



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA
Tuesday, October 22, 2019**

**REGULAR CLOSED SESSION
11:00 a.m., Boardroom**

ROLL CALL:

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

ANNOUNCEMENT OF CLOSED SESSION AGENDA:

1. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
 - a. Amador Water Agency Water Transfer
 - b. One matter.

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

**REGULAR BUSINESS MEETING
1:15 p.m., Boardroom**

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance

PRESENTATION:

- Government Finance Officers Association's Fiscal Year 2018 Achievement for Excellence in Finance Reporting

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 9 recommendations, including 2 resolutions.)

1. Approve the Regular Meeting Minutes of October 8, 2019.
2. File correspondence with the Board.
3. Award a contract to the lowest responsive/responsible bidder Superior Tank Solutions, Inc., in an amount, after the addition of taxes, not to exceed \$126,530 for replacing partial guardrail systems and gates with full perimeter guardrail systems with self-closing gates on five above-ground water distribution tanks, at several upcountry facilities beginning on or after October 24, 2019 under Request for Quotation No. 1923.
4. Authorize an agreement beginning on or after October 22, 2019 between the City of Albany and the District to provide as-needed sanitary sewer overflow sampling and analysis services for Albany through September 30, 2023.
5. Authorize actions related to Fully Maintained and Operated (FM&O) asphaltic cement/concrete saw cutting services.
 - 5a. Authorize an amendment to the agreements awarded under Board Motion No. 140-18 to increase the amount by \$1,200,000 to a total amount not to exceed \$6,400,000 for the rental of FM&O asphaltic cement/concrete saw-cutting services, and extend these agreements through November 25, 2020 with the following vendors: Bay Line Cutting & Coring, Inc.; Cal-West Concrete Cutting, Inc.; Concrete Demo Works, Inc.; Fine Line Sawing and Drilling, Inc.; and Penhall Company.
 - 5b. Authorize additional agreements for FM&O asphaltic cement/concrete saw-cutting rental services with vendors meeting District standards and offering pricing at or below the range in the amended agreements above. These additional agreements may be issued, on an as-needed basis, to increase flexibility and ensure availability of asphaltic cement/concrete saw-cutting services to the District. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.
6. Authorize the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett, LLP, for specialized legal services related to tax, public pension law, litigation and construction matters.
7. Approve the September 2019 Monthly Investment Transactions Report.
8. Adopt a resolution authorizing the General Manager to submit an application for an amount up to \$1 million, for a Sustainable Groundwater Planning Grant (Round 3) for development of a Groundwater Sustainability Plan for the East Bay Plain Subbasin and, if funding is awarded, to execute a grant agreement on terms approved as to form by the Office of the General Counsel.

(Resolution)
9. Appoint Director of Engineering and Construction.

(Resolution)

DETERMINATION AND DISCUSSION:

10. Legislative Update:
 - Mid-Session Report on State Legislation - Status of EBMUD Position Bills for the First Year of the 2019-20 State Legislative Session
 - Update on Legislative Issues of Interest to EBMUD
11. Authorize execution of legal documents associated with extending Standby Bond Purchase Agreements and Fee Agreements with Wells Fargo Bank, National Association for the Water System Revenue Refunding Bonds, Series 2008A-1 and 2008A-4 until December 9, 2022 at a fee of 30 basis points (0.30%) per year. (Resolution)
12. General Manager's Report:
 - Upcoming Long-Term Financial Stability Related Activities

REPORTS AND DIRECTOR COMMENTS:

