EBMUD's infrastructure funding needs, including but not limited to, the Capital Improvement Program, the Regional EBMUD Seismic Component Upgrade (RESCU) program, recycled water projects, projects to facilitate regional and/or local water supply reliability, projects or programs to facilitate climate change mitigation and resiliency, including water and energy conservation, and projects to facilitate renewable energy. Seek project assistance opportunities within the context of any discussions regarding drought or emergency relief.
3. Continue to investigate federal efforts to promote healthy forests and watersheds, and identify opportunities for EBMUD to engage.	<ul style="list-style-type: none"> • Support the State Administration in its advocacy that federal forest management funding is spent on forest management and not redirected to suppression or other efforts. • Monitor federal legislation on forest and watershed health, and identify potential opportunities for EBMUD to engage, particularly through its role in the Upper Mokelumne River Watershed Authority. • Continue to gather information at the federal level on efforts to fund both forest management and wildfire suppression, as well as efforts to promote forest and watershed health, and provide updates to the Board as appropriate.

FEDERAL INITIATIVES - 2017**INITIATIVE #1 – ADVANCE EBMUD’S INTERESTS IN THE CONTEXT OF EBMUD’S MOKELUMNE WATER RIGHTS, WATER SUPPLY RELIABILITY, AND THE MOKELUMNE FISHERY**

Congress and the incoming Administration have indicated a clear interest in pursuing significant changes, including potentially overturning, critical federal natural resources statutes, policies and programs. This is expected to include the Endangered Species Act (ESA), which provides for the protection of endangered and/or threatened species and habitat, and the Central Valley Project Improvement Act (CVPIA), which governs management of the Central Valley Project (CVP) and provides important provisions for the protection, restoration, and enhancement of fish and wildlife, such as dedication of CVP water for environmental purposes and goals for the natural production of salmon.

Attempts to change federal natural resources statutes such as the ESA and CVPIA as well as possible efforts to further address drought and water resources issues would pose significant risk to EBMUD’s Mokelumne water rights, as well as water supply reliability in the context of access to transfers and the Freeport Regional Water Project, and the Mokelumne fishery.

For example, if the CVPIA is re-written to no longer require a portion of CVP water to be set aside for the environment this could harm water quality and species in the Delta, and lead to the State requiring others, such as EBMUD, to make up for the CVP water that would otherwise be going to the environment. This potential shift of responsibility would threaten EBMUD’s Mokelumne water rights by requiring EBMUD to release additional Mokelumne River water to offset impacts. This shift of responsibility could also pose a risk to EBMUD’s access to some water transfers if other entities no longer have excess water to sell as a result of having to make up for the CVP water that would have otherwise gone to the environment.

With regard to the Mokelumne fishery, changes to the ESA and CVPIA could allow various activities to benefit Delta exporters, such as allowing higher withdrawal rates from the Delta, repealing seasonal limitations on pumping, and increasing the time period when the Delta Cross Channel gates remain open, that would have the practical effect of harming the Mokelumne fishery. Potential harm includes increasing entrainment of juvenile salmon in the export pumps, increased exposure to predators, and straying of adult Mokelumne-origin fish to other rivers. CVPIA program funding for habitat restoration on the Mokelumne River, typically about \$100,000 per year, would also be at risk, further jeopardizing EBMUD’s efforts to restore and enhance the Mokelumne River ecosystem and fishery.

Given the clear expressed intent of congressional leadership to pursue significant changes to critical federal natural resources statute under the new Administration, it is vital that EBMUD continue to work to protect the security of its water rights, primary and dry-year water supply, and the Mokelumne fishery. Staff will continue to engage with EBMUD’s delegation and others to closely monitor the development of natural resources and water-related legislation or Administration policies, protect EBMUD’s interests, and communicate EBMUD’s needs.

Recommended Actions

Work with EBMUD's congressional delegation, the Administration, and relevant congressional committees, as appropriate, to advance EBMUD's interests and protect EBMUD's Mokelumne water rights, water supply reliability, and the Mokelumne fishery. Staff will focus on EBMUD's priority issues:

1. Protect EBMUD's Mokelumne water rights.
2. Preserve EBMUD's access to water transfers.
3. Protect regional water supply programs and projects, including the Freeport Regional Water Project.
4. Ensure that EBMUD's ratepayers are not be held responsible for the flow obligations, project mitigations, or expected habitat restoration success of others, including the state and federal projects.
5. Protect the Mokelumne fishery by working to ensure that any policy or program revision, or project or project-related activity that would impact the Mokelumne salmonid fishery includes mitigation by the responsible parties for the impacts.
6. Support appropriate stewardship responsibilities for the CVP.
7. Support the preservation of the ESA and the CVPIA.

INITIATIVE #2 – SEEK FEDERAL FUNDING OPPORTUNITIES FOR EBMUD PROJECTS VIA ANY NEW AND EXISTING FEDERAL PROGRAMS

Background

The 115th Congress is expected to continue to discuss water and wastewater infrastructure, and how to address providing federal assistance. It is anticipated that these discussions will occur largely in the context of implementing the Water Infrastructure Improvements for the Nation (WIIN) Act, the ongoing drought and providing assistance programmatically through federal agencies. Discussions will also likely include what role conventional funding via the State Revolving Fund Loan Program, Water Infrastructure Finance and Innovation Act assistance, tax-exempt financing tools, or other innovative financing approaches, such as private sector financing and infrastructure banks, may play in providing assistance.

In 2016, EBMUD pursued federal funding opportunities administratively and legislatively for EBMUD projects, including projects with existing Water Resources Development Act (WRDA) authorizations, such as the San Ramon Valley Recycled Water Project and the Integrated Regional Recycled Water Program. Though congressional efforts to provide direct water resources project assistance

legislatively were unsuccessful, EBMUD successfully secured a \$1,000,000 grant from the United States Bureau of Reclamation (USBR) to study the feasibility of using Advanced Metering Infrastructure.

A new Administration and the funding approach included in WIIN will require continuing to work directly with federal agencies to pursue funding through the federal budget process and/or through any discretionary funding opportunities. It will also be necessary to communicate to EBMUD's congressional delegation the importance of EBMUD projects and how those projects would benefit from funding. Congress will likely continue to consider ways to provide specific assistance for water supply reliability and emergency drought relief, though it is unclear whether Congress intends to provide any direct project assistance (e.g. earmarks). Staff will work with federal agencies and EBMUD's delegation to pursue any funding that may become available for EBMUD's infrastructure funding needs, including the projects described below.

San Ramon Valley Recycled Water Project

The San Ramon Valley Recycled Water Project is estimated to provide approximately 2.4 million gallons per day of recycled water for irrigation uses within the San Ramon Valley. Total joint project costs for the participating agencies (EBMUD and Dublin San Ramon Services District) are estimated to be more than \$150 million. Staff will continue to pursue the remaining \$450,000 (out of \$15 million) in the existing WRDA authorization for this project, as well as any level of additional funding that may become available, via federal agencies and EBMUD's delegation.

Integrated Regional Recycled Water Program

The 2008 enactment of WRDA provided a \$25 million funding authorization for the Integrated Regional Recycled Water Program project, though an appropriation for this project has not yet been secured. EBMUD staff will continue to pursue initial funding which would be used for the design and construction of the East Bayshore Recycled Water Project, which could ultimately supply up to approximately 2.5 million gallons per day of recycled water, and would include replacing the use of some potable water in portions of Alameda, Oakland, Emeryville, Berkeley and Albany.

Bay Area Regional Reliability Project (BARR)

BARR is a comprehensive regional reliability effort of eight water agencies, including Alameda County Water District, Bay Area Water Supply and Conservation Agency, Contra Costa Water District, EBMUD, Marin Municipal Water District, San Francisco Public Utilities Commission, Santa Clara Valley Water District and Alameda County Flood Control and Water Conservation District – Zone 7, to identify projects that provide water supply benefits and drought resiliency to the region. This effort will include evaluation of the Bay Area Regional Desalination Project which has an existing authorization of \$4 million that the project partners may seek to leverage as a potential avenue to secure funding for BARR.

While an appropriation from the authorization has not yet been secured, in 2015, EBMUD secured a \$200,000 grant from USBR for the development of the BARR Drought Contingency Plan. The BARR Drought Contingency Plan, currently underway, will evaluate how regionally focused water supply, water exchange, water treatment, and intertie projects can build drought resiliency for the Bay Area and is expected to be completed in fall 2017, at which time additional work will be needed to develop a

feasibility study. EBMUD staff will continue to pursue funding on behalf of the project partners and seek to leverage the existing authorization to secure additional future funding for BARR.

Regional EBMUD Seismic Component Upgrade (RESCU) Program

EBMUD's RESCU program recognizes the presence of several active earthquake faults that run through its service area in the East Bay and on-going seismic risks in the Delta. This program is intended to increase the seismic stability of the water system, including water storage reservoirs, pipelines, and facilities to treat and pump water. This would help protect the proximate densely populated urban communities from flooding during a major earthquake, and enhance EBMUD's water supply reliability. Components of the RESCU program include:

- Briones, Chabot, Upper San Leandro, and Lafayette Tower Seismic Upgrades;
- Dam Seismic, Operational, Surveillance, and Instrumentation Upgrades;
- Walnut Creek Treatment Plant Upgrades;
- West of Hills Master Plan Upgrades; and
- Mokelumne Aqueduct Protection, including ongoing levee upgrades.

The cost of the RESCU program is estimated to be \$250 million or more. Staff will continue to seek any level of funding that may become available via federal agencies and EBMUD's delegation.

Recommended Actions

Work with EBMUD's delegation, appropriate committee staff and the Administration to:

1. Pursue FY18 federal funding for WRDA authorized projects: the San Ramon Valley Recycled Water Project, the Integrated Regional Recycled Water Program, and seek to leverage the Bay Area Regional Desalination Project authorization as a component of the Bay Area Regional Reliability Project.
2. Advance EBMUD's infrastructure funding needs, including but not limited to, the Capital Improvement Program, the RESCU program, recycled water projects, projects to facilitate regional and/or local water supply reliability, projects or programs to facilitate climate change mitigation and resiliency, including water and energy conservation, and projects to facilitate renewable energy. Seek project assistance opportunities within the context of any discussions regarding drought or emergency relief.

INITIATIVE #3 – CONTINUE TO INVESTIGATE FEDERAL EFFORTS TO PROMOTE HEALTHY FORESTS AND WATERSHEDS, AND IDENTIFY OPPORTUNITIES FOR EBMUD TO ENGAGE

In the past few years, federal efforts with regard to forest and watershed health have primarily focused on congressional attempts to fund both forest management and wildfire suppression. Historically, when wildfire suppression funding levels have not been adequate, funds have been borrowed from wildfire preparedness, forest management, and other accounts in order to make up for shortfalls. In 2016,

Congress included a one-time increase in funding for fire suppression and borrowing from other wildfire or forest management accounts was not necessary. However, Congress is expected to continue to debate a more permanent solution in 2017. Past legislative approaches have sought to address the funding issue but have also contained various provisions that seek to bypass environmental protections or set a higher threshold to challenge a project.

With regard to federal efforts in the Mokelumne River watershed, in 2016, the United States Bureau of Land Management (BLM) implemented restoration efforts on BLM-managed areas in a portion of the Butte Fire zone. Though these efforts focused in large part on BLM lands in the Calaveras River watershed, EBMUD partnered with BLM on restoration projects on a modest portion of BLM property within the Mokelumne River watershed. In addition, in 2016, the Upper Mokelumne River Watershed Authority (UWMRA), a multi-agency entity of which EBMUD is a participant, signed a new stewardship agreement with the United States Forest Service (USFS) to enhance restoration and conservation in the watershed.

Staff will continue to investigate federal efforts in the Mokelumne River watershed. Of note, at this time, efforts are underway to implement a Community Forest Program on BLM land in the Mokelumne River watershed which has the potential to contribute to the long-term management and sustainability of the Mokelumne River watershed. Additionally, as a result of the agreement between UMRWA and USFS, UMRWA will procure and administer contracts for forest health work on USFS lands in 2017.

Recommended Actions

Work with EBMUD's congressional delegation, the Administration, relevant congressional committees, and others, as appropriate, to:

1. Support the State Administration in its advocacy that federal forest management funding is spent on forest management and not redirected to suppression or other efforts.
2. Monitor federal legislation on forest and watershed health, and identify potential opportunities for EBMUD to engage, particularly through its role in UMRWA.
3. Continue to gather information at the federal level on efforts to fund both forest management and wildfire suppression, as well as efforts to promote forest and watershed health, and provide updates to the Board as appropriate.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

SUBJECT: Board's Annual Review of Directors' Compensation

INTRODUCTION

As part of Board Motion No. 011-14 approving a salary increase for EBMUD Directors, the Board voted to conduct an annual review of its compensation during the first board meeting of the calendar year and to use the staff salary adjustment information from the prior year as the basis for the Board's discussion. This item has been placed on the January 10, 2017 agenda to allow deliberation on an adjustment to the Board's salary.

DISCUSSION

The Municipal Utility District Act (MUD Act) authorizes an annual adjustment to the salary of Directors of not more than 5 percent for each calendar year following the effective date of the last adjustment.

The Board last voted to adjust its compensation on January 12, 2016, with an effective date of February 1, 2016. The adjustment was in the amount of \$32 (2.7 percent) to \$1,218 per month.

The 2016 general salary increase received by District staff effective April 18, 2016 was 3.7 percent.

A 2017 adjustment of \$45 per month (3.7 percent) would change monthly compensation from \$1,218 to \$1,263. If the Board chooses to consider a 3.7 percent adjustment to the monthly salary of the Board of Directors, a sample motion for doing so is shown below.

Motion: I move that, effective February 1, 2017, the Board's monthly compensation be increased by \$45 per month or 3.7 percent, which will result in the Board's monthly compensation changing from \$1,218 to \$1,263.

ARC:LB:rdw

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

FROM: Richard G. Sykes, Director of Water and Natural Resources *Richard*

SUBJECT: Chevron Recycled Water Contract Negotiations Update

INTRODUCTION

EBMUD and Chevron have met numerous times in the past year to negotiate a new North Richmond recycled water agreement. Those discussions have not resulted in a new draft agreement and the current agreement will expire on January 13, 2017, at which time Chevron service from North Richmond will fall under the standard non-potable service provisions. At Chevron's request, Steve Ghio, Richmond Refinery Procurement Manager, will make a presentation at the January 10, 2017 Board meeting.

DISCUSSION

EBMUD and Chevron jointly developed the North Richmond Recycled Water Project in 1990. The original contract did not reduce Chevron's overall rate for cooling tower makeup water, but instead adjusted rates and resulted in reimbursements to account for and offset Chevron's increased costs for use of recycled water. The original contract also provided that any backup potable water was charged at the standard potable water rate. A 2005 amendment to the agreement reduced Chevron's recycled water rate to the current rate, approximately 50 percent of the potable rate, reflecting operating issues applicable at the time but which have since been resolved.

EBMUD's goal for a new Chevron agreement is to update the rate charged for recycled water to reflect the District's standard non-potable water rate of 78 percent of potable, as confirmed in the recent Cost of Service Study (COSS) and as supported by EBMUD Policy 9.05 – Non-Potable Water. Note that EBMUD Policy 9.05 specifically states, "The regulations and rates governing non-potable water service, including recycled water, shall be determined by the Board of Directors and published in the ... Schedule of Rates and Charges for Customers of East Bay Municipal Utility District." Furthermore, Policy 9.05 states, "Upon termination or expiration of an agreement, customers ... shall be governed by the non-potable water service regulations and non-potable/recycled water rate schedule, unless a new agreement is entered into."

