

MINUTES

Tuesday, May 28, 2019

**East Bay Municipal Utility District
Board of Directors
Castro Valley Library
3600 Norbridge Avenue
Castro Valley, California**

Regular Closed Session Meeting

President Marguerite Young called to order the Regular Closed Session meeting of the Board of Directors at 2:01 p.m. in the Chabot/Canyon Room at the Castro Valley Library. The Board met in Castro Valley as an exercise of the District's Emergency Preparedness Program and Business Continuity Program Plan.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, and Attorney Derek McDonald (Item 1a).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Marguerite Young announced the closed session agenda and the Board convened in the Chabot/Canyon Room for discussion.

Regular Business Meeting

President Marguerite Young called to order the Regular Business Meeting of the Board of Directors at 2:30 p.m. in the Chabot/Canyon Room at the Castro Valley Library.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer and Secretary of the District Rischa S. Cole.

BOARD OF DIRECTORS

President Young led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

- Addressing the Board were the following: 1) Waldon Carlson commented on tier 3 rates and asked the Board to consider reducing tier 3 rates by 10 percent; 2) Athan Magganas commented on the water service at 317 Lester Avenue in Oakland and asked the Board to direct staff to expedite restoring water service to the property; and 3) Peter Magganas, commented on the water service at 317 Lester Avenue in Oakland and asked the Board to direct staff to expedite restoring water service to the property.

CONSENT CALENDAR

- Items 4, 5, and 8 were removed from the Consent Calendar for comment.
 - Motion by Director McIntosh, seconded by Director Coleman, to approve the recommended actions for Items 1, 3, 6, 7, and 9-12 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 081-19** – Approved the Regular Meeting Minutes of May 14, 2019.
 2. The following correspondence was filed with the Board: **1)** Email dated May 22, 2019 to Board of Directors, from Peter Magganas entitled “Disaster – without water 2 months 317-319 Lester Ave. Oakland”; **2)** Presentation entitled “Water System Revenue Bonds Series 2019A,” dated May 28, 2019; and **3)** Speakers’ Bureau and Outreach Record CY19, dated May 24, 2019.
 3. **Motion No. 082-19** – Awarded a contract to the lowest responsive/responsible bidder Chain Link Fence and Supply, Inc., in an amount, after the addition of taxes, not to exceed \$101,600 for supplying and installing approximately 620 linear feet of fence around the Amato Pumping Plant site beginning on or after May 28, 2019 under Request for Quotation No. 1914.
 4. **Motion No. 090-19** – Awarded a contract to the lowest responsive/responsible bidder Ferguson Waterworks in an amount, after the addition of taxes, not to exceed \$151,530 for supplying two large-diameter valves and one actuator for the Maloney Pumping Plant and La Honda Rate Control Station, beginning on or after May 28, 2019 under Request for Quotation No. 1915.
- Carlos Ledon with Ferguson Waterworks thanked the Board for the opportunity to work with the District.
 - Motion by Director Coleman, seconded by Director McIntosh, to approve the recommended action for Item 4 carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

5. **Motion No. 091-19** – Awarded a contract to the lowest responsive/responsible bidder F.D. Thomas, Inc., in the amount of \$531,445 for construction of the Main Wastewater Treatment Plant Oxygen Plant Recoat Project under SD-411.
 - Randy Hernandez, AFSCME Local 444 member commented the union opposed the contract and commented on staffing levels for maintenance and painter classifications in the District's Wastewater Department. There was Board discussion regarding the staff recommendation for Item 5, current staffing levels for the District's painter classification and the volume of work being performed by painting staff. The Board requested an analysis of the painters' current workload to understand the correlation between overtime pay and contracting out and information explaining the rationale for the painter classification staffing levels proposed for Fiscal Years 2020 and 2021.
 - Motion by Director Coleman, seconded by Director Mellon, to approve the recommended action for Item 5 carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).
- 6.1. **Motion No. 083-19** – Authorized an agreement beginning on or after July 1, 2019 with Calaveras County in an amount not to exceed \$258,000 annually for law enforcement services at Camanche Reservoir Recreation Area and on adjacent District watershed lands for three years with one option to renew for an additional three-year period for a total cost of \$1,629,000.
- 6.2. **Motion No. 084-19** – Amended the contract with Urban Park Concessionaires for the Camanche Reservoir Recreation Area to exercise an optional five-year extension and decrease the franchise fee payments from eight percent to six percent for a period of 24 months. In exchange, the concessionaire will fully fund the replacement of four lodging units at Camanche North Shore Recreation Area.
7. **Motion No. 085-19** – Authorized an agreement beginning on or after May 28, 2019 with G4S Secure Integration, LLC, in an amount not to exceed \$493,389 for upgrading the District's centralized security system's software and hardware.
8. **Motion No. 092-19** – Authorized an agreement beginning on or after May 28, 2019 with Terraphase Engineering, Inc., in an amount not to exceed \$149,700 to prepare a trench soils master plan.
 - President Young pulled Item 8 to request that the master plan include a principle objective to minimize community impacts and maximize community engagement during trench soils off-hauling from various District sites.
 - Motion by President Young, seconded by Director Patterson, to approve the recommended action for Item 8, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