13. Committee Reports:
 - EBMUD/EBRPD Liaison – September 13, 2019
 - Planning
 - Legislative/Human Resources
 - Sustainability/Energy
 - Finance/Administration
14. Other Items for Future Consideration.
15. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, November 12, 2019 in the Administration Center Boardroom, 375 11th 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, October 22	Sustainability/Energy Committee Linney {Chair}; Katz; Mellon	8:15 a.m. Training Resource Center	<ul style="list-style-type: none"> • Fiscal Year 2019 Sustainability Report • 2018 Greenhouse Gas Inventory • Energy Policy Update • Biosolids Management Program Update • Resource Recovery Program Update • Climate Change Monitoring and Response Plan
	Finance/Administration Committee Patterson {Chair}; Coleman; Katz	10:00 a.m. Training Resource Center	<ul style="list-style-type: none"> • Financial Review for Fiscal Year 2019 • Fiscal Year 2019 Key Performance Indicators Report • Extend Standby Bond Purchase Agreement for Variable Rate Demand Bonds Series 2008A-1 and 2008A-4 • Monthly Investment Transactions Report • Quarterly Financial Reports • Investment Policy Certification • Fiscal Year 2019 Annual Power Sales Report
	Board of Directors	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> • Closed Session • Regular Meeting
Monday, November 11	Veteran's Day Holiday		<i>Offices Closed</i>
Tuesday, November 12	Planning Committee Linney {Chair}; McIntosh; Mellon	9:15 a.m. Training Resource Center	
	Legislative/Human Resources Committee Coleman {Chair}; McIntosh; Patterson	10:15 a.m. Training Resource Center	
	Board of Directors	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> • Closed Session • Regular Meeting

MINUTES

Tuesday, October 8, 2019

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

Regular Closed Session Meeting

President Marguerite Young called to order the Regular Closed Session Meeting of the Board of Directors at 11:01 a.m. in the Administration Building Board Room.

ROLL CALL

Directors John A. Coleman, Doug Linney, Lesa R. McIntosh, Frank Mellon, William B. Patterson, and President Marguerite Young were present at roll call. Director Andy Katz arrived in Conference Room 8 at 11:10 a.m.

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Attorney Derek T. McDonald (Items 1a, 2a, and 2b), Engineering Manager Elizabeth Z. Bialek (Items 1a, 2a, and 2b), Assistant General Counsel Fred S. Etheridge (Item 2c – both matters), Attorney Jonathan D. Salmon (Item 2c – both matters), Director of Water and Natural Resources Michael T. Tognolini (Item 2c – both matters), and Engineering Manager Lena L. Tam (Item 2c – both matters).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

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

Regular Business Meeting

President Marguerite Young called to order the Regular Business Meeting of the Board of Directors at 1:16 p.m. in the Administration Building Board Room.

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 Marguerite Young led the Pledge of Allegiance.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

There was no public comment.

CONSENT CALENDAR

- Items 4.1 and 4.2 were pulled from the Consent Calendar for separate discussion.
 - Motion by Director Coleman, seconded by Director Linney, to approve the recommended actions for Items 1, 3, and 5-10 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. 165-19** – Approved the Regular Meeting Minutes of September 24, 2019.
 2. The following correspondence was filed with the Board: **1)** Presentation entitled “Public Safety Power Shutoff Event,” dated October 8, 2019; and **2)** Speakers’ Bureau and Outreach Record CY19, dated October 8, 2019.
 3. **Motion No. 166-19** – Awarded a contract to the lowest responsive/responsible bidder CDW Government, LLC, dba CDW Public for supplying Carbon Black cybersecurity software for three years, beginning on or after October 8, 2019 with two options to renew for additional one-year periods for a total cost not to exceed \$645,658 under Request for Quotation No. 1921A.
 - 4.1. **Authorize an agreement beginning on or after October 8, 2019 with EETS, Inc., in an amount not to exceed \$550,000 for as-needed electrical engineering services to support the Camanche and Pardee Powerhouses over a two-year period.**

General Manager Alexander R. Coate discussed the need for the proposed agreements with EETS, Inc. under Agenda Items 4.1 and 4.2, to provide electrical engineering services for the District. Mr. Coate noted this item was discussed at the Planning Committee meeting earlier in the day and the committee supported staff’s recommendation.