EBMUD proposed a gradual increase to the standard recycled water rate identified in the COSS, increasing to 65 percent of potable during calendar year 2017, and then to the standard rate of 78 percent of potable in calendar year 2018. The offer also proposes that potable water provided from North Richmond will be priced at the current recycled water rate without drought surcharges, effective January 2018, if the District is unable to produce recycled water at the North Richmond Plant through no fault of Chevron. Details on potable water restrictions are yet to be determined. Chevron's total demand for recycled water currently exceeds the wastewater supply available from West County. During routine operations, potable water addition at North Richmond could be significant at up to 1.5 million gallons per day (MGD).

Chevron countered with an offer to pay a recycled water rate of 55 percent of the potable water rate for up to 4 MGD from North Richmond, and 78 percent of the potable water rate for water deliveries above 4 MGD, with potable water at the recycled water rate.

Under the existing agreement, EBMUD's expenses for serving Chevron from the North Richmond facility exceeded revenues by approximately \$2.1 million per year between FY06 and FY13. Chevron's current proposal to pay 55 percent of the potable rate is estimated to result in EBMUD expenses exceeding revenues by almost \$2 million per year. If Chevron paid the COSS rate of 78 percent of potable water, then costs and revenues become close to cost neutral.

Chevron is a significant water customer and EBMUD provides Chevron an annual average of 7.5 MGD of recycled water/potable water blend from the North Richmond and Richmond Advanced Recycled Expansion (RARE) facilities. The District values this industrial reuse partnership and is trying to ease the transition to the standard non-potable rate. The recycled water program is an important part of EBMUD's long-term supply, and ensuring reasonable rates and adequate revenue from non-potable water customers will greatly assist in supporting and expanding this program.

NEXT STEPS

When the current agreement expires on January 13, 2017, EBMUD intends to issue Chevron a Use Permit and continue providing recycled water absent an agreement, charging Chevron the standard recycled water rate, consistent with the District's policy and regulations.

RS:LHH:CH:sjc

Reclaimed Water Chevron Richmond Refinery



January 10, 2017



A history of partnership

Chevron and West County Wastewater District (WCWD)

- Chevron runoff routed to WCWD for recycle use
- 50-150 million gallons per year, rainfall dependent

Chevron and EBMUD : North Richmond Advanced Water Treatment Plant (now known as North Richmond Water Reclamation Plant)

- Chevron and EBMUD completed a Reclamation Project Pilot Plant Study in 1987
- Agreement for an Advanced Water Treatment Plant located in North Richmond signed in January 1990
- EBMUD funds NRWRP construction and operates the plant
- Chevron funds reclaimed water receiving facilities and incurs operating costs to process reclaimed water
- Capacity 5.4 million gallons per day; typically operates at 4 million gallons per day

Chevron and EBMUD : Richmond Advanced Recycle Expansion Project (RARE)

- Chevron funds RARE construction and provides land and utilities
- Commissioned in 2010
- Operated by EBMUD
- Chevron pays O&M costs and funds capital improvement projects
- Capacity 4 million gallons per day; typically operates at about 3 million gallons per day
- Chevron capital investment to-date: ~\$50 million

More than 60% of water Chevron Richmond uses is EBMUD recycled water.

Up to 7 million gallons per day recycled water.

Frees up drinking water for approximately 90,000 residents.

The Chevron partnership provided about 57% of EBMUD's recycled water portfolio during 2015.

History of NRWRP Capital and Operating Costs Treatment



Date	Capital Cost Treatment	Operating Cost Treatment
1990 (Original contract)	<ul style="list-style-type: none"> EBMUD designs, permits, funds and constructs NRWRP Chevron designs, permits, funds and constructs inside-the-fence reclamation facilities Compensation for Chevron's capital outlay factored into monthly reclaimed water billings 	<ul style="list-style-type: none"> EBMUD incurs ongoing operating costs for NRWRP EBMUD reimburses Chevron monthly for Chevron's operating costs to process reclaimed water, including: <ul style="list-style-type: none"> Heat exchanger fouling and maintenance Heat exchanger upgrades Increased cooling tower blowdown Increased chemical treatment Waste water management
2005 (Contract Amendment #3)	<ul style="list-style-type: none"> EBMUD reimburses Chevron \$1.8MM for capital incurred in constructing inside-the-fence reclamation facilities Capital cost recovery no longer included in the price of reclaimed water 	<ul style="list-style-type: none"> Monthly reclaimed water operating cost reconciliation process simplified to a flat rate structure of ~50% of the potable water rate Chevron pays for all ongoing operating costs for reclaimed water (since reimbursement of Chevron's operating costs is now built into the 50% discounted rate)

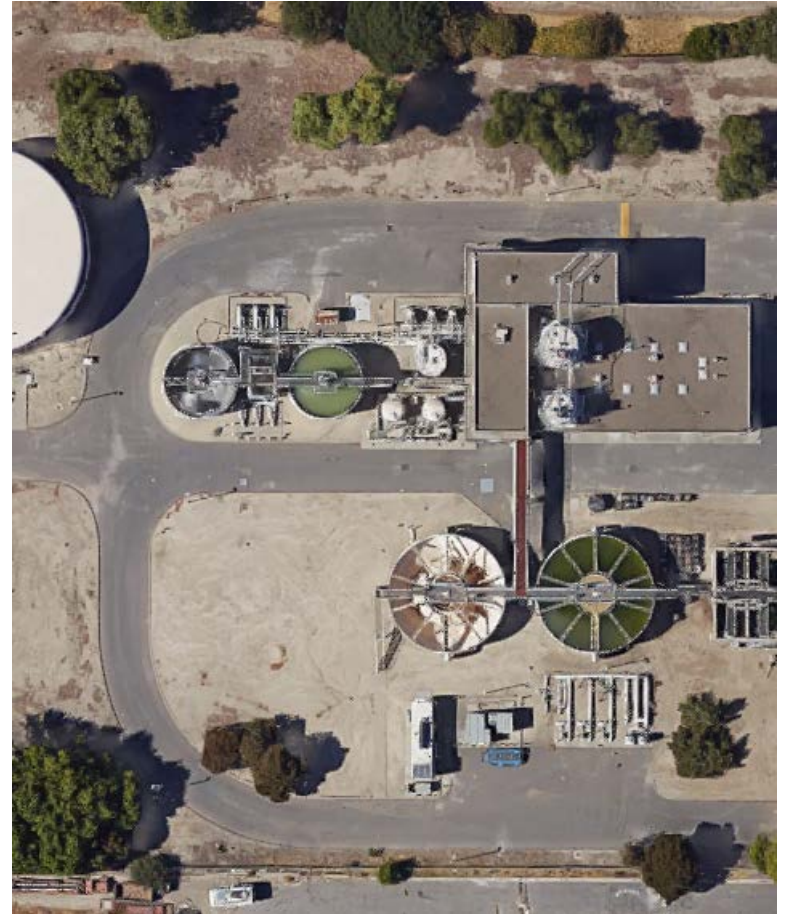
Reclaimed Water Cost Renegotiation

EBMUD requested re-negotiating the rate in Feb 2016

- EBMUD seeks a 56% increase in the cost of reclaimed water (from 50% to 78% of potable water rate), in alignment with findings from its 2015 Cost of Service Study
- Several meetings throughout 2016 between Chevron and EBMUD without an agreement.

Chevron's perspective of the root cause of the negotiation impasse

- EBMUD asserts policy obligation to apply the Cost of Service Study guidance
- Chevron asserts
 - Cost of Service Study does not recognize tangible investments and attributes associated with large industrial consumers
 - There has been no material change in Chevron's reclaimed water operating conditions that served as the basis for the 2005 flat rate agreement



Reclaimed Water Cost Renegotiation

Chevron requests that the EBMUD Board empower EBMUD staff to consider commercial alternatives other than strict adherence to Cost of Services study recommendations for the renewal of the NRWRP contract.

Key Attributes of the Chevron Partnership

- Large Anchor Volume
 - Up to 7 million gallons per day reclaimed water
- Unique Customer
 - 24/7, ratable consumption
- Alternative to Acquisition Cost
 - Significantly extends “reach” EBMUD potable supplies
- Future Investment Potential
 - Recycle and treat refinery effluent water → expansion of RARE plant



Discussion



EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

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

SUBJECT: 2016 Statistical Opinion and Customer Outreach Research Results and
2017 Outreach Plan

SUMMARY

In November 2016, EMC Research Inc. completed statistical opinion and customer outreach research on behalf of the District. The survey was focused on understanding customers' perception of the District, their knowledge of our work, and how providing information about our efforts can improve their opinion and support for District initiatives. Staff will present the survey results and a proposed outreach plan at the January 10, 2017 Board meeting.

DISCUSSION

With 1.4 million residents relying on EBMUD and our critical services, it is important to understand how people access and interpret information about our continued efforts to manage our natural resources, protect our environment, provide responsive service, and provide high quality water and wastewater services. Statistical research is a valuable tool that can guide outreach and messaging to ensure our efforts are recognized and understood by consumers.

Between November 10-21, 2016, EMC Research Inc. completed 1,200 telephone interviews with a statistically representative pool of both District account holders and non-account holders within the service area. Those surveyed represented the geographic, socio-economic, account holder and land use characteristics of the District's consumer base. The survey tested favorability of the District as a whole, and then delved into job ratings, and messaging. Recent awareness of the District, through news coverage and direct interactions (construction, customer service contact, conservation programs, etc.), was analyzed for its positive or negative influence. Outreach tools, such as the *Customer Pipeline* newsletter, news media outlets, and social media were also tested for frequency of use.

Areas of Strength

The survey confirms the District maintains a favorable brand rating and has strong ratings in core job competencies. The vast majority of customers (seventy-seven percent) rate the quality of tap water as *excellent or good* and over eighty-five percent drink tap water (direct from tap or filtered) over bottled water. Almost seventy-five percent of those polled confirm a favorable¹

¹ Would you say you have a strongly favorable, somewhat favorable, somewhat unfavorable or strongly unfavorable opinion of EBMUD?

rating of EBMUD, above opinions of PG&E, their local government or Comcast. This rating is consistent with 2014 data. More than one-third of those polled rate the District *excellent* (combining *excellent and good* equaled more than eighty percent) in providing reliable water service, and more than fifty-percent strongly agree that EBMUD provides safe, good tasting tap water (total agreement was more than eighty-five percent.) There was also strong recognition that the District cares about the environment (eighty-one percent), is an agency customers can trust (eighty-one percent), and operates in the best interest of the community (seventy-six percent.)

Areas for Increased Outreach Focus

The survey identified areas where focused outreach could be beneficial. Less than fifty percent of those polled had a favorable opinion of the District's rates, fees, and charges; money and financial management; or preparation for earthquakes. It is very common for items like rates, fees, and charges to be rated less positively than other job performance categories. When viewed in the context that forty percent of respondents did not have enough information to respond positively or negatively on how the District manages money and finances, there is an opportunity to improve customer understanding in these areas.

Similarly, though more than fifty percent of those surveyed feel there is at least some need for more money to support infrastructure improvements or maintenance, twenty percent remained unable to answer due to lack of knowledge.

Improved Opinions with Awareness of the District's Efforts

Though only a portion (twenty-seven percent) of those surveyed had recent awareness of the District, their perceptions of the District were more likely to be positive or at least neutral. In addition, when positive information about the District's efforts was introduced, strong growth in positive opinion is seen. Specifically, information increased strongly favorable opinions by twelve points, and increased overall favorability by fifteen points.

While customers reacted positively to several District messages, including successful planning for drought and dry years, the District's commitment to innovative technology, and EBMUD's environmentally-sustainable operations, it is clear that the District's messaging strength lies in connecting the District's work to provide safe, reliable, high-quality water.

NEXT STEPS

Staff will utilize these survey results to craft targeted messaging to its consumers through various outreach tools, such as the *Customer Pipeline* newsletter, social media accounts, the website, and various presentations and direct conversations with our constituents. Staff will also continue outreach through positive media coverage. Online news, TV news, and radio outlets are the strongest vehicles for reaching our customers.

ARC:AAK

ITEM 11

WATER SUPPLY UPDATE

WILL BE PROVIDED
AS AN ORAL REPORT

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017
MEMO TO: Board of Directors
FROM: Alexander R. Coate, General Manager *ARC*
SUBJECT: 2016 Interdepartmental Committees Annual Reports

INTRODUCTION

EBMUD Interdepartmental Committees oversee, review, and coordinate issues related to various District functions. As part of their ongoing duties, these committees report their activities annually to the General Manager. Below is a list of the 2016 committees and their Chair(s).

- Art Committee, Charmin Baaqee, Chair
- Consultant Contract Negotiations Committee, Mike Tognolini, Chair
- Contract Equity Advisory Committee, Beverly Johnson, Chair
- Pipe Committee, Carlton Chan, Chair
 - Materials Review Committee, Andy Akelman, Chair
- Sustainability/Recycling Committee, Cynthia Adkisson/Doug Wallace, Co-Chairs
- Water Quality Committee, Richard Sakaji, Chair
- Water Resources Committee, Lena Tam, Chair

The 2016 reports summarizing the objectives, accomplishments and future work plans of each committee are attached for your information and review.

ARC:rsc

Attachments (8)

I:\SEC\2017 Board Related Items\011017 Board Items\OGM – 2016 Interdepartmental Committees Annual Reports.doc

ART COMMITTEE ANNUAL REPORT - 2016

Formed in 1993, The EBMUD Art Committee meets quarterly to coordinate the exhibition of local artists at the District's art gallery located on the 2nd floor of the Administration Building. The committee consists of 10 members drawn from different professions and positions within the District. The committee is chaired by Charmin Baaqee, Assistant Engineer.

The Art Committee mounts approximately seven exhibits each year. Three of the exhibits are historically coordinated in conjunction with the month-long celebrations of Hispanic Heritage, Black History and Asian American Heritage. On alternate years, one of the regular exhibits showcases the creations of EBMUD employees for the EBMUD Employee Arts Biennale.

Additionally, the Art Committee sponsors an annual one-day Employee Arts and Crafts Fair highlighting crafts produced by EBMUD employees. This year, 21 employee-and-retiree artists participated by exhibiting and selling their crafts, which included specialty chocolates, scented soaps, planted succulents, wooden sculptures and utensils, wearables, and artwork. The event was well attended and enjoyed by District personnel and the public. The event was organized by non-Art Committee members, Theresa Dapp, Elizabeth Grassetti and Vinella Garcia.

Each 7-week long art exhibit is coordinated by one or two committee members with support from the entire committee. Responsibility for coordination is distributed amongst committee members so that each member works on one or two exhibits per year. Committee members are responsible for:

- Attending quarterly meetings to select art work and schedule exhibits, generate ideas for new shows, and discuss committee procedures and policies.
- Seeking out artists, reviewing submitted art work, and communicating with artists and local art groups.
- Assuring that guidelines for the exhibits are provided to the artists, arranging legal agreements and protecting EBMUD from inappropriate liabilities.
- Coordinating invitation designs, artist statements, exhibit labels and podium materials. Postcard invitations to the exhibit and reception are provided to the artist, and are mailed to several news and community organizations.
- Coordinating delivery, hanging and taking down of art exhibits (sometimes from multiple artists).
- Publicizing the exhibits in *Splashes*, through District email and the intranet, and through mailings.
- Coordinating, hosting and arranging refreshments for artist receptions.