9. **Motion No. 086-19** – Authorized an amendment to the agreement with Brown and Caldwell beginning on or after May 28, 2019 to increase the agreement amount by \$1,870,000 to an amount not to exceed \$4,645,799 for the Digester Upgrade Phase 3 Design Project.
10. **Motion No. 087-19** – Authorized a five-year lease extension to March 31, 2024 with Eleventh and L Properties for 1,971 square feet of office space located at 1127 Eleventh Street, Suite 414 in Sacramento for the District's Office of Inter-Governmental Affairs, with the total base rent of \$300,388.80.
11. **Motion No. 088-19** – Authorized the Office of General Counsel to continue the employment of the law firm of Ellison, Schneider, Harris & Donlan, LLP, for specialized legal services related to water and energy law and litigation matters in an additional amount not to exceed \$160,000.
12. **Motion No. 089-19** – Approved the April 2019 Monthly Investment Transactions Report.

DETERMINATION AND DISCUSSION

13. **Authorize and approve the issuance of EBMUD Water System Revenue Bonds, Series 2019A, in an aggregate principal amount not to exceed \$225 million, and approve the form and authorize the execution of certain documents, including a Supplemental Indenture, in connection with the issuance, securing and sale of such bonds.**

Finance/Administration Committee Chair William B. Patterson reported the Committee met earlier in the day and unanimously supported the staff recommendation for Item 13.

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

Resolution No. 35139-19 – Authorize And Approve The Issuance Of Not To Exceed \$225,000,000 Aggregate Principal Amount Of East Bay Municipal Utility District Water System Revenue Bonds, Series 2019A; Approve The Form, And Authorize The Execution Of Certain Documents In Connection With The Issuance, Securing And Sale Of Such Bonds; And Approve Certain Actions Relating Thereto.

14. **General Manager's Report.**

General Manager Alexander R. Coate announced a public meeting is scheduled for 6:30 p.m. on Tuesday, June 4 at the Administration Building and reminded Board members to notify the Secretary's Office if they plan to attend the meeting for Brown Act noticing purposes. He also advised staff will be preparing a written response to a recent Contra Costa County Civil Grand Jury report by mid-June. In conclusion, he asked the Board to let staff know if they had questions on the latest Speakers' Bureau and Outreach Record.

REPORTS AND DIRECTOR COMMENTS

15. Committee Reports.

- Filed with the Board were the Special Sustainability/Energy Committee Minutes of May 3, 2019 and the Planning and Legislative/Human Resources Committee Minutes of May 14, 2019.
- Finance/Administration Committee Chair William B. Patterson reported the Committee met at 1:30 p.m. and received information on the Monthly Investment Transactions Report for April 2019; the EBMUD Series 2019A Water System Revenue Bonds; and the new Climate Action Policy.

16. Other Items for Future Consideration.

None.

17. Director Comments.

- Director Coleman reported attending/participating in the following events: Contra Costa Leadership Group Board meeting on May 17 in Walnut Creek; Kennedy-King Memorial Scholarship Awards dinner on May 17 in Concord; DERWA Board meeting on May 20 in Dublin; Walnut Creek City Council meeting on May 21 in Walnut Creek; and EBMUD Ward 2 briefing on May 23 in Lafayette. He reported on plans to attend the following events: San Ramon City Council meeting on May 28 in San Ramon; Pleasant Hill City Council meeting on June 3 in Pleasant Hill; Ellen Tauscher memorial service on June 6 in Walnut Creek; and Contra Costa County Mayors' Conference on June 6 in Moraga.
- Director Katz reported attending the El Cerrito City Council meeting on May 21 in El Cerrito.
- Director Patterson reported on the passing of renowned Bay Area dancer Ruth Beckford on May 8 in Oakland and Garfield Finley Jr., retired Regional Supervisor for the Los Angeles County Department of Parks and Recreation (Adult & Youth Sports) in Los Angeles on May 17. He also reported on recognition he received from the Montclair newspaper for his role in the restoration of the outdoor amphitheater in Joaquin Miller Park during his time with the City of Oakland's Parks and Recreation Department and in the book, "Heart and Soul: The Remarkable Courtship and Marriage of Josh and Virginia Craft Rose" written by Mr. Rose's daughter Mary Ellen Butler.
- Directors Linney, McIntosh, Mellon and President Young had no report.

ADJOURNMENT

President Young announced that each year the District honors its employees and retirees who have passed away in the last year. She adjourned the meeting in memory of District employees and retirees who passed away between May 19, 2018 and May 23, 2019. The names of these employees were displayed while the Board and staff observed a moment of silence.

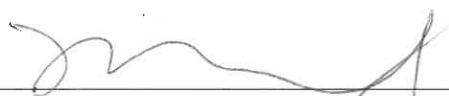
President Young adjourned the meeting at 3:17 p.m.

SUBMITTED BY:



Rischa S. Cole, Secretary of the District

APPROVED: June 11, 2019



Marguerite Young, President of the Board

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