- Addressing the Board was Justin J. Young, 1st Vice-President, AFSCME Local 2019, who commented the union opposes the proposed agreements. Mr. Young also commented on electrical engineer recruiting challenges and asked the Board to consider directing staff to review the classification’s salary for an equity adjustment to assist with recruiting efforts.

Mr. Coate responded to Board questions regarding the current salary, and overtime hours and costs for electrical engineers. Mr. Coate advised staff will be providing the Board with additional information on overtime hours and costs for electrical engineers across the District as requested by the Planning Committee.

- Motion by Director Mellon, seconded by Director Linney, to approve the recommended action for Item 4.1, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 174-19 – Authorized an agreement beginning on or after October 8, 2019 with EETS, Inc., in an amount not to exceed \$550,000 for as-needed electrical engineering services to support the Camanche and Pardee Powerhouses over a two-year period.

- 4.2. **Authorize an agreement beginning on or after October 8, 2019 with EETS, Inc., in an amount not to exceed \$160,000 for professional electrical engineering services to support repairs and upgrades of water system facilities for two years under Request for Proposal No. PES734-20-01.**

- Motion by Director Mellon, seconded by Director Linney, to approve the recommended action for Item 4.2, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Mellon, Patterson, and Young); NOES (None); ABSTAIN (None); ABSENT (None).

Motion No. 175-19 – Authorized an agreement beginning on or after October 8, 2019 with EETS, Inc., in an amount not to exceed \$160,000 for professional electrical engineering services to support repairs and upgrades of water system facilities for two years under Request for Proposal No. PES734-20-01.

5. **Motion No. 167-19** – Authorized an agreement beginning on or after October 8, 2019 with Brown and Caldwell in an amount not to exceed \$109,000 for implementing a pilot project to assess inflow and infiltration within sewer mains during storm events in support of the regional Wet Weather Consent Decree.

- 6a. **Motion No. 168-19** – Authorized an agreement beginning on or after October 8, 2019 with Dimension Data, Inc., in an amount not to exceed \$285,900 for replacement of the District's core network infrastructure.

- 6b. **Motion No. 169-19** – Authorized an agreement beginning on or after October 8, 2019 with Connect Tech West, Inc., in an amount not to exceed \$348,537 for implementation of a high-performance network for servers and network performance monitoring.

7. **Motion No. 170-19** – Authorized an agreement beginning on or after October 8, 2019 with Safety Holdings, Inc., in an amount not to exceed \$40,000 annually for an online driving record monitoring service, for three years for a total cost of \$120,000.

8. **Motion No. 171-19** – Authorized the execution of an 83-day ground lease with United Parcel Service, Inc., for approximately 11 acres of land located within the District's Oakport property for \$336,370.

9. **Motion No. 172-19** – Authorized a 10-year contract extension, beginning October 15, 2019, with the City of Hercules for the District to provide Utility Users Tax billing and collection services for approximately 7,200 Hercules ratepayers.
10. **Motion No. 173-19** – 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 \$140,000.

DETERMINATION AND DISCUSSION

11. General Manager's Report.

Director of Operations and Maintenance Clifford C. Chan presented an update on staff's response to potential impacts to District facilities resulting from Pacific Gas and Electric's (PG&E) Public Safety Power Shutoff (PSPS) event scheduled to start on Wednesday, October 9. Based on information from PG&E, Mr. Chan reported outages could last up to 5 days and approximately 790,000 PG&E customers across 29 counties and 35,000 EBMUD customers could be impacted. He reviewed a PSPS outage map and pointed out 133 District facilities could be impacted. As of this report, he advised no wastewater facilities would be affected. The District activated its Emergency Operations Team on Monday, October 7, and began maximizing storage in distribution reservoirs; connecting and activating rented portable pumps and generators at critical facilities; and attending meetings with PG&E and county emergency operations staff. Mr. Chan noted staff is currently determining if an additional, large generator will be needed at the Lafayette treatment plant. PG&E is scheduled to provide an update on the timing for power shutdowns by county at 5:30 p.m. Special Assistant to the General Manager Kelly A. Zito provided an update on the District's communication plan for the event. Staff is using email to update employees; local, city and county officials and stakeholders; as well as customers in areas where operations may be affected. Additionally, staff issued a media advisory and posted information on the District's social media sites. A webpage which will include a map displaying District pressure zones is being developed for customers to determine if they are located in an area that could be impacted by an outage. The Board thanked staff for their proactive planning and requested an updated copy of the outage map provided in Mr. Chan's presentation.