2016 Accomplishments

This year, the Art Committee focused on increasing public outreach and visibility within the artist community. Vinella Garcia worked closely with Graphics and Public Affairs staff to update the committee's internet web page as part of the District's software transition from Drupal to Concrete 5.

The updated page allows exhibit information to be more easily located and upcoming events are included on the home page calendar. In addition, committee members worked collectively to update and make additions to the District's mailing list. The Art Committee continued to build its relationships with local artist collectives. This year, the Art Committee was introduced to three emerging local artists by Oakland gallery, Athen B. The works of these individuals were showcased in the exhibit entitled "Found".

The Art Committee also continued to celebrate the talents of employee artists by hosting a solo employee show featuring photography by Diane Mao. We celebrated and bid farewell to longtime District employee and committee member Bill Jeng and retired committee members Maria Marques and former chair, Susie Wallenstein. As always, we applaud the contributions of our former committee members as well as continued support from District-wide art enthusiasts.

As in previous years, the 2016 exhibits provided opportunities to a widely diverse group of artists of different ages, ethnicities and genders and provided positive community engagement for the District. Below is a summary of the 2016 art exhibits.

- **January 20 to February 26:** The understated, yet elegant and intricate works of Adia Millett were exhibited in cooperation with the Black History Month Celebration. Miss Millett eloquently displayed a diverse range of medium including quilting, wood work, and architectural drawings and collaged photographs. The exhibit entitled, "Collision", explored the notion that creativity is an exploration of amalgamated fragments collected through life experiences. This exhibit was curated by Charmin Baaqee.
- **March 3 to April 15:** Bay Area photographer, Dominic Martello's exhibit entitled, "Breathing Room" showcased a collection of black & white photography which included dramatic, and often stark, images of California and the Bay Area. After suffering a stroke, followed by brain surgery, Dominic used photography as a personal stabilizer and as a way to deal with his sense of isolation. His show was well-received and the reception was well-attended. This exhibit was curated by Michael Bergstrom.
- **April 21 to May 27:** In coordination with Asian Pacific Heritage Month, the Art Committee presented a diverse collection of works by Di Meng. Influenced by Asian culture and philosophy, as well as Western Expressionism, Minimalism, and African American Gees' Bend quilting, Di Meng draws upon the Taoist concept of wu wei, her memories of growing up in urban China, and her experiences living in America. The exhibit, curated by Bill Jeng was well-received and attracted a large group of visitors during the opening reception.
- **June 6 to July 25:** Patricia Montgomery displayed a stylistically diverse collection of beautiful machine and hand-sewn fiber art quilts for the "Syncopation and Reflection" exhibition. Ms. Montgomery is a highly respected local artist and educator and welcomed conversations with visitors about her creative process. She spoke passionately about the influence of nature, music, and the civil rights movement in her work. This exhibit was curated by Charmin Baaqee.

- **July 26 to September 2:** The “Found” exhibit featured paintings and repurposed mixed-media works of artists Felix Arnold, Jack Chappel, and Troy Lovegates. This exhibit explored the ways in which people, things, and life lessons inspire the artists to create art that honors home and all the pieces that make it a puzzle worth exploring. This exhibit was curated by Charmin Baaqee.
- **September 8 to October 21:** Diego Rios’ “Dio de los Muertos” exhibit was in cooperation with the Hispanic Heritage Month celebration. Rios’ collection was inspired by his personal reflection of positive and negative forces. The complex and detailed imagery in his colorful masks and black/white paintings paid homage to both ancient and modern symbolism. Rios’ work is an example of how art can be a powerful catalyst for progressive thought and action. This exhibit was curated by Vinella Garcia and Linda Christo.
- **October 27 to December 9:** District employee, Dianne Mao’s “Journey to Dreamscape” exhibit featured photography inspired by her travel memories and the wonders of wilderness expeditions around the world. Mao’s ability to effortlessly capture beauty with such technical precision, allowed viewers to be transported from North America to Argentina, China, Africa and even as far as the stars. This exhibit was curated by Linda Christo.

2017 Goals

The exhibit schedule is partially full through early-2017. Committee members will continue to review submissions by artists and schedule future shows. The Committee is hoping to build stronger relationships with schools and other local community arts organizations as well as provide opportunities to showcase art-science integration. In addition, the Committee will continue its efforts to recruit new members and fill recent retiree and other vacancies.

Committee Members

Charmin Baaqee, Asst. Engr, Chair
Heidi Benenson, Tech Training Admin
Michael Bergstrom, Graphic Designer II
Linda Christo, Executive Asst. II

Rischa Cole, Assistant to the GM
Vinella Garcia, Word Proc. Specialist
Andrea Pook, Sr. Public Info Rep
Joey Smith, Water Conservation Tech

Adjunct members:

Jonathan Salmon, Attorney II, Legal Advisor
Karla Lund, Senior Graphic Designer

CONSULTANT CONTRACT NEGOTIATIONS COMMITTEE ANNUAL REPORT - 2016

The Consultant Contract Negotiations Committee (CCNC) was formed in 1999 to coordinate District-wide engineering consultant procurement and contracting practices. The CCNC's purpose is to develop and implement District-wide practices for cost-effective engineering consultant contracting. Development and support of the Engineering Consultant Roster (ECR) process is one of the primary responsibilities of the CCNC. Providing support for the as-needed training of project managers in procuring, negotiating and administering consultant contracts is another area of focus for the committee.

The CCNC meets on an ad hoc basis to coordinate implementation of the current District-wide ECR and plan for the development of the upcoming ECR. In 2017 the committee will continue to focus on a simplified means to keep the Consultant Agreement Spreadsheet History (CASH) document continuously updated. Committee members will be interacting with the MMIS replacement project manager regarding options to include tracking requirements in the new system. Finally, the committee plans to revisit the goals and objectives of the ECR program.

2016 Accomplishments

1. Successfully contracted engineering contracts 26% to Small Businesses and 59% to Local Businesses, including 12% to Local Small Businesses.
2. Reviewed data collected in late 2015 regarding how other California water utilities use consultant rosters or consultant negotiation guidelines. Based on the review, identified the need to revisit CEP goals and objectives.
3. Determined that updating the Consultant Agreement Spreadsheet History (CASH) document continued to suffer from lack of attention by managers. Based on that finding, a simplified form was developed that, when finalized, may be made a requirement of the contract-award process.
4. Achieved 83% (20 of 24) utilization of the ECR by District project managers for ECR eligible contracts.

2017 Committee Work Plan/Goals

In 2017, the Committee has the following goals:

1. Implement a process for the continuous update of the CASH document as a part of the contract-award process. Confirm that the District's new MMIS system has the ability to track key data as part of contract awards.
2. Revisit ECR goals and objectives. Updates to the ECR would reflect the District's recently developed values and be consistent with the District's Strategic Plan and contracting codes.
3. Improve CEP performance on ECR contracts (*FY16 actual percentages were 57% white men, 28% ethnic minority and 15% white women-owned firms, meeting the District CEP objectives of 25%, 25%, and 6%, respectively*). The committee will continue to seek opportunities to improve performance for ethnic minority and women-owned firms.
4. Maintain the high percentage of District-wide ECR-eligible contracts that utilize the ECR.

Committee Members

Andrew Akelman, Manager of Purchasing, Finance

Michael Ambrose, Manager of Regulatory Compliance, O&M

Xanthe Berry, Attorney III, Legal

Carlton Chan, Manager of Pipeline Infrastructure, Engineering and Construction

Vince De Lange, Manager of Wastewater Engineering, Wastewater

Beverly Johnson, Contract Equity Administrator, Customer and Community Services (Roster Manager)

Michael Tognolini, Manager of Water Supply Improvement, Water & Natural Resources

cc: CCNC Committee Members

Xavier Irias

Richard Sykes

Mike Wallis

Ben Horenstein

Scott Klein

Sherri Hong

INTERNAL CONTRACT EQUITY ADVISORY COMMITTEE ANNUAL REPORT – 2016

The Internal Contract Equity Advisory Committee was organized in 1990 to:

- Increase the effectiveness of the District's contracting diversity program,
- Solicit District-wide input on recommended program and reporting enhancements, and
- Assist in monitoring the program's effectiveness.

The committee convenes bi-annually to address contracting issues and/or other agencies contracting diversity initiatives that could impact (positively or negatively) the District's Contract Equity (CE) Program and the local business community.

2016 Accomplishments

1. Promoted outreach activities including the *Contracts & Procurement Opportunities Workshop & Trade Fair* small business forum co-hosted by the U.S. Small Business Administration, City of Oakland, and the Port of Oakland and Series 1 of the first Construction Contractors Academy covering administration and estimating and bidding strategies during three Saturday workshops in partnership with Alameda County Public Works
2. Expanded the number of projects in the pilot local hire component for targeted construction projects
3. Updated the Contract Equity Program & Equal Employment Opportunity Guidelines and related bid documents to improve clarity of submission requirements
4. Procured electronic certified payroll software for public works construction projects to monitor and report local workforce participation
5. Established a list of pre-qualified electrical contractors

2017 Goals

The committee will continue to review and monitor contract participation and workforce utilization and recommend initiatives to:

- Reach the District's goal of 50% small business participation for contract awards of \$70,000 or less,
- Achieve all three District's contracting objectives:
 1. White Men 25%
 2. White Women 6.3%
 3. Ethnic Minorities 25%
- Increase local hiring on District construction projects, and
- Streamline the process for tracking, administering and reporting information received from contractors.

The committee will continue to:

- Implement a pilot local hire component for targeted construction projects and identify ways to promote Disabled Veteran Businesses contract opportunities
- Engage in aggressive outreach and education efforts including conducting Series 2 of the Construction Contractors Academy in partnership with Alameda County Public Works Agency and identifying ways to utilize broader District support for aggressive outreach and education efforts including members of the Senior Management Team (SMT).

Committee members

Member	Job Title	Department
Beverly Johnson, Chair	Contract Equity Administrator	Customer & Community Services
Andrew Akelman	Manager of Purchasing	Finance
Xanthe Berry	Assistant General Counsel	Office of the General Counsel
Carlton Chan	Engineering Manager	Engineering & Construction
Rischa Cole	Assistant to General Manager	Office of the General Manager
Jill Gaskins	Principal Management Analyst	Operations & Maintenance
Serge Terentieff	Engineering Manager	Engineering & Construction
Michael Tognolini	Manager of Water Supply Improvements	Water & Natural Resources
Vince De Lange	Manager of Wastewater Engineering	Wastewater

SAH:BJ:bj

MATERIAL REVIEW COMMITTEE ANNUAL REPORT - 2016

The Material Review Committee (MRC) is a standing sub-committee of the Pipe Committee with the purpose to provide a working level group to set priorities and coordinate work in the areas of new product evaluation, complaints on existing products, and changes in specifications and engineering drawings. This summary report describes the sub-committee's accomplishments in 2016 and goals for 2017.

The MRC is chartered to meet quarterly and met on March 22, June 1, August 31, and November 30.

2016 Accomplishments

The following are highlights and items presented to and/or investigated by the committee.

1. Leaking Hydrant Bodies: 7 leaks from 3 different crews. Determined there was concavity on the flange in the 7 o'clock position and directly opposite the 7 o'clock position on one production lot. Corrected by the manufacturer.
2. Vinyl Tech - PVC Pipe: Unable to push one pipe into the other by hand with Vinyl Tech product. Crew had to use a backhoe which caused overstabbing. This occurred two times from two different crews. Corrected by changing lubricant and additional instruction by the manufacturer's representative.
3. Specified Fittings, LLC - PVC Fittings: Crew had a leak which took nine days to find. Fittings were sweating and it took a long time to determine the problem. Manufacturer did destructive testing and determined the product was fine and suggested our crew had ripped the gasket when installed. This is possible, but leak would have occurred at the fitting and the product should not have been sweating. Resolved by standardizing on molded fittings and not using fabricated fittings.
4. Flex Couplings - Power Seal vs. Smith-Blair: Barrel length is biggest issue. Length of barrel on Smith-Blair is not long enough. Length depends on size of coupling. The Power Seal product has more bolts, is deeper, and handles larger offsets, which means it can be used more often and can better accommodate pipes that are not aligned. The Smith-Blair product will work but tolerance is a lot tighter and crews do not get any flex. Resolved by standardizing on the Power Seal product.
5. Insulated Flex Couplings - Dresser vs. Romac: There is a seam in the rubber of the Romac product that lines up with the notch so the two pipe ends do not meet. Plumbers report that as they stretch this over the pipe, the seam splits open. The Dresser product has a 1-inch nylon sleeve which is longer so it acts as a bigger reducing coupling with more insulating value. The boot does not have a seam making the Dresser item a much better product. Committee resolved by standardizing on the Dresser product and the Romac product was removed from stock.

6. Farwest Insulating Gasket: The Farwest product has limited springs, insulation problems, and compatibility problems. We do not use many of these, but the flanges are serrated creating additional problems. Calpico has a product that has full-faced flanges, more tolerance, and more sealing area, and is less expensive. In addition, the Calpico product is listed in our standard drawings and is NSF61 compliant. Committee acted to stipulate the Calpico product in our stores description. Farwest was notified of our concerns and we asked if they are modifying their product. The Committee also directed staff to try a third product that is thermal plastic and does not use an O-ring type seal mechanism. Thermal plastic has the advantage of providing a dielectric barrier for insulated gaskets.
7. Open Right or Open Left Valves is an on-going topic which was elevated to the Pipe Committee. There are 85,000 valves and approximately 3% open Left. The Committee has come up with plastic arrows and stickers indicating which direction to turn to open. The valve cap inserts is a partial, interim solution that will help crews and fire fighters determine which way to open and close valves. To change all valves to left open will take a long time. From an operational standpoint, simpler/more consistent is better.

Old Hickory Knives: Crews have historically used this knife as it is inexpensive and can be used as a multi-purpose tool. The knife was discontinued for a short period when a plumber cut his hand while using the tool to remove plastic coating from a pipe and a job injury report was filed. Multiple replacement knives were reviewed; most were significantly more expensive, less effective, and had the same or increased risk of injury. The Old Hickory manufacturer was contacted and proposed a modification to the existing product by adding a hilt on the handle. Prototypes were made, crews evaluated, and the modified knife is being stocked.

2017 Goals

In 2017, the MRC will continue ongoing product investigations, reviewing new materials and products submitted by manufacturers and/or staff, and reviewing and investigating material issues experienced by staff. Due to high turnover with District staff, MRC members will also make a concerted effort to educate and inform District staff on the roles and responsibilities of the MRC.

Current list of MRC Members:

<u>Member</u>	<u>Section/Division</u>
<u>Andy Akelman, Chair</u>	Purchasing Division
<u>Mark Lewis</u>	Engineering, Corrosion Control
<u>Dennis Carroll</u>	Construction Division
<u>Julia Rahman</u>	Pipeline Infrastructure
<u>Mobil Cox</u>	Pipeline Construction & Equipment
<u>Kelley Smith</u>	Purchasing (Contracts)
<u>Tom Reinhart</u>	Stores (Purchasing)
<u>Rochelle Roybal</u>	Purchasing (Buyer)
<u>Ronald Monteforte</u>	Construction Inspection
<u>Jonathan Tham</u>	Engineering Services

Materials Review Committee Annual Report – 2016

January 5, 2017

Page 3

Tim Harris

Distribution Maintenance & Construction

Jessica Rockwell, Recording Clerk Purchasing Division

Chuck Golden

Materials Specialist-South Yard

Additional information on the MRC is located on the Purchasing Division website and includes meeting schedules, minutes, and membership. It is located at: <http://ebmudnet/purchasing/MRC/mrc.htm>

PIPE COMMITTEE ANNUAL REPORT – 2016

The purpose of the Pipe Committee is to establish and maintain standards, specifications, procedures and practices related to the wide range of subjects involving water and reclaimed water distribution system pipelines and appurtenances. This summary report describes the Committee's accomplishments in 2017 and goals for 2017.