REPORTS AND DIRECTOR COMMENTS

12. Committee Reports.

- Filed with the Board were the Finance/Administration Committee Minutes of September 24, 2019.

Planning Committee Chair Doug Linney reported the Committee met at 9:45 a.m. and received information on Wet Weather Program Management and Electrical Engineering Support.

Legislative/Human Resources Committee Chair John A. Coleman reported the Committee met at 10:30 a.m. and received a quarterly update on the Diversity and Inclusion Action-Oriented

Programs and Outreach. Committee member Lesa R. McIntosh acknowledged the work that she, President Young, Attorney Saji T. Pierce, General Manager Coate and staff performed to implement a Diversity and Inclusion Master Plan. As requested during the Legislative/Human Resources Committee meeting, she advised staff would be providing further updates on the master plan once a consultant has been selected.

13. Other Items for Future Consideration.

None.

14. Director Comments.

- Director Coleman reported attending the Bishop Ranch Executive Forum on September 26 in San Ramon; San Francisco Estuary Institute Microplastic Symposium on October 2 in Berkeley; and UMRWA Board meeting and EBMUD Pardee Barbeque on October 4 in Pardee. He reported on plans to attend/participate in the following: DERWA Board meeting on October 14 in Pleasanton and the FRWA Special Board meeting on October 21 in Oakland. Director Coleman acknowledged staff for their work on the October 4 Pardee BBQ.
- Director Mellon reported attending the Board/staff Cal-Shakes event on September 24 in Orinda; Chevron presentation on September 26 in San Ramon; City of San Ramon Monthly Mayor's Breakfast on September 27 in San Ramon; Alameda County Democratic Party Unity Dinner on September 28 in Oakland; Contra Costa Mayors' Conference on October 3 in Antioch; EBMUD Pardee Barbeque on October 4 in Pardee; Oakland Asian Cultural Center event on October 4 in Oakland; and the Contra Costa County Democratic Party Unity Dinner on October 5 in Concord. Director Mellon acknowledged staff for their work on the October 4 Pardee BBQ.
- Director Young reported attending the EBMUD Retirement Board meeting on September 19 in Oakland and the EBMUD Pardee Barbeque on October 4 in Pardee. Director Young acknowledged staff for their work on the October 4 Pardee BBQ.
- Directors Katz, Linney, McIntosh and Patterson had no report.

ADJOURNMENT

President Young adjourned the meeting at 1:47 p.m.

SUBMITTED BY:

Rischa S. Cole, Secretary of the District

APPROVED: October 22, 2019

Marguerite Young, President of the Board

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AGENDA NO.
MEETING DATE

3.
October 22, 2019

**TITLE PARDEE/CAMANCHE BOLTED WATER DISTRIBUTION TANK(S) GUARD
RAILINGS**

☒ MOTION _____ ☐ RESOLUTION _____ ☐ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder Superior Tank Solutions, Inc., in an amount, after the addition of taxes, not to exceed \$126,530 for replacing partial guardrail systems and gates with full perimeter guardrail systems with self-closing gates on five above-ground water distribution tanks, at several upcountry facilities beginning on or after October 24, 2019 under Request for Quotation (RFQ) No. 1923.

SUMMARY

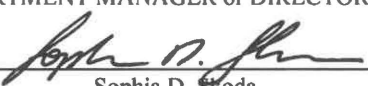

The guardrails and self-closing gates will improve fall protection safety for staff and contractors performing inspections and maintenance of five water distribution tanks at Camanche North and South Shore Recreation Areas, Pardee Center and Pardee Recreation Area.

DISCUSSION

There are five above-ground water distribution tanks located at Camanche North and South Shore Recreations Areas, Pardee Center, and Pardee Recreation Area. These five bolted tanks currently have partial railing systems at the ladder access point. Current fall protection for the remainder of the tank relies on worker fall protection harnesses and lanyards. The District reviewed the current fall protection measures and recommended the installation of full-perimeter guardrail systems with self-closing gates as part of the District's Reservoir Roof Safety Program. This contract supports the District's Long-Term Infrastructure Investment Strategic Plan goal.

VENDOR SELECTION

RFQs were sent to three resource organizations and 17 potential bidders, advertised in the Oakland Tribune and posted to the District's website. Two bids were received; Superior Tank Solutions, Inc. was the lowest responsive/responsible bidder.

Funds Available: FY20		Budget Code:551/2005550/7999/5312
DEPARTMENT SUBMITTING Finance	DEPARTMENT MANAGER or DIRECTOR  Sophia D. Skoda	APPROVED  General Manager

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

SUSTAINABILITY

Economic

Funds are available in the FY20 budget for the Reservoir Rehabilitation/Maintenance Project.

Social

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

Local 444 was notified of this contract on June 27, 2019 and did not raise any specific issues related to this contract.

Environmental

Superior Tank Solutions, Inc. will minimize waste and the construction footprint to reduce impacts to plants and wildlife.

ALTERNATIVES

Rebid the RFQ. This alternative is not recommended as the District engaged in a fair and competitive bid process that yielded reasonable pricing.

Do not purchase the product/service. This alternative is not recommended because of the identified fall risk associated with the existing fall protection measures.

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 Materials and Supplies - RFQ 1923 Pardee / Camanche Bolted Water Distribution Tank(s) Guard Railings						DATE: September 23, 2019					
CONTRACTOR: Superior Tank Solutions, Inc. Rancho Cucamonga, CA 91730						PERCENTAGE OF CONTRACT DOLLARS					
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		0.0%			
\$126,530		Ethnicity Hispanic		Gender Men		White Women		2%			
				Ethnic Minorities		25%		100.0%			
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: Superior Tank Solutions, Inc.		\$126,530		Hispanic		X		100.0%			
SUBS: None											
TOTAL		\$126,530				0.0% 0.0% 100.0% 0.0% 0.0% 0.0% 0.0%					
CONTRACTOR'S WORKFORCE PROFILE (From P-025 Form)											
		White Men		White Women		Ethnic Minorities		Total Employees			
No. of Employees:		4		0		5		rowspan="3" style="text-align: center; vertical-align: middle; font-size: 2em;">9			
Percent of Total Employees:		44.4%		0.0%		55.6%					
MSA Labor Market %:		28.0%		23.6%		48.4%					
MSA Labor Market Location:		California									
COMMENTS											
Contract Equity Participation - 100% Ethnic Minority participation.											
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended			
NA				NA							



AGENDA NO.
MEETING DATE

4.
October 22, 2019

**TITLE SERVICES AGREEMENT WITH CITY OF ALBANY FOR SANITARY SEWER
OVERFLOW SAMPLING AND ANALYSIS**

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize an agreement beginning on or after October 22, 2019 between the City of Albany (Albany) and the District to provide as-needed sanitary sewer overflow (SSO) sampling and analysis services for Albany through September 30, 2023.