2016 Accomplishments

Pipe Materials and Appurtenances

Earthquake resistant ductile iron pipe (ERDIP). Staff piloted the installation of Kubota pipe, an ERDIP manufactured in Japan, in Kensington between April and December 2015. The pilot evaluation report was reviewed by the Committee in February 2016. The report highlights the many advantages to using ERDIP but notes the high costs associated with importing Kubota ERDIP from Japan. The report recommends piloting domestically manufactured ERDIP for future installations.

Staff toured US Pipe in Union City to learn more about domestically manufactured ductile iron pipe. In addition to US Pipe, both McWane Ductile (located in Utah) and American (located in Alabama) produce restrained joint and ERDIP. In 2017, pilot projects will be launched to test domestically manufactured ductile iron pipe.

High Density Polyethylene Pipe (HDPE). The Committee continues to evaluate HDPE because of electro-fusion saddle installation failures in 2014. In 2015, the Committee identified several areas of concern regarding HDPE installations which included ensuring staff received proper electro-fusion and butt welding training, tools and maintenance. The Committee set up a task force to develop the training and to purchase equipment.

To date, 70 District staff completed the electro-fusion course and 23 Construction Inspectors and engineers completed butt welding and Fusion Inspector training. Nine staff were re-certified in the electro-fusion process in April to prepare for the Panoramic Hill Project. All staff from Pipeline Construction and Equipment Division (PCE) and North Yard received the necessary tools to install and maintain HDPE pipe. East Yard and Central Yard staff also received additional HDPE installation tools. Staff developed an electro-fusion checklist to reduce errors in future service saddle installations.

In addition to training, staff conducted an HDPE bend test at Oakport to determine the maximum bend radius of pipe and limitations when tapping on a bend. The results of the test indicated that HDPE can bend to at least 25 times its outside diameter, but cannot be tapped on a bend greater than 100 times the outside diameter of the pipeline. This test informed the design and installation of pipe for the Panoramic Hill Project.

The Committee will continue to work on maintenance issues. The District is a member of the Municipal Advisory Board (MAB), a group comprised of the HDPE industry, utilities, researchers and contractors focused on the design and installation of HDPE

piping systems. Staff will also be on the subcommittee to revise American Water Works Association manual M55 (PE Pipe Design and Installation).

Chlorinated polyvinyl chloride (CPVC) service laterals. Between 2014 and 2015, East Area Service Center staff launched a pilot to replace about 380 failed copper laterals using ServiceGuard, a CPVC. At the end of the pilot, an evaluation memo was submitted to the Committee seeking approval to use CPVC on a larger scale as a way to lessen reliance on anodes. The Director of Engineering and Construction approved limited use of CPVC when the following three criteria exist: renewal of an existing lateral on a non-metallic main, the lateral is located in corrosive soil, and the installation is properly recorded in the General Work Order System. The Committee recommended that staff continue installing anodes on unprotected copper laterals and continue using vinyl-coated copper as the standard lateral material on new installations. In addition, the CPVC service laterals will be further evaluated over time to test their performance.

Cast iron pipe anode clamp. PID staff and the Material Review Committee (MRC) developed a simple procedure for District crews to install anode clamps when repairing a main break on a cast iron pipe. Staff noticed a significant reduction in main breaks after installing anode clamps; one anode provides one to two blocks of cathodic protection for cast iron mains. The District is installing CPSI Cathodi- Clamp made by CP Solutions.

Pipeline Rebuild Pilot Projects

Aqua-Pipe. In early 2016, the Pipe Committee approved the use of Aqua-Pipe a cured-in-place pipe (CIPP) lining system. Approximately 7,400 feet of AC pipe was renewed with Aqua-Pipe in 2016. The process and material was piloted at four locations: 640 feet of 12-inch diameter AC pipe in Richmond on Marina Park (Regatta Boulevard); 2,000 feet of 12-inch diameter AC pipe at the I-880 crossing on Glenn Avenue in San Pablo; 5,000 feet of 8-inch diameter AC pipe in Walnut Creek on El Camino Corto; and 5,200 feet of 12-inch diameter AC pipe in Lafayette on Upper Happy Valley. The projects in Richmond, San Pablo, and Walnut Creek are complete and in service. The Upper Happy Valley project is scheduled for completion in early 2017. Once the Upper Happy Valley project is complete, the CIPP subcommittee will review and evaluate all project specific data, outcomes, and lessons learned. A final summary of the pilot projects will be submitted to the Pipe Committee in 2017.

Certa-Lok. In late 2015, the Pipe Committee approved a pilot installation of Certa-Lok pipe, a restrained joint PVC product. In 2016 Pipeline Rebuild crews started work on the pilot project, replacing 1.5 miles of high priority AC and CI replacements in Richmond. Certa-Lok pipe installation is similar to installing standard unrestrained PVC, but with restrained joints there is no need to switch to steel or pour concrete thrust blocks at offsets/returns and/or tees, saving labor, time and materials. The pilot project was completed December 30, 2016. A final summary of this pilot project will be submitted to the pipe committee in 2017.

Molecularly Oriented Polyvinyl Chloride (PVCO). A pilot project was initiated to test the installation of PVCO (AWWA C909), a new formulation of PVC that is stronger and lighter than the standard AWWA C900 PVC. Pipeline Rebuild staff replaced 500 feet of 6-inch diameter main in Fairlane Drive in the Oakland Hills. Fairlane Drive is steep, near the Hayward Fault and in a zone with high water pressure. For this pilot, the joints were restrained for extra protection against seismic forces and ground movement. A final summary of this pilot project will be submitted to the pipe committee in 2017.

Standards and Procedures

Standard Drawing 321-EA Valve Pot Installation was revised and approved. The revisions were in response to an accident in which a District staff pinched his finger. The revised standard modifies the offset between the top of the riser and the top of the valve box, and specifies a Christy G05 box and riser.

Standard Drawing 0269-EA Flanged and Dished Heads was revised and approved. The previous standard drawing had some errors and the Purchasing Division had issues getting quotes for parts. The current version corrected all errors.

Standard Drawing 3272-B 2-Inch PVC Pipe Installation Details was re-introduced and is currently being reviewed by the Pipe Committee. The revision recommends replacing galvanized steel with brass.

2017 Goals

The Pipe Committee will continue to be the primary forum for information distribution and discussion of issues related to matters involving distribution system pipelines and appurtenances. The Committee will continue to review and update standards, procedures, specifications and practices as required.

The Committee will also continue to work closely with Pipeline Rebuild staff, two of whom are on the Pipe Committee, to pilot new materials and pipeline rehabilitation methods to ensure all pilots undertaken at the District follow appropriate protocols and that results are shared with all interested parties.

Pipe Materials and Appurtenances

HDPE Pipe:

1. Continue to evaluate the use of HDPE pipe.
2. Research McElroy Sidewinder service installation method.
3. Start to preemptively replace all HDPE service saddles. A plan and Project Authorization was approved.
4. Continue to work with the MAB and staff to develop a maintenance strategy.
5. Form a subcommittee comprised of Pipeline Infrastructure Division and Distribution Maintenance and Construction Division staff to develop a training module for the Pipeline Academy.
6. Develop standard specifications and update standard details.

Pilot Projects

1. Complete the summary and recommendation memo for Aqua-Pipe.
2. Complete the summary and recommendation memo for Certa-Lok.
3. Complete the summary and recommendation memo for PVCO.
4. Form a subcommittee to research PVC restrained systems.

Standards and Procedures

1. Complete Standard Drawing 3272-B 2-Inch PVC Pipe Installation Details for the Pipe Committee review.
2. Revise Standard Drawings 1870-A and 310-EA to reflect the difference in thickness of steel elbows and stock pipe.

Develop standard specifications for HDPE installation.

Meeting Minutes

The Pipe Committee is chartered to convene at regular intervals at least once every three months. In 2016, the Pipe Committee met on January 12, April 7, and October 6. Meeting minutes have been placed on DOX (Keyword search: Pipe Committee).

Continuing in 2017, the meeting minutes will be sent to a wider distribution network and PID will develop a formal distribution list to solicit input on standard drawing revisions.

2016 Committee Members

Andy Akelman	Manager of Purchasing
David Bailey	Senior Mechanical Engineer
Carlton Chan	Committee Chair, Manager of Pipeline Infrastructure Division
Mobil Cox	Construction Maintenance Superintendent
Christopher Dodge	Senior Civil Engineer, Pipeline Design
Angelo Figueroa	Supervising Construction Inspector
David Katzev	Senior Civil Engineer, Pipeline Rebuild
Leann Gustafson	Manager of Distribution Maintenance and Construction
Tim Harris	Construction and Maintenance Superintendent
Damon Hom	Superintendent of Water Treatment
Gina Jenkins	Manager of Meter Reading and Maintenance
Laura Johnson	Manager of Pipeline Construction and Equipment
Stephen Kachur	Superintendent Water Distribution (<i>retired in 2016</i>)
Phil Kohne	Manager of Facilities Maintenance Construction
Marshall McLeod	Senior Civil Engineer, Large Diameter Pipelines & Aqueducts
Roberts McMullin	Senior Civil Engineer, Distribution System Engineering and Corrosion Control
Vincent Pon	Superintendent of Aqueduct

Pipe Committee Annual Report – 2016

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Jose Rios	Senior Civil Engineer, Distribution System Planning (<i>for David Rehnstrom</i>)
Mark Lewis	Associate Corrosion Control Specialist
Margo Schueler	Construction Maintenance Superintendent (<i>retired in 2016 and replaced by Tim Harris</i>)
Kenneth Younger	Materials Storage Supervisor

Attachment: MRC Annual Report

SUSTAINABILITY/RECYCLING COMMITTEE ANNUAL REPORT - 2016

In accordance with District Procedure 603, this memo is the annual report for the Sustainability/Recycling Committee. The Committee seeks to advance sustainability practices and policies at the District, consistent with Policy 7.05 - Sustainability. The Committee's goals and objectives are to:

- Achieve continuous improvement in sustainability practices with a primary focus on waste reduction, energy conservation, and water conservation.
- Engage staff to identify sustainability opportunities and best practices for improving operations.
- Ensure sustainability practices and concepts are embedded in the District's culture.

The Sustainability/Recycling Committee's sustainability practices and initiatives support and demonstrate the District's core values of Stewardship, Integrity, Respect, and Teamwork.

The Committee, comprised of members from throughout the organization, met nine times in 2016 and achieved the following accomplishments.

2016 Accomplishments

- April 27, 2016 – Coordinated the 17th Annual Earth Day Event. Exhibitors at this well-attended event included nine District workgroups and nine non-District organizations. The exhibits showcased the District's sustainability efforts and projects. One new exhibit included a display on the use of the District's best management practices for discharges of chlorinated drinking water. During the week of April 25, the Committee emailed educational quizzes and information to all staff about how to minimize food waste. Announcements of the daily winners included a description of sustainability efforts the winner does at work and home.
- August 24, 2016 – Coordinated the District's second annual "Crop Swap". The event was held in the second floor lobby of the Administration Building. Based on expressed interest, an informal event was also held in the lobby at the Adeline Maintenance Center.
- October 25, 2016 – Presented the annual Sustainability Report to the Board of Directors.
- Continued employee outreach and communications regarding sustainability with four articles in Splashes, eighteen articles in the Regulatory Compliance Office Newsletter, and six presentations at the District's Engineers' Forum.
- Provided support and assistance to the Purchasing Division on its initiative to solicit information on prospective vendors' or contractors' sustainability efforts.
- Supported District efforts to certify seven District facilities as WaterSmart Savers.
- Participated in Green Business certification efforts to include Green Business requirements in the Water Treatment Plant Infrastructure Renewal Plan, and to support Green Business certifications at the District's Area Service Centers.
- Provided training to janitorial staff on Green Business certification criteria for green cleaning products, and on the health and safety advantages of using green cleaning products.
- Initiated the use of the three bin system (compost, recyclables, and landfill) at District facilities in Contra Costa County.

2017 Goals

The Committee's goals for 2017 are listed below. Some of the goals are on-going efforts to advance the culture of sustainability at the District.

- Organize the 18th annual Earth Day events for April 19, 2017.
- Hold the third annual Crop Swap in late July.
- Continue to develop strategies to foster sustainable projects/programs and educate employees about sustainable practices.
- Develop and conduct a survey to identify employees' environmental awareness.
- Promote and participate in the free 2017 Northwest Earth Institute "Eco-Challenge" in October. The Eco-Challenge provides multiple activities that reinforce sustainability in the workplace and at home.
- Finalize the use of the three bin system for District facilities in Contra Costa County.
- Continue education efforts to encourage employees to properly use of the green compost and blue recycling bins at District locations, and encourage employees to reduce energy consumption at District locations.
- Continue coordinating speakers on sustainability issues for the Engineers' Forum.
- Continue to publish articles in the Splashes Green Corner and the RCO Newsletter on non-renewable resource and waste reduction, energy conservation, alternative commuter options, Greenhouse Gas (GHG) emissions reduction, and recycling issues.
- Communicate the District's 2016 GHG inventory and evaluate methods to reduce emissions on the Sustainability intranet web page.
- Investigate opportunities for Green Business certification for additional District facilities.
- Continue to evaluate new actions and approaches to advance sustainability at the District.

Committee Members

Cynthia Adkisson, Environmental and Safety Specialist, Co-Chair
Michael Ambrose, Regulatory Compliance Manager
Jolene Bertetto, Water Conservation Representative
Maura Bonnarens, Manager of Wastewater Treatment
Clifford Chan, Manager of Maintenance and Construction Department
Vincent Flores, Plant Structures Maintenance Supervisor
Lorena Girardin, Senior Administrative Clerk
Victor Gonzales, Associate Mechanical Engineer
Richard Harris, Water Conservation Manager
Jennifer Ingram, Gardener II
Chandra Johannesson, Environmental Compliance Manager
Dennis Karaim, Drafting Supervisor
Marie Kulka, Wastewater Control Representative
Jenesse Miller, Senior Public Information Representative
Tony Montano, Manager of Facilities Maintenance Construction
Virginia Northrop, Senior Ranger/Naturalist

Sustainability/Recycling Committee Annual Report – 2016

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Suzanne Porter, Building Tenant Services Supervisor
Lionel Reynolds, Maintenance Superintendent
Steve Sherman, Community Affairs Representative II
Joey Smith, Water Conservation Technician
Kelley Smith, Purchasing Contract Supervisor
Tara Sweet, Associate Civil Engineer
Doug Wallace, Environmental Affairs Officer, Co-Chair

CCA:cca

cc: Sustainability/Recycling Committee Members
M. Ambrose
C. Chan
R. Sykes
M. Wallis

WATER QUALITY COMMITTEE ANNUAL REPORT - 2016

The purpose and objectives of the Water Quality Committee are to:

- Review, oversee, and coordinate the District's drinking water quality program.
- Promote the efficient collection, management, and use of water quality information.
- Promote distribution of water quality information throughout the District.
- Ensure, review, and comment on legislation and regulations affecting drinking water.

Recommend appropriate actions as needed to respond to drinking water quality issues.

The Committee meets on the third Thursday of each month.

2015 Accomplishments

a) Committee Activities

- Held twelve meetings in 2016.
- Recorded and distributed meeting minutes.
- Distributed charts and figures related to water quality with the meeting minutes.
- The Committee maintained an overview of water quality legislation by providing comments and recommendations, where appropriate. Legislative activities in 2016 included the analysis of State Assembly and Senate bills, such as SB 1398 (lead service line inventory) and AB 1738 (Dark Greywater).
- Committee members participated in work groups at the national and state level in anticipation of revisions to the Lead and Copper Rule and the distribution disinfectant residual requirements.
- Committee members also reviewed the State's Direct Potable Reuse guidelines and provided comments to the Office of Water Recycling.
- The Committee Chair was appointed to the USEPA Science Advisory Board Drinking Water Committee.

b) Water Quality Strategic Direction

- The Committee reviewed and revised the District's 2016 water quality goals. These goals are significantly more stringent than regulatory requirements.
- In 2016, the District had 122 water quality parameters. These parameters included all regulated contaminants, as well as treatment techniques, emerging contaminants, and customer expectations. Based on this monitoring, water quality updates were provided to the Board of Directors in April and September.
- The Committee reviews all drinking water quality monitoring programs in the District, as well as key parameters, as part of the monthly committee meeting.
- The Committee discusses ways to improve the use of water quality data, such as placing taste and odor complaints on a map of the service area to help troubleshoot water quality problems.

- The Committee regularly updates the progress of Engineering and Operations & Maintenance projects during the meetings (e.g., Orinda outage, Claremont Tunnel inspection, Aqueduct Corrosion Control, and Plant Safety Audit).

c) Emerging Contaminants

- The Legionella issue identified in last year's committee report has expanded from drinking water to the use of potable water in buildings for other purposes (cooling towers, etc.). The Centers for Disease Control issued a guidance document for controlling Legionella in buildings. The committee reviewed the document and is evaluating and comparing our building maintenance practices to the guidelines to ensure we are using the best management practices to control Legionella.
- The Committee continually reviews and monitors research and public policy development, often providing comment during public comment periods. The Office of Environmental Health Hazard Assessment announced they will be reviewing the Public Health Goals for hexavalent chromium. There are plans to submit written comments and documents regarding the oxidation of chromium(III) (Cr(III)) to hexavalent chromium by disinfectants and the health risk management issues posed by acute and chronic contaminants.

d) Research

- Committee members participated in Water Research Foundation research projects as members of the project advisory committees for projects examining direct potable reuse, cyanotoxins, and hexavalent chromium.
- Committee members represented the District by providing resources to Water Research Foundation projects examining alternative coagulants and endogenous sources of nitrosamines.
- Initiated research into the application of ultraviolet disinfection for nitrification control.
- Water Research Foundation is assisting manufacturers of new water treatment technologies by helping introduce their products to drinking water utilities in partnership with ISLE technologies. During the past year, committee members listened to presentations for several new technologies, but have not brought the technologies forward.

e) Outreach

- Committee members distributed notifications of webcasts to keep staff abreast of new developments in the water quality arena.
- Committee members responded to public inquiries regarding water quality, with the majority of inquiries pertaining to taste and odor.
- Committee members responded to speaker requests to discuss water quality issues, such as what happened in Flint, Michigan, or more general topics on where drinking water comes from (high school and college).

- In an effort to share knowledge, information, and experiences with other water utilities, staff responds to external requests to serve on technical advisory committees and blue ribbon panels for outside utilities.
- Committee members presented or coauthored presentations at AWWA's Water Quality Technology Conference in November 2016.

2017 Goals

In 2017, the Committee will continue to meet monthly to review, oversee, and coordinate the District's drinking water quality program. This will include:

- Review of the District's water quality policies and programs in source, treatment, and distribution, especially as they relate to the incorporation of water quality goals into District policies and programs.
- Support implementation of the Distribution System Water Quality Plan.
- Advocate for sound science in proposed legislation and regulation.
- Oversight of current and long-term emerging water quality issues.
- Implementation of a long-term plan for coordination and promotion of water quality research.
- Outreach to District staff and the water industry in general.
- Review and revise the District's Cyanotoxin Management Plan.
- Oversee the 2017 Lead and Copper Rule compliance monitoring.
- Introduction of a pilot customer lead tap sampling program.
- Review District Notification Response Plan for water quality exceedances.

2016 Committee Members

Richard Sakaji, Manager of Water Quality (chair)
Susan Teefy, Manager of Regulatory Planning and Analysis for Water Quality
Nirmela Arsem, Manager of Laboratory Services
Michael Ambrose, Manager of Regulatory Compliance
Clifford Chan, Manager of Maintenance and Construction Department
Brett Kawakami, Manager of Treatment and Distribution
Vincent Pon, Superintendent of Aqueduct
Scott Hill, Manager, Watershed and Recreation
John Hurlburt, Manager of Water Supply
David Rehnstrom, Manager of Water Distribution Planning
Hubert Lai, Supervisor, Process Engineering
Javier Ramos, Supervisor, System Water Quality
Chandra Johannesson, Manager of Environmental Compliance
James Smith, Superintendent of Water Treatment
Roberto Cortez, Superintendent of Water Treatment
Damon Hom, Superintendent of Water Treatment

WATER RESOURCES COMMITTEE ANNUAL REPORT- 2016

The Water Resources Committee (WRC) coordinates and clarifies District responses to emerging water resources issues to advance District policies in a comprehensive and effective manner.

2016 Accomplishments

In 2016, the WRC focused on activities related to the District's petition to extend its Camanche Permit (CPE) to 2040 and the California WaterFix (WaterFix), previously known as the Bay Delta Conservation Plan. After almost 16 years since the initial filing of the time extension petition, and almost two years since the completion of the CPE environmental documentation and the resolution of protests from parties challenging the CPE in December 2014, the State Water Resources Control Board (SWRCB) approved the CPE and additional requested changes. On August 3, 2016 the District received the SWRCB's letter and the order approving the change petitions for time extension and other changes (place of use and purpose of use). The WRC is coordinating to ensure compliance with the new amended permit.

The WRC also worked closely to develop EBMUD's response to the WaterFix joint change petition, filed by the California Department of Water Resources and the U.S. Bureau of Reclamation for the State Water Project and Central Valley Project respectively. The petition seeks to add three new points of diversion near the Freeport Regional Water Project. The State SWRCB began Phase 1A (Petitioners testimony) of the hearing for the change petition on July 26, 2016, and Phase 1B (Protestors testimony) on October 20, 2016. Staff coordinated with other departments and outside agencies to develop EBMUD's protest and expert testimony regarding potential impacts to the District from the WaterFix change petitions. EBMUD presented its expert testimony on October 27 and November 1, 2016, on the potential impacts to EBMUD. Part 1B of the hearing is expected to continue through January 2017.

The WRC also led efforts on several activities:

- Reviewed the Revised Draft Substitute Environmental Document for the SWRCB Bay-Delta Water Quality Control Plan Update Phase 1 for the San Joaquin River, to recommend actions that are consistent with EBMUD's water rights and resources and regulatory obligations on the Mokelumne River.
- Reviewed the Draft Scientific Basis Report for the SWRCB Bay-Delta Water Quality Control Plan Update Phase 2 for the Sacramento River and Eastside Streams, to recommend actions that are consistent with EBMUD's water rights and resources and regulatory obligations on the Mokelumne River.
- Coordinated with California Department of Fish and Wildlife and U.S. Fish and Wildlife Service on availability of Joint Settlement Agreement gainsharing water in 2016 due to the District's use of the Freeport Project to divert water under its Central Valley Project contract and the 2015 transfer from Placer County Water Agency.

- Coordinated with Water Operations staff on the procedure to release the gainsharing flows remaining from 2015 supplemental supplies.
- Coordinated with Water Operations and Natural Resources staff to ensure compliance with the new amended Camanche permit including net depletion and the release of mitigation water for fish migration.
- Coordinated with Water Operations staff to ensure that EBMUD is in compliance with SWRCB Emergency Regulations for Measuring and Reporting Water Diversions by January 1, 2017. Staff is also coordinating with Information Systems Department staff to post water diversion data on EBMUD's external webpage as required by the regulation.
- Continued to actively participate in discussions with internal stakeholders, DWR, SWRCB and CUWA agencies to review and provide comments on the proposals related to Water Use Efficiency Regulations for short term and long term as related to Executive Orders issued by the Governor.
- Conducted a Mokelumne tour for East Bay Legislative staff.
- Continued to report water consumption to the SWRCB in compliance with the Governor's Executive Order to reduce water use.
- Coordinated the implementation of provisions of the CPE Protest Dismissal Agreement with San Joaquin County agencies.
- Coordinated with Woodbridge Irrigation District (WID) on the implementation of the CPE Protest Dismissal Agreement with San Joaquin County agencies to address WID concerns.
- Coordinated with Contra Costa Water District and other agencies in conducting planning studies for potential participation in the Los Vaqueros Reservoir Expansion project, assessing water supply benefits and constraints associated with existing infrastructure

The WRC ensured that the District's responses to these issues were effective and consistent throughout departmental lines. Additionally, the WRC adjusted the District's strategies and responses to these issues as necessitated by changing conditions.

2017 Goals

- Staff plans to coordinate with other agencies to identify potential opportunities for voluntary agreements for improvements to the SWRCB Bay-Delta Water Quality Control Plan Update Phase 2. The SWRCB plans to release the draft Substitute Environmental Document and Plan Update by early summer 2017. The hearing for Phase 2 is unlikely to begin before June 2017.

- Staff also plans to participate in the SWRCB hearings for Phase 2 of the WaterFix hearings, to present expert testimony and recommend actions to prevent potential impacts to the Mokelumne River fishery.
- Staff expects to develop, coordinate and negotiate implementation agreements with the San Joaquin County entities. Staff will develop change petitions to implement changes to water right permits, develop operating and coordination agreements, develop and design the groundwater banking project, obtain export permits, and comply with CEQA requirements.
- Staff will continue to work with the SWRCB regarding the processing of the additional four “clean-up” change petitions filed in 2012 to ensure that the permits and licenses issued by the SWRCB for the Mokelumne River facilities accurately reflect EBMUD’s existing municipal and hydroelectric operations and current service area boundary.
- Staff will also continue to coordinate District responses to Mokelumne and Bay Delta emerging water resource issues. Strategic responses continue to be guided by the principle that a balanced approach to allocation of California’s water resources, to meet both environmental and water supply needs is fundamental to the District’s mission.

Committee Members

Alex Coate, General Manager

Richard Sykes, Director of Water & Natural Resources

Mike Wallis, Director of Operations & Maintenance

Eileen White, Operations & Maintenance Dept. Manager

Craig Spencer, General Counsel

Fred Etheridge, Assistant General Counsel

Lena Tam, Engineering Manager

Ana Ulloa, Senior Civil Engineer

LLT:ARU

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

SUBJECT: Monthly Report – December 2016

HIGHLIGHTS

On December 6, the Dublin San Ramon Services District (DSRSD) awarded nearly \$15 million in contracts to expand the DERWA treatment plant capacity to produce recycled water. The 70 percent in increased capacity will be used to serve EBMUD, DSRSD and City of Pleasanton recycled water demands and will allow expanded service for all three agencies. Construction is scheduled to begin in January 2017 and conclude in the fall of 2018.

On December 7, staff launched a new Trail Use Permit system on ebmud.com. A multi-department team developed an updated system that reduces processing time for staff and customers and includes an option for users to purchase permits from their smartphones. Staff has received positive feedback from users.

WATER SUPPLY

EBMUD provides comments on the Bay-Delta Water Quality Control Plan (WQCP) update. The State Water Resources Control Board (SWRCB) issued a draft Scientific Basis report for Phase 2 of the WQCP update. Phase 2 will consider new flow requirements for the Mokelumne River. The Scientific Basis report will be instrumental in assessing and developing new flow requirements. The District's comments seek to ensure that the report consider substantial new information published in the past decade on the Mokelumne salmon and steelhead fishery. On December 9, staff attended a SWRCB workshop and provided verbal testimony to support the District's written comments.

On December 19, the District submitted comments on the SWRCB's draft Long-Term Water Conservation Framework report. The report proposes to make permanent many of the water conservation and reporting requirements developed by the state during the drought. The District supports the report and its proposed conservation measures; however, staff believes it can be improved by providing flexibility in meeting these requirements and in ensuring that local conditions inform any specific area's response to future drought.

Precipitation. The East Bay precipitation for December was 5.49 inches (114% of average) and the season total was 12.05 inches (122% of average). The Mokelumne precipitation for December was 8.73 inches (110% of average) and the season total is 23.69 inches (137% of average).

Water Releases

Camanche Reservoir. The average rate of Camanche release for December was 935 cfs (901 cfs generation, 13 cfs sluice, and 20 cfs through the hatchery), and the average flow below Woodbridge Dam was 816 cfs, both in accordance with the Joint Settlement Agreement "Normal & Above" criteria. Flood control releases were maintained from Camanche Reservoir through December, with the current release of approximately 1,460 cfs starting on December 21, 2016. Weekly pulse flow fisheries releases were provided as scheduled through December 8, 2016.

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

Water Storage

Mokelumne reservoirs storage is 110% of average. As of December 31, 2016, Pardee was at 560.4 feet or 105% of average, and the Camanche was at 217.2 feet or 113% of average. Combined Pardee and Camanche reservoir storage was 479,000 acre-feet compared to 223,000 acre-feet last year at this time.

East Bay reservoirs storage is 111% of average. As of December 31, 2016, USL was at 449.6 feet or 115% of average, San Pablo was at 307.8 feet or 120% of average, and Briones was at 574.3 feet or 108% of average. Total terminal reservoir storage was 135,000 acre-feet compared to 121,000 acre-feet last year at this time.

Mokelumne Aqueducts and Raw Water Pumping Plants. The average rate of Mokelumne Aqueduct draft for December 2016 was 54 MGD. Lafayette Aqueduct No. 2, Briones Aqueduct, and Mokelumne Aqueduct No. 2 remained out of service for the month. Lafayette Aqueduct No. 2 and Briones Aqueduct are scheduled to return to service in late February 2017, and Mokelumne Aqueduct No. 2 is scheduled to return to service shortly thereafter. 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 December:

	December 2016	December 2015	December 2013	Average of FY 2005-2007
East of Hills	23 MGD	24 MGD	37 MGD	30 MGD
West of Hills	99 MGD	95 MGD	117 MGD	126 MGD
Total	122 MGD	119 MGD	154 MGD	156 MGD
Max Day Production	133 MGD (12/1/2016)	126 MGD (12/1/2015)	165 MGD (12/2/2013)	

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

WATER QUALITY AND ENVIRONMENTAL PROTECTION

The Main Wastewater Treatment Plant (MWWTP) received no odor complaints in December.

All authorized discharges from the MWWTP were in compliance with permit limits for December. This is the 208th consecutive month that the MWWTP experienced no exceedances.

2016 Fall run Chinook salmon return. The salmon return on the Mokelumne will be just shy of 9,000 fish this year. This is about twice the long-term average but is down compared to recent years when the return has been about 12,000 fish. Delta and reservoir operations along the San Joaquin appear to have attracted some Mokelumne salmon to other river systems. Staff will continue the ongoing fisheries science and monitoring program to further understand and manage survival and straying of returning adults.

In compliance with the 2014 wet weather consent decree, staff submitted the second annual update regarding wet weather flow reductions to water quality regulatory agencies. The report to the Environmental Protection Agency, State Water Resources Control Board, and Regional Water Quality Control Board depicts modeling results that show a 9 percent overall reduction in wet weather flows since 2010 (baseline year). Future annual updates will establish trends in progress toward regional flow reduction goals.