SUMMARY

Albany has requested the District provide support in response to SSOs from Albany's sanitary sewer collection system. Albany's National Pollutant Discharge Elimination System (NPDES) permit requires the city to respond to SSOs, including the sampling and analysis of receiving waters. The District has trained field staff that provides the same support for SSOs from District-owned facilities, as well as for the City of Piedmont, and can perform the requested services for Albany. Albany approved this agreement on October 1, 2019.

DISCUSSION

The Board approved a similar agreement for the District to provide SSO response support to the City of Piedmont on February 26, 2019. Albany, like the City of Piedmont, is a party to the Wet Weather Consent Decree (Consent Decree) with the U.S. Environmental Protection Agency, and has requested the District conduct field sampling and laboratory analysis to comply with its NPDES permit requirements. The District will be reimbursed for all of its costs, including benefits and overhead. The agreement also supports the District's ongoing collaboration with Albany under the Consent Decree.

The District will provide on-call response to SSOs by performing sampling and analysis of receiving waters and related activities. Albany will provide the location of an SSO and the District will investigate and collect samples from the receiving waters. District staff will transport the collected samples to the District's laboratory for analysis and submit a report of SSO response activities to Albany. This agreement supports the District's Water Quality and Environmental Protection Strategic Plan goal.

Funds Available: FY20/21		Budget Code:
DEPARTMENT SUBMITTING Wastewater	DEPARTMENT MANAGER or DIRECTOR  Eileen M. White	APPROVED  General Manager

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

CONSULTANT SELECTION

The District is providing services under this agreement, which includes an indemnification clause under which the District assumes responsibility for services provided.

SUSTAINABILITY

Economic

Implementation of this agreement will have no financial impact to the District; the District will be reimbursed by Albany for all costs incurred in the event of an SSO. The value of work performed is not to exceed \$75,000.

Social

This agreement will support protection of public health and the environment for the District's customers in Albany and strengthens the cooperative working relationship between the District and Albany.

Environmental

The agreement assists Albany in achieving compliance with state requirements associated with SSOs and collaboration under the Consent Decree.

ALTERNATIVES

Do not approve the agreement. This alternative is not recommended as the agreement promotes environmental protection, regulatory compliance for Albany, and furthers collaboration among the parties responsible for carrying out work under the Consent Decree.

Delay action. This alternative is not recommended, as the wet weather season begins in October and SSOs are more likely to occur then.



AGENDA NO.
MEETING DATE

5a.-b.
October 22, 2019

TITLE ASPHALTIC CEMENT/CONCRETE SAW-CUTTING SERVICES

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

- A. Authorize an amendment to the agreements awarded under Board Motion No. 140-18 to increase the amount by \$1,200,000 to a total amount not to exceed \$6,400,000 for the rental of Fully Maintained and Operated (FM&O) asphaltic cement/concrete saw-cutting services with the vendors listed below; and extend these agreements through November 25, 2020.

Bay Line Cutting & Coring, Inc.
Cal-West Concrete Cutting, Inc.
Concrete Demo Works, Inc.



Fine Line Sawing and Drilling, Inc.
Penhall Company

- B. Authorize additional agreements for FM&O asphaltic cement/concrete saw-cutting rental services with vendors meeting District standards and offering pricing at or below the range in the amended agreements above. These additional agreements may be issued, on an as-needed basis, to increase flexibility and ensure availability of asphaltic cement/concrete saw-cutting services to the District. The Board of Directors will be notified of additional qualified vendors by means of the General Manager's monthly report.

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

SUMMARY

The District uses asphaltic cement/concrete saw-cutting services to cut street and sidewalk surfaces during repair and replacement of the distribution pipeline system and other District facilities. District staff performs scheduled and emergency asphaltic cement/concrete saw-cutting work throughout the District. Expansion of pipeline replacements, emergencies, unplanned work, temporary programs, seasonal variations in demand, and personnel vacancies require the District to use FM&O asphaltic cement/concrete saw-cutting services to augment District staff.