The North Richmond Water Reclamation Facility (NRWRF) continues to provide potable water to the Chevron refinery for use in Chevron's cooling towers. Construction on the West County Wastewater District's (WCWD) new treatment facilities is expected to be completed in late spring 2017. Staff met with WCWD staff on December 12 to continue drafting new terms for an agreement between WCWD and the District. The agreement is for WCWD to provide a reliable, consistent effluent water quality that will allow the District to maximize its production of recycled water from the NRWRF.

On December 10 and 15, discharges from wet weather facilities in the District's interceptor system resulted in regulatory compliance incidents. Storm-related inflow and infiltration occurred at the Point Isabel wet weather facility, the Oakport wet weather facility and interceptor overflow structures at Alice Street, Elmhurst Creek, and San Leandro Creek in Oakland. The incident at Oakport was a chlorinated discharge due to a dechlorination failure. Approximately 813,000 gallons of partially treated wastewater, with a measured chlorine residual of 8.7 mg/L, was discharged into Elmhurst Creek, which discharges into the Oakland Estuary. No impacts were observed to receiving waters. The incident at Alice Street was a sanitary sewer overflow discharge of 5,000,000 gallons of diluted wastewater into the Oakland Estuary. No impacts were observed to receiving waters. Staff visited the site and was not able to find any physical evidence of an overflow. The discharge incident at Point Isabel exceeded the total coliform effluent limit. The cause was due to the sodium hypochlorite pumps failing to automatically start when the storage basin began filling. The December 15 storm resulted in a regulatory compliance incident at the Alice Street overflow structure only. Staff reported all incidents to the regulatory agencies and is investigating to determine the root causes of the incidents and to develop plans to mitigate and/or prevent a reoccurrence.

Between December 13 and 19, the District's laboratory operations were audited by the California Environmental Laboratory Accreditation Program. Audits were conducted in several operational areas, including general chemistry, trace metals, microbiology, trace organics and aquatic toxicology. The audit concluded that the laboratory is well run with excellent quality systems and well-trained staff. While no violations were cited, some corrective actions were recommended. The final audit report is expected by February 2017.

On December 15, the Alameda County Waste Management Authority conducted a surprise inspection of the MWWTP's trash and recycling receptacles. The inspection is part of the Authority's program to ensure that waste at business premises is properly segregated in compliance with the County's mandatory recycling program. The inspection found no violations.

INFRASTRUCTURE INVESTMENT

Orinda Water Treatment Plant Reliability and Maintenance project update. The contractor completed the excavation for the bifurcation vault in the filter gallery; completed forming and placing the new vault walls at effluent vault No. 1; took delivery of the new electrical building on the new slab and began work on the new electrical duct banks in the roadway. The contractor also installed the frames for the new stop logs in the effluent channel; completed coating the interior of the wash water tank; completed functional testing on the temporary hypochlorite feed system and demolished the old hypochlorite tanks. Work related to the electrical building and underground conduits has been slower than anticipated and is being monitored for potential schedule impacts. Overall, progress elsewhere is meeting expectations. The contractor continues to work extended hours.

The Berkeley View Regulator and Berkeley View, Las Aromas (Orinda), Madrone (Oakland), Schapiro (San Pablo) and Skyline (Oakland) Pumping Plants Improvements were completed on December 20 but require an increase to the construction change order contingency. This project included the demolition and construction of a new Las Aromas Pumping Plant and Berkeley View Regulator; a complete interior rebuild of the Berkeley View Pumping Plant; and piping and mechanical equipment improvements at the Madrone, Schapiro, and Skyline Pumping Plants. Additional costs to complete the projects were higher than anticipated primarily due to a one year delay in obtaining Pacific Gas and Electric power at the Berkeley View and Las Aromas Pumping Plant sites. A final settlement of all delay costs of \$150,000 will increase the total change order amount from \$275,820 to \$425,820 or 26 percent of the original contract amount of \$1,642,000. The work was performed by the contractor, JMB Construction, Inc.

New water treatment technologies being tested at the Walnut Creek Pumping Plants. Staff is piloting alternative pretreatment technologies including direct filtration, ozone, and ballasted flocculation for use at the District's Walnut Creek and Orinda inline Water Treatment Plants (WTPs). This pilot will help staff determine the best process to improve treatment flexibility at the inline WTPs for source water flexibility, drought preparedness, emergency preparedness, water quality changes, regulatory robustness, and interagency interconnectivity.

Summit Reservoir and Shasta/Woods Pumping Plant Replacement project (Berkeley) update. The new pumping plant building is closed in and the electrical work has commenced. The walls of the new 3.5 million-gallon concrete tank are over half-way constructed. Construction of the new inlet/outlet pipeline in the easement between the residences on Vassar Avenue is nearly complete. Main access road construction is underway.

The Urban Runoff Diversion Pump System project requires an increase to the construction change order contingency. The District is required to implement this project under the terms of the wet weather consent decree. A construction contract was awarded to Bay Construction Co. for \$885,000 on April 12, 2016 to install 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 pump station and the District's South Interceptor. Change orders are projected to total approximately \$110,000 (12% of the construction contract value) due to a variety of unanticipated site conditions, including additional street paving required under the terms of the City of Oakland excavation permit, an unanticipated large amount of hazardous treated wood waste, and the poor condition of an existing isolation gate at the pump station.

CUSTOMER AND COMMUNITY SERVICES

On December 1 and December 20, staff held environmental education programs at Nunes Ranch. Twenty-four students planted 40 willow cuttings and 35 buckeye seeds.

On December 13, staff presented the video of the Helipipe delivery on Panoramic Way to the Northern California Pipe User's Group in Walnut Creek. The "Sharing Technologies Together" event was attended by approximately 50 project managers from various Northern California agencies.

On December 17, staff and volunteers spruced up Wildermuth House. Staff and 10 volunteers spent the day managing the grounds and landscaping around the Wildermuth House. Additionally, the building was open for public viewing.

District staff is participating in the Association of Bay Area Governments' (ABAG) planning for regional water infrastructure resilience. On December 7, ABAG's Regional Planning Committee approved a Regional Lifelines Council to work with cities, counties, and public and private utilities on resilience issues. Staff has been working with the Committee's Infrastructure subcommittee regarding regional water infrastructure resilience. In 2017, the focus of the Regional Lifelines Council will be to support a joint effort by the District and the City of Berkeley to develop plans for distributing potable water following a major earthquake. Once developed, the model will be used for similar efforts elsewhere in the region. The Regional Lifelines Council will also support the Department of Homeland Security-Infrastructure Protection and the California Office of Emergency Services with a Bay Area-focused Regional Resilience Assessment Project.

Alameda-North Bay Farm Island Pipeline Crossings project update. On December 1, the Final Environmental Impact Report (EIR) for the project was published. Individuals and agencies who commented on the Draft EIR were notified that the Response to Comments was published as part of the Final EIR. As part of the Response to Comments, commenters were directed to the location in the Draft EIR where their specific questions and/or concerns were addressed. The Draft EIR contained sufficient information to address all comments so no substantial changes were made to the Final EIR.

Dos Osos Reservoir Replacement project update (Orinda). On December 16, staff met with City of Orinda (City) staff including the City Manager and Public Works Director to discuss the project. District staff presented the proposed project elements, the schedule for the Mitigated Negative Declaration (MND), and community outreach to obtain feedback from the City on potential community project issues and concerns. The City's feedback included concerns regarding construction impacts (i.e., traffic and noise) which will be addressed in the environmental documentation. Postcards will be sent to residents in the project vicinity along with the release of the MND in February 2017. Public outreach meetings will be scheduled during the MND review period if requested by residents.

Summit Reservoir Replacement project outreach. Staff mailed a construction update to 182 neighbors in the immediate project vicinity that included information about the replacement of a 6-foot perimeter fence with the District's new standard security 8-foot chain-link. Staff emailed a similar construction update to 127 residents who subscribe to email notifications.

Diablo Vista Pumping Plant project outreach. Staff provided a written project update to the Lafayette City Council and emailed a construction update to 35 recipients who subscribe to email notifications. Staff also facilitated the installation of two construction signs to address stakeholder concerns about construction perception and business impacts.

Grand Ave Pipeline Replacement project outreach. Staff is working with the City of Piedmont to coordinate a project update to the City Council in January 2017 and a town hall meeting for project neighbors in March/April 2017.

Upper Happy Valley Road project outreach. Staff developed a notice to residents about an upcoming Aqua-Pipe project installation on Upper Happy Valley and a pipeline replacement on the Los Arabis Road cluster surrounding Upper Happy Valley. Both projects will begin in January. Staff met with the City of Lafayette's engineer to discuss traffic impacts and develop an approach to accommodate school traffic. A public meeting will be held at the Happy Valley School on January 11 to discuss the project and its impacts with neighbors.

The District is a sponsor of the 2017 Alameda County Science and Engineering Fair. Staff supports the event by contacting all middle schools and high schools in Alameda and Contra Costa Counties to encourage students to submit water or wastewater focused projects for the Excellence in Water Research portion of the fair. District staff will also serve as judges at the fair for the water or wastewater focused projects. In the past, science fair winners from the service area have attended a Board meeting to be recognized and receive their prize.

Media. Staff responded to more than 30 media calls and conducted multiple media interviews on lead in the Fruitvale neighborhood in Oakland, a sewer overflow in the Oakland Estuary, a potential pilot program to allow cyclists on EBMUD properties, year-end water supply and reservoir level status.

Advertising/outdoor media. The billboard message “Wipes Clog Pipes – Flush only the 3 Ps” installed at Oakport is also being featured on a Clear Channel digital billboard at the Macarthur Maze. In addition, a joint effort with the State’s “Save our Water” campaign keeps the “conservation is a way of life” message in the public eye with transit shelter ads along the East Bay shore and rotating digital ads at the Macarthur Maze that will continue into the new year. These ads feature two outdoor conservation messages: “Reimagine Your Landscape” and “Let the Rain Do the Work.”

Contract Equity Outreach

On December 8, staff participated in the Astra Women Business Alliance, “*2nd Annual Holiday Award Luncheon for Excellence*,” in San Francisco. Approximately 95 people attended.

Diversity and Inclusion

On December 2, District staff participated in Pinole Valley High School’s first Career Day. Staff from engineering and trades career paths gave individual presentations to approximately 450 students and shared their experiences navigating through high school, various jobs and schools, and concluded with their current role at the District. Staff’s participation at this event supports the District’s long-term efforts to develop a diverse pipeline of candidates for our future workforce needs.

Water Conservation

On December 7, staff participated in the State Water Resources Control Board and Department of Water Resources Urban Advisory Group meeting in Sacramento. The District is an active member of the statewide Urban Advisory Group that met between August and December to provide input to the state agencies on establishing long-term water use efficiency standards and targets as directed by the Governor’s Executive Order (EO) B-37-16. The first public draft of the proposed long-term water efficiency regulations was released on November 30, 2016. The District provided a comment letter to the State EO agencies on December 19, 2016.

On December 8, staff participated in a webinar for the Alliance for Water Efficiency (AWE) Board of Directors meeting. The meeting focused on AWE board and membership recruitment, budget priorities, and organizational development. Additional topics included federal legislation, collaboration with outside entities including a new partnership with Mexico, and a discussion about ongoing research and potential partnership with the California Urban Water Conservation Council. The District is a founding AWE Board member and has participated over a nine-year term. The District seat on the Board expired on December 31, 2016. Twenty board members and staff attended the meeting.

On December 12, staff participated in three subcommittee meetings of the Landscape Advisory Committee. The Technology subcommittee discussed a water budget based landscape design tool for use by landscape professionals and residential customers and reviewed existing calculators and storyboarding for the online tool graphical interface. The Education and Outreach

subcommittee discussed recommendations for possible “garden refresher” grants for existing EBMUD WaterSmart Garden Grant Program demonstration projects. Six demonstration gardens within the District’s service area were recommended for the California Urban Water Conservation Council Statewide Demonstration Garden Wiki Page Project. The subcommittee also discussed creating a companion plant list for nurseries and EBMUD customers. The Professional Development subcommittee is developing an online events calendar for the District’s website to list outdoor water conservation training opportunities for professionals. Training topics will include the adoption of water conservation design, installation and management strategies, and best practices.

On December 14, staff participated in the first Department of Water Resources (DWR) Landscape Area Measurement Workgroup meeting under the Governor’s Executive Order (EO) B-37-16 to craft long-term water efficiency requirements. The meeting focused on landscape area measurement methodologies and how landscape area is defined to assist the State in measuring the statewide urban landscapes in support of the proposed EO water-use target framework.

DWR will conduct a pilot with the City of Santa Rosa and Padre Dam Municipal Water District to measure individual and aggregate parcels and their related landscape water budgets. This information will inform State agencies on the feasibility of providing similar services to all water agencies as part of the proposed long-term urban water conservation framework. Pilot results are anticipated in late 2017 or early 2018. DWR will then conduct a larger pilot study with 30-40 agencies to test the recommended approach for accuracy and to determine the cost of the landscape classifications and water budget calculations based on local land use and climate. DWR plans to complete the evaluation by the end of 2017 and make recommendations for the 2018 modifications to the long-term efficiency framework.

On December 21 Hilgard Apartments in Berkeley became the second participant in the District’s WaterSmart On-Bill Financing Pilot program. The project includes the direct installation of water-efficient toilets and faucet aerators within the 15-unit apartment complex. The estimated water savings from the project is estimated to be nearly 68,000 gallons annually.

WORKFORCE PLANNING AND DEVELOPMENT

On December 6, staff met with PG&E to discuss improvements to utility coordination efforts due to a recent PG&E staff reorganization. The discussion focused on how to increase the effectiveness of field communications and to provide contact information for new supervisors. The District will invite certified PG&E Utility Locaters to a January 12, 2017 meeting with District General Pipe Supervisors to discuss improvements to marking efficiencies.

On December 9, the District hosted an InfoMaster User Group meeting with 10 Bay Area water and wastewater utilities and 9 engineering consulting firms. InfoMaster is a pipeline asset management prioritization software that is used in both the water and wastewater sectors. Presentations discussed identifying valve criticality, using CCTV and survey data in risk models, estimating pipe reliability and degradation, analyzing life cycle costs, and how utilities set up their risk models—including a presentation on how EBMUD uses InfoMaster to select and

prioritize pipelines for replacement. Approximately 50 people attended including representatives from the engineering firms and Central Contra Costa Sanitary District, City of Napa, Contra Costa Water District, Dublin San Ramon Services District, San Francisco Public Utilities Commission, Marin Municipal Water District, San Jose Water Company, City of Oakland, Ross Valley Sanitary District and Santa Cruz County Public Works.

On December 13, staff completed subsurface investigations for the University Pumping Plant (Berkeley). A portable drill rig drilled three borings and collected samples for laboratory testing for the proposed reconstruction of the pumping plant. The investigation results will be used to develop geotechnical design parameters for the proposed structure.

On December 14, staff successfully completed a Radiation Safety Officer training class provided by Pacific Nuclear Technology. Course topics included a review of the District's Radioactive Materials License conditions, procedures, records keeping, personnel dosimetry monitoring, emergency procedures, security, safe handling, storage and transportation.

On December 30, staff completed a pilot project in Richmond to install 8,650 feet of new pipe using Certa-Lok, a PVC restrained joint pipe. Pilot initiatives as part of this project included streamlining the design process, design-build collaboration, and installation of a restrained joint PVC pipe material. This pilot project compared the advantages and disadvantages of installation methods, production rates, and the cost to install Certa-Lok vs. traditional PVC bell and spigot pipe using open-cut construction. Certa-Lok is quick and easy to assemble and installation of this pipe eliminates the need for concrete thrust blocks. A final evaluation and long-term recommendation on the use of Certa-Lok will be submitted to the District's Pipe Committee in early 2017.

Tuition Reimbursement

	December 2016	FY17 Total
# of Employees	18	96
# of Classes	24	129
Total Reimbursed	\$17,782	\$83,093

Employment Information

	December 2016	FY17 Total
Retirements – Regular	2	38
Retirements – Vested	4	8
Hires	8	102
Other Separations	7	43

FINANCIAL STABILITY

There was one material, supply or construction contract over \$70,000 and less than \$100,000 approved by the General Manager in December 2016.

VENDOR NAME	DATE AWARDED	CEP STATUS	ITEM (S) PURCHASED	PROJECT	VALUE
Engineered Soil Repairs, Inc.	12/14/16	White Male	Furnish and install 252 plate piles for the Alamo Reservoir site	Plate Pile Installation at Alamo Reservoir Site	\$ 93,000.00

The Net Mokelumne Power Revenue for December was \$1,036,957. Inflows into Pardee Reservoir for December were 156 percent of plan and generation was 176 percent of plan. The District sold Renewable power and related Renewable Energy Credits to Marin Clean Energy under the Power Purchase Agreement. Sales of Resource Adequacy capacity to Shell Energy North America generated \$11,000 in revenue. The average electricity price was \$40/MWh. Total net revenue for FY17 is an estimated \$1,957,199 which is 55.9 percent of budgeted \$3,500,000.

FY17	Net Revenue		Inflow (Acre Feet)	
	Plan	Actual	Plan	Actual
October 2016	\$271,620	\$242,149	30,100	37,704
November 2016	\$202,080	\$296,977	29,100	34,729
December 2016	\$496,200	\$1,036,957	42,000	65,600
FY17 YTD Total	\$1,780,980	\$1,957,199	189,800	220,036

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 five months of the year for FY17. The budgeted average daily water consumption for the fiscal year is 151 MGD.

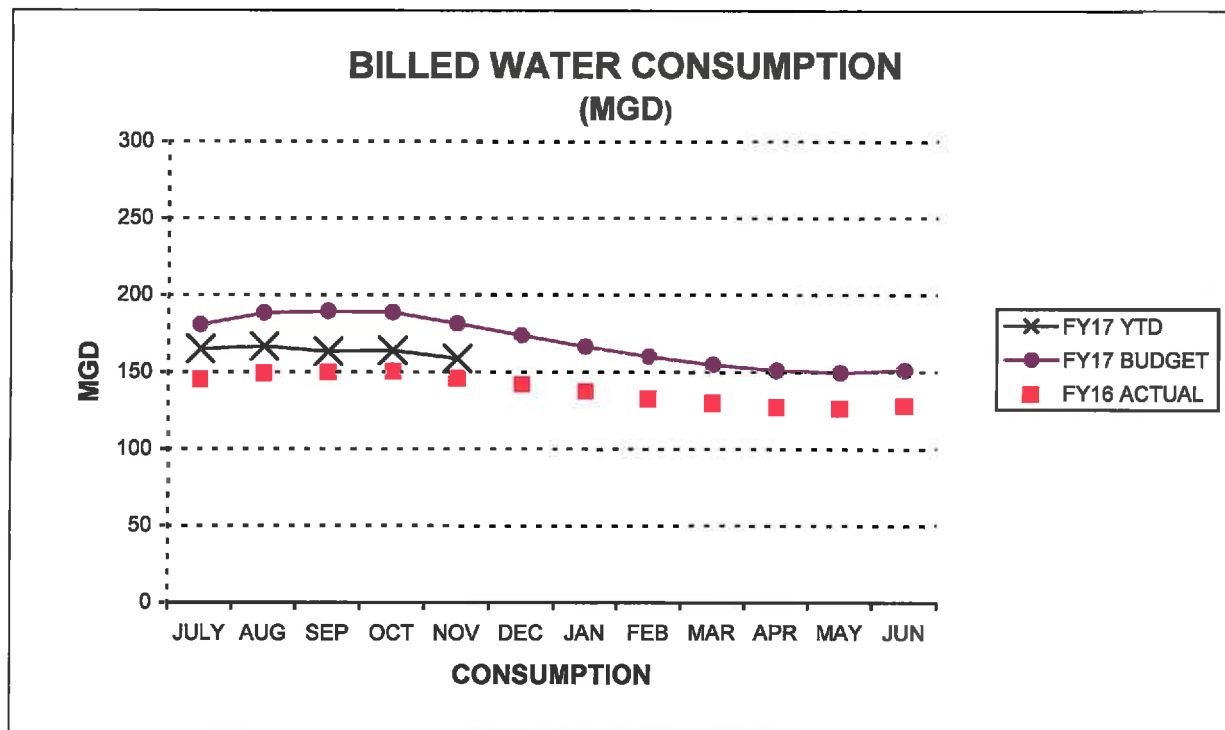
The table below breaks out the billed water consumption information by customer class with a comparison to FY16 data from the same time period. Overall actual billed water consumption for FY17 through November 2016 was 158.7 MGD.

Year To Date Billed Water Consumption		
Usage Type (FY17 vs FY16)	FY17 (MGD)	FY16 (MGD)
Residential (14.1% higher than FY16)	81.5	71.4
Commercial (5.1% higher than FY16)	53.3	50.7
Industrial (5.2% lower than FY16)	16.5	17.4
Public Authority (8.8% higher than FY16)	7.4	6.8
Total Billed Water Consumption (8.5% higher than FY16)	158.7	146.3

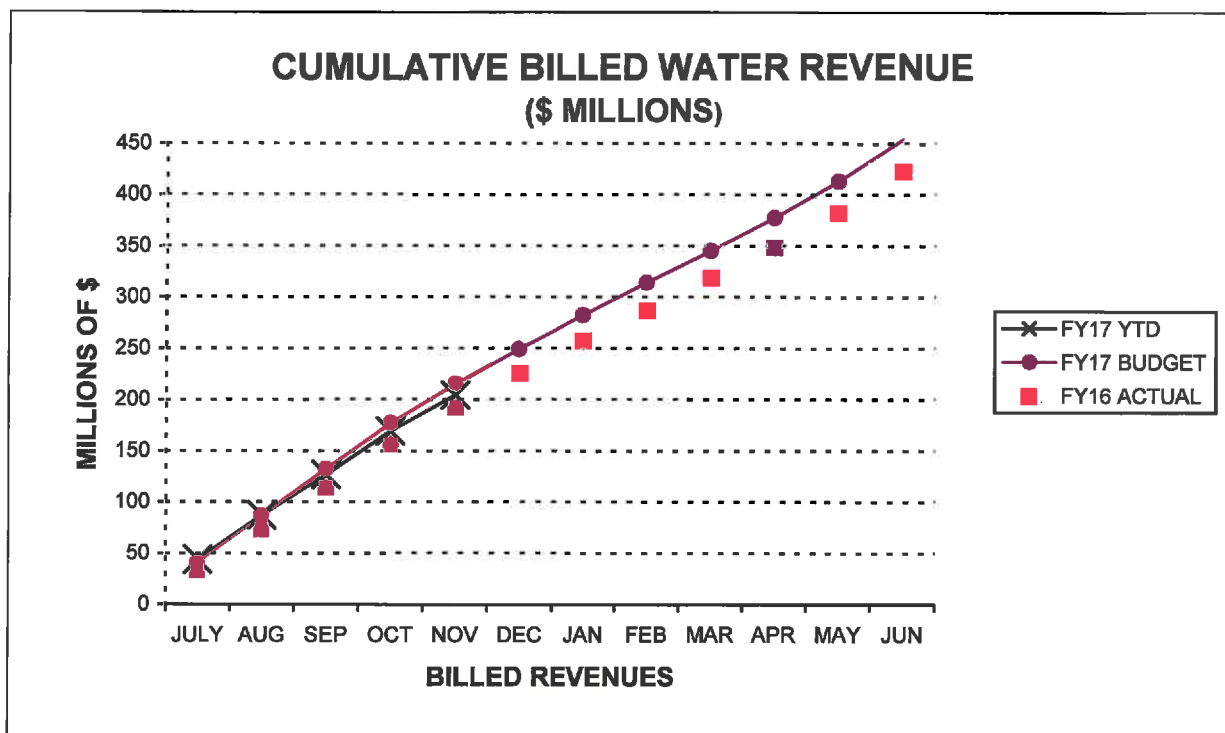
Water revenues billed for the fiscal year through November were \$204.5 million or 6.7% more than the FY16 revenue for November of \$191.7 million. This increase reflects the net impact of higher consumption and the 7% FY17 rate increase. Total water revenues through November are down \$10.2 million or 4.8% year-to-date compared to the budgeted water revenue. Note that total water revenues include the prorated drought surcharge revenue from the July and August billing cycles for consumption from May and June 2016.

Year to Date Billed Water Revenue		
Usage Type	FY17 Actual Revenue (\$ M)	FY17 Budgeted* Revenue Seasonally Adjusted (\$ M)
Normal Water Revenue	\$198.7	\$214.7
Drought Surcharge Revenue	\$5.7	-
Drought Excessive Use Penalty Revenue	\$0.1	-
Total Billed Water Revenue	\$204.5	\$214.7

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



Source: Customer Information System



Source: Customer Information System

December 2016 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
1	ALAMO		TWIN PEAKS	LN	ASBESTOS CEMENT	6.00	1973	1,620	12/9/2016	12/9/2016	Yes
2	ALBANY		CURTIS	ST	CAST IRON	6.00	1931	20,160	12/11/2016	12/12/2016	Yes
3	ALBANY		PERALTA	AVE	CAST IRON	6.00	1927	0	12/12/2016	12/12/2016	Yes
4	ALBANY		SAN PABLO	AVE	CAST IRON	4.00	1934	3,600	12/8/2016	12/9/2016	Yes
5	ALBANY		SAN PABLO	AVE	CAST IRON	4.00	1934	8,640	12/11/2016	12/13/2016	Yes
6	BERKELEY		6TH	ST	CAST IRON	6.00	1951	900	12/6/2016	12/7/2016	Yes
7	BERKELEY		BANCROFT	WAY	CAST IRON	8.00	1934	11,520	12/26/2016	12/27/2016	Yes
8	BERKELEY		CAMPUS	DR	CAST IRON	6.00	1930	900	12/1/2016	12/1/2016	Yes
9	BERKELEY		FAIRLAWN	DR	CAST IRON	6.00	1930	4,500	12/17/2016	12/17/2016	Yes
10	BERKELEY		FAIRLAWN	DR	CAST IRON	6.00	1930	900	12/30/2016	12/30/2016	Yes
11	BERKELEY		HASTE	ST	CAST IRON	6.00	1953	11,520	12/29/2016	12/29/2016	Yes
12	BERKELEY		HILLDALE	AVE	CAST IRON	6.00	1927	23,040	12/28/2016	12/29/2016	Yes
13	BERKELEY		MCGEE	AVE	CAST IRON	6.00	1933	1,350	12/13/2016	12/13/2016	Yes
14	BERKELEY		VALLEY	ST	CAST IRON	6.00	1927	14,400	12/18/2016	12/19/2016	Yes
15	BERKELEY		WOODSIDE	RD	CAST IRON	4.00	1940	1,800	12/28/2016	12/28/2016	Yes
16	EL CERRITO		BARRETT	AVE	CAST IRON	6.00	1925	1,800	12/28/2016	12/28/2016	Yes
17	EL CERRITO		EVERETT	ST	CAST IRON	6.00	1925	9,000	12/31/2016	12/31/2016	Yes
18	EL CERRITO		LEXINGTON	AVE	CAST IRON	6.00	1925	2,250	12/28/2016	12/28/2016	Yes
19	EL CERRITO		RICHMOND	ST	CAST IRON	8.00	1951	450	12/27/2016	12/27/2016	Yes
20	EL SOBRANTE		APPIAN	WAY	CAST IRON	8.00	1939	2,700	12/24/2016	12/24/2016	Yes
21	EL SOBRANTE		GARDEN	RD	CAST IRON	4.00	1938	10,080	11/25/2016	12/1/2016	Yes
22	HAYWARD		MEDFORD	CT	CAST IRON	4.00	1947	0	12/16/2016	12/16/2016	Yes

*KPI = turn around time to repair the leak

December 2016 Main Breaks

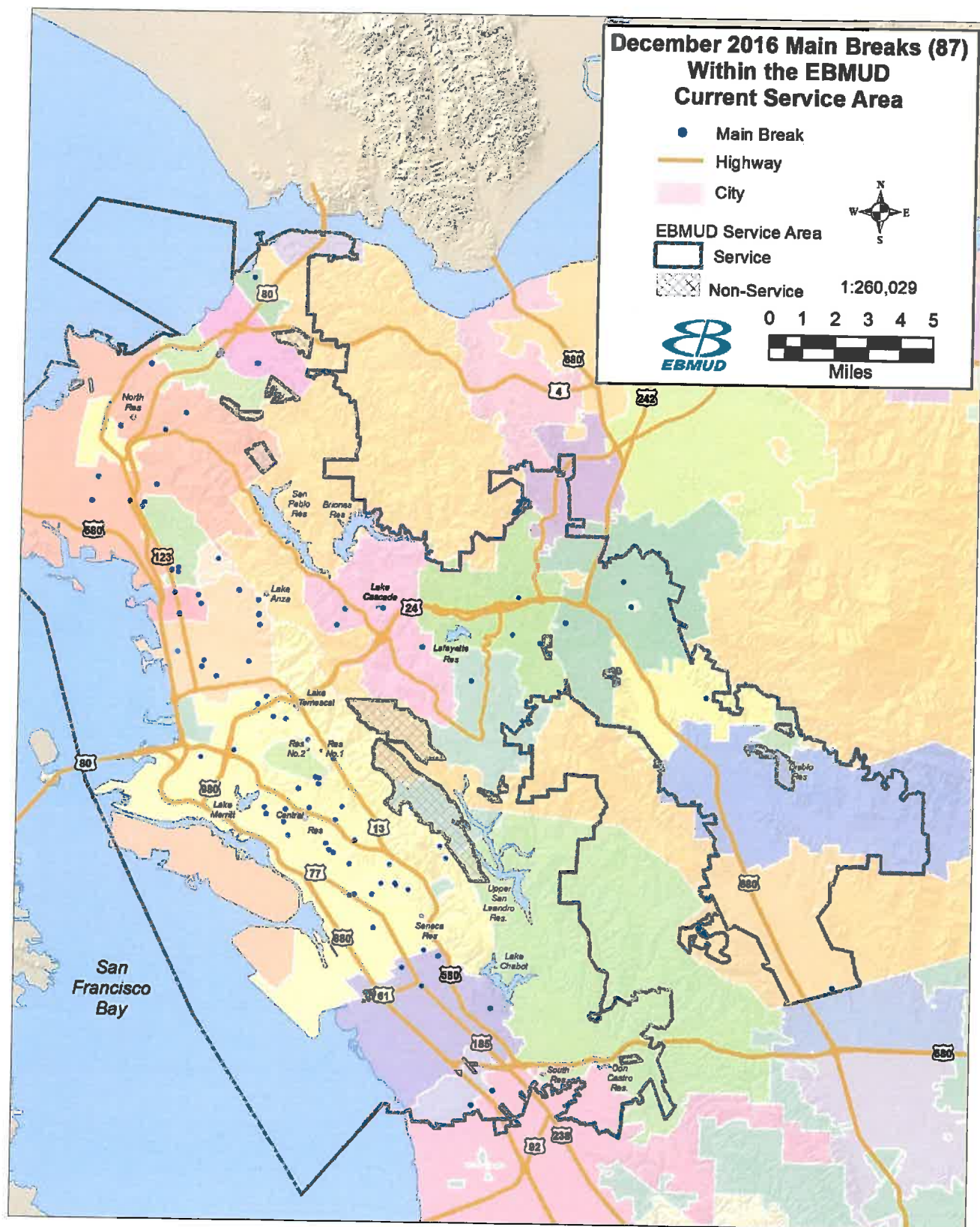
	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
23	HERCULES		FINCH	CT	ASBESTOS CEMENT	6.00	1980	4,320	12/12/2016	12/14/2016	Yes
24	KENSINGTON		HIGHLAND	BL	CAST IRON	6.00	1945	45,000	12/25/2016	12/26/2016	Yes
25	LAFAYETTE		BROWN	AVE	STEEL	6.00	1940	3,150	12/9/2016	12/9/2016	Yes
26	LAFAYETTE		GLENSIDE	CIR	CAST IRON	4.00	1948	20,160	12/19/2016	12/20/2016	Yes
27	LAFAYETTE		SWEET	DR	STEEL	6.00	1955	11,520	12/5/2016	12/12/2016	Yes
28	MORAGA		ASCOT	DR	STEEL	6.00	1965	9,000	12/28/2016	12/28/2016	Yes
29	OAKLAND	E	21ST	ST	STEEL	2.00	1925	14,400	11/22/2016	12/1/2016	No
30	OAKLAND	E	21ST	ST	STEEL	2.00	1925	57,600	12/6/2016	12/7/2016	Yes
31	OAKLAND	E	21ST	ST	CAST IRON	8.00	1868	4,500	12/18/2016	12/18/2016	Yes
32	OAKLAND		64TH	AVE	CAST IRON	4.00	1913	28,800	12/13/2016	12/16/2016	Yes
33	OAKLAND		68TH	AVE	CAST IRON	6.00	1949	900	12/30/2016	12/30/2016	Yes
34	OAKLAND		69TH	AVE	CAST IRON	4.00	1924	9,000	12/3/2016	12/3/2016	Yes
35	OAKLAND		73RD	AVE	CAST IRON	4.00	1949	21,600	11/30/2016	12/2/2016	Yes
36	OAKLAND		86TH	AVE	CAST IRON	4.00	1934	6,300	12/23/2016	12/23/2016	Yes
37	OAKLAND		109TH	AVE	CAST IRON	6.00	1939	900	12/14/2016	12/14/2016	Yes
38	OAKLAND		AQUA VISTA	ST	CAST IRON	6.00	1932	4,500	12/4/2016	12/5/2016	Yes
39	OAKLAND		BARNER	AVE	CAST IRON	2.00	1927	34,560	11/30/2016	12/2/2016	Yes
40	OAKLAND		BAY VIEW	AVE	CAST IRON	6.00	1929	5,400	12/19/2016	12/19/2016	Yes
41	OAKLAND		BROADWAY	TER	STEEL	12.00	1997	450	12/23/2016	12/24/2016	Yes
42	OAKLAND		CHABOT	RD	CAST IRON	6.00	1909	2,880	12/29/2016	12/29/2016	Yes
43	OAKLAND		DELMONT	AVE	NON METALLIC / PLASTIC	6.00	1981	8,640	11/30/2016	12/5/2016	Yes
44	OAKLAND		ELSTON	AVE	CAST IRON	4.00	1933	4,050	12/26/2016	12/26/2016	Yes

December 2016 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
45	OAKLAND		GEORGIA	ST	CAST IRON	6.00	1939	43,200	12/29/2016	12/30/2016	Yes
46	OAKLAND		HANSOM	DR	ASBESTOS CEMENT	6.00	1965	7,200	12/2/2016	12/6/2016	Yes
47	OAKLAND		HUBERT	RD	CAST IRON	6.00	1949	21,600	12/24/2016	12/26/2016	Yes
48	OAKLAND		INTERNATIONAL	BL	CAST IRON	6.00	1925	0	12/11/2016	12/12/2016	Yes
49	OAKLAND		LYON	AVE	CAST IRON	6.00	1924	4,500	12/24/2016	12/25/2016	Yes
50	OAKLAND		LYON	AVE	CAST IRON	6.00	1923	9,000	12/28/2016	12/29/2016	Yes
51	OAKLAND	W	MACARTHUR	BL	CAST IRON	6.00	1935	1,350	12/24/2016	12/24/2016	Yes
52	OAKLAND		MACARTHUR	BL	CAST IRON	10.00	1953	2,880	12/20/2016	12/21/2016	Yes
53	OAKLAND		MACARTHUR	BL	CAST IRON	8.00	1929	4,050	12/26/2016	12/27/2016	Yes
54	OAKLAND		MAGNOLIA	ST	CAST IRON	6.00	1932	900	12/16/2016	12/16/2016	Yes
55	OAKLAND		MARGARIDO	DR	CAST IRON	6.00	1928	11,520	12/4/2016	12/5/2016	Yes
56	OAKLAND		MAXWELL	AVE	CAST IRON	6.00	1934	9,000	12/29/2016	12/29/2016	Yes
57	OAKLAND		MOUNTAIN	BL	CAST IRON	16.00	1956	54,000	12/17/2016	12/19/2016	No
58	OAKLAND		OUTLOOK	AVE	CAST IRON	6.00	1927	6,300	12/24/2016	12/25/2016	Yes
59	OAKLAND		PARK	BL	CAST IRON	8.00	1961	0	11/8/2016	12/21/2016	No
60	OAKLAND		ROSS	CIR	CAST IRON	4.00	1938	900	12/20/2016	12/20/2016	Yes
61	OAKLAND		SKYLINE	BL	CAST IRON	6.00	1953	2,250	12/22/2016	12/23/2016	Yes
62	OAKLAND		TEMPLAR	PL	CAST IRON	6.00	1951	14,400	12/3/2016	12/4/2016	Yes
63	OAKLAND		WALLACE	ST	CAST IRON	6.00	1933	28,800	12/28/2016	12/29/2016	Yes
64	ORINDA		BERKELEY	AVE	CAST IRON	4.00	1945	900	12/6/2016	12/6/2016	Yes
65	ORINDA		CAMINO SOBRANTE		STEEL	6.00	1934	9,000	12/11/2016	12/11/2016	Yes
66	ORINDA		DARYL	DR	CAST IRON	6.00	1947	2,880	12/6/2016	12/7/2016	Yes
67	ORINDA		EL TOYONAL		CAST IRON	6.00	1958	11,520	12/13/2016	12/20/2016	Yes

December 2016 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
68	PIEDMONT		CAMBRIAN	AVE	CAST IRON	6.00	1927	2,250	12/25/2016	12/25/2016	Yes
69	PIEDMONT		SANDRINGHAM	RD	CAST IRON	6.00	1927	900	12/28/2016	12/28/2016	Yes
70	PIEDMONT		TRESTLE GLEN	RD	CAST IRON	6.00	1927	8,640	12/27/2016	12/28/2016	Yes
71	RICHMOND		BARRETT	AVE	STEEL	8.00	1950	4,320	12/19/2016	12/21/2016	Yes
72	RICHMOND		HIGHLAND	AVE	CAST IRON	6.00	1939	23,040	12/24/2016	12/27/2016	Yes
73	RICHMOND		LINCOLN	AVE	CAST IRON	6.00	1942	17,280	12/5/2016	12/16/2016	Yes
74	RICHMOND		MACDONALD	AVE	CAST IRON	6.00	1942	900	12/28/2016	12/28/2016	Yes
75	RICHMOND		OHARTE	RD	CAST IRON	6.00	1952	900	12/29/2016	12/29/2016	Yes
76	RICHMOND		POINSETT	AVE	CAST IRON	6.00	1926	4,320	12/19/2016	12/21/2016	Yes
77	RICHMOND		SHANE	DR	ASBESTOS CEMENT	12.00	1956	0	12/21/2016	12/21/2016	Yes
78	RODEO		MARIPOSA	ST	CAST IRON	4.00	1945	27,000	12/18/2016	12/18/2016	Yes
79	SAN LEANDRO	E	14TH	ST	CAST IRON	4.00	1933	1,800	12/1/2016	12/1/2016	Yes
80	SAN LEANDRO		BELLEVUE	DR	CAST IRON	6.00	1939	7,200	12/17/2016	12/21/2016	Yes
81	SAN LEANDRO		FAIRMONT	DR	STEEL	16.00	1987	3,600	12/11/2016	12/11/2016	Yes
82	SAN LEANDRO		HELEN	AVE	CAST IRON	6.00	1938	20,160	12/21/2016	12/27/2016	Yes
83	SAN LORENZO		VIA ROSAS		CAST IRON	2.00	1947	13,500	12/15/2016	12/15/2016	Yes
84	SAN RAMON		NEPTUNE	PL	ASBESTOS CEMENT	6.00	1964	1,620	12/13/2016	12/13/2016	Yes
85	WALNUT CREEK		HOMESTEAD	AVE	ASBESTOS CEMENT	12.00	1957	4,500	12/17/2016	12/18/2016	Yes
86	WALNUT CREEK		LA CASITA	LN	CAST IRON	4.00	1949	4,320	12/6/2016	12/8/2016	Yes
87	WALNUT CREEK		SHADY GLEN	RD	ASBESTOS CEMENT	8.00	1960	9,000	12/5/2016	12/5/2016	Yes
TOTAL								830,160			



EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

FROM: Lynelle M. Lewis, Secretary of the District *Lynelle*

SUBJECT: Planning Committee Minutes – December 13, 2016

Chair Doug Linney called to order the Planning Committee meeting in the Training Resource Center at 8:20 a.m. Directors Lesa R. McIntosh (teleconference) and Marguerite Young were present at roll call. Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Water and Natural Resources Richard G. Sykes, Director of Engineering and Construction Xavier J. Irias, Manager of Customer and Community Services Sherri A. Hong, Manager of Water Supply Improvements Michael T. Tognolini, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Lynelle M. Lewis.

Public Comment. None.

Revised Principles for Use by Other Parties of Unassigned EBMUD Capacity in Freeport Project Facilities. Manager of Water Supply Improvements Michael T. Tognolini presented background on the Principles. The Freeport Regional Water Authority Joint Powers Agreement specifies that EBMUD and the Sacramento County Water Agency are respectively entitled to exclusive use of Freeport Project capacity. EBMUD's contract with the U.S. Bureau of Reclamation provides for delivery of water from the Central Valley Project through the Freeport Project during dry years. EBMUD also uses the Freeport Project to deliver transfer water.

The District adopted the Principles to address the likelihood that other parties may want to use the Freeport Project when EBMUD is not conveying water for its needs in dry years. The Principles include objectives that would be used to guide the District during the review of use requests. Staff is proposing revisions to the Principles to reflect current regulatory conditions and possible interest by Bay Area agencies and others in using the Freeport Project. During discussions regarding how the Freeport Project could potentially be used in conjunction with an expanded Los Vaqueros Reservoir, interest groups have encouraged EBMUD to revisit the Principles. As a result, the Revised Principles propose giving priority to agencies with robust water conservation programs and for uses that do not result in unsustainable new development. Next steps are to continue to engage interested parties and present Revised Principles to the Board for consideration in January 2017.

Sonia Diermayer, representing the Sierra Club, commented and presented a written handout outlining comments for "Less Prescriptive Alternative – Item 7," which urges consideration of: agencies with water conservation programs achieving high levels of savings; agency use where capacity will not be used to serve unsustainable new development or agricultural uses; billing to include a volumetric component; and water losses that are being reduced in accordance with the most current state or local requirements. The Committee thanked staff for their work on the Principles.

Customer Assistance Programs Update. Manager of Customer and Community Services Sherri A. Hong presented an update on how the District processes overdue accounts and outlined the assistance programs available to customers experiencing difficulty paying their water bill. She said efforts are underway to enhance services for all customers and staff will continue participation with Association of California Water Agencies, California Urban Water Agencies, and the State Water Resources Control Board initiatives to help identify the root causes of, and help identify solutions to, these issues. Additionally staff is working to enhance the District's online customer assistance section to make the Customer Assistance Program (CAP) more accessible to customers in need and determine potential partnerships and services available to support low-income individuals.

The following persons, representing Service Worker Project for Affordable Utilities and Water (SWPAUW), Western Service Workers Association, and EBMUD customers provided comments to the Committee: Stanley Brown, Joanne Stamps, Fletcher Cole, Albert M. Kueffner, Noni Session, Jennifer Lovewell, Olivia Rodriguez, and Billy [last name unknown]. They expressed concern about the affordability of water service for low-income customers and the District's rates and penalties, billing issues, limitations on third-party advocates, needed enhancements to the CAP, and training for staff. Commenters urged EBMUD to make the human right to water a reality and halt the practice of denying water to low-income residents unable to afford the rates and fees. SWPAUW presented a handout listing demands to East Bay Municipal Utility District on its policies and practices.

The Committee suggested that staff conduct more targeted outreach to make the CAP more responsive and accessible. The Committee directed staff to bring this issue back for additional discussion.

Alameda-North Bay Farm Island Pipeline Crossings Project Update and Final Environmental Impact Report. This item was not discussed and referred to the full Board for consideration at its afternoon meeting.

Adjournment. Chair Linney adjourned the meeting at 9:40 a.m.

ARC/LML

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: January 5, 2017

MEMO TO: Board of Directors

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

FROM: Lynelle M. Lewis, Secretary of the District *Lynelle*

SUBJECT: Legislative/Human Resources Committee Minutes – December 13, 2016

Chair William B. Patterson called to order the Legislative/Human Resources Committee at 9:47 a.m. in the Training Resource Center. Directors John A. Coleman and Marguerite Young were present at roll call. Staff present included: General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Legislative Affairs Marlaigne K. Dumaine, Manager of Customer and Community Services Sherri A. Hong, Contract Equity Administrator Beverly D. Johnson, Special Assistant to the General Manager Alison A. Kastama, and Secretary of the District Lynelle M. Lewis.

Public Comment. None.

State Legislative Initiatives for 2017 Legislative Year. This item was deferred for consideration by the full Board at its afternoon meeting.

Fiscal Year 2016 Contract Equity Program Annual Report. Contract Equity Administrator Beverly D. Johnson presented a status update on the District's achievements to meet the Contract Equity Program objectives. She reported that overall contract awards in FY16 increased two percent for white women and three percent for ethnic minorities compared to FY15. Additional accomplishments for FY16 included: ethnic minorities received 29 percent or \$2.5 million in general services contract awards; 91 percent (137 firms) of the District's major contracts were awarded to firms with minority workforces that reflect at least 50 percent or more of their applicable Metropolitan Statistical Area; small business purchases and services contracts totaled \$47 million (27 percent of contracts), including \$23 million (13 percent) to micro-businesses; and local business awards resulted in \$96 million in contracts and services, increasing by 15 percent to 56 percent.

In FY17, staff will continue to implement the pilot local hire component on targeted construction projects and engage in aggressive outreach and education efforts. The Committee requested that staff provide a breakdown of ethnic minorities and small business awards under \$70,000. It was moved (Coleman), seconded (Young) and carried (3-0) to accept the report.

Adjournment. Chair Patterson adjourned the meeting at 9:57 a.m.

ARC/LML

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