Funds Available: FY 20/21		Budget Code: Various/Various
DEPARTMENT SUBMITTING Maintenance and Construction	DEPARTMENT MANAGER or DIRECTOR  Michael R. Ambrose	APPROVED  General Manager

DISCUSSION

The District has been renting FM&O asphaltic cement/concrete saw-cutting services to supplement District forces since the early 1990s. The use of these services has increased since 2014 due to an increase in pipeline installations under the Pipeline Rebuild program.

Agreements for asphaltic cement/concrete saw-cutting services were originally authorized under Board Motion No. 185-14. The Board authorized amendments to the agreements under Board Motion Nos. 185-17 and 140-18. As discussed at the February 26, 2019 Finance/Administration Committee meeting, staff proposed in the FY20/21 budget to add two Limited-Term (LT) Paving Raker A positions and associated equipment to reduce FM&O asphaltic cement/concrete saw-cutting. The recruitment and equipment procurement is currently in progress. Filling these positions will reduce some of the FM&O costs for pipeline replacement work. This work supports the District's Long-Term Infrastructure Investment Strategic Plan goal.

SERVICE PROVIDER SELECTION

The listed vendors represent all of the vendors in the District's database meeting the minimum requirements. Specific jobs will be completed on a job-by-job basis based on location and vendor availability.

SUSTAINABILITY

Economic

Funding for this work is available in the FY20/21 budget.

Social

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

Local 444 was notified of this amendment in writing on September 12, 2019 and the District met with Local 444 on October 3, 2019. Local 444 opposes contracting out the core work of its represented classifications. Staff will continue to share information on the addition of staff and equipment to reduce FM&O asphaltic cement/concrete saw-cutting services and work collaboratively with Local 444 to address any future concerns.

Environmental

The use of FM&O asphaltic cement/concrete saw-cutting services helps maintain efficient main break repair and replacement projects and reduces impacts to local environments around District jobsites by supporting faster responses for asphaltic cement/concrete saw-cutting needs.

ALTERNATIVES

Do not contract for asphaltic cement/concrete saw-cutting rental services. This alternative is not recommended as these services are critical to District operations.

Add staff and equipment to reduce the need for asphaltic cement/concrete saw-cutting services. This alternative is not recommended. The District added equipment and two LT staff in the FY 20/21 budget. However, rentals are still needed to supplement in-house capabilities and address emergencies and seasonal peak workloads.


Attachments

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE General Services Agreement - Amendment Asphaltic Cement / Concrete Saw Cutting Services						DATE: October 16, 2019					
CONTRACTOR: Various Firms (See Below)					PERCENTAGE OF CONTRACT DOLLARS						
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP			White Men		25%		60.0%		
		Ethnicity	Gender		White Women		6%		0.0%		
\$1,200,000 *		See Below		-		Ethnic Minorities		25%		40.0%	
CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIMES:											
Bay Line Cutting & Coring, Inc.	\$240,000	Hispanic	X					20.0%			
Cal-West Concrete Cutting, Inc.	\$240,000	White	X		20.0%						
Concrete Demo Works, Inc.	\$240,000	Hispanic	X					20.0%			
Fine Line Sawing and Drilling, Inc.	\$240,000	White	X		20.0%						
Penhall Company	\$240,000	White	X		20.0%						
TOTAL		\$1,200,000			60.0%	0.0%	40.0%	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:		See Attached Form P-061									
Percent of Total Employees:											
MSA Labor Market %:											
MSA Labor Market Location:											
COMMENTS											
Contract Equity Participation - 60% White Men participation and 40% Ethnic Minority participation.											
*Total not to exceed: \$6,400,000.00 = \$5,200,000 (Multiple previous amendments) + \$1,200,000 (Amendment)											
Workforce Profile & Statement of Nondiscrimination Submitted					Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended		
NA					NA						



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Asphaltic Cement / Concrete Saw Cutting Services		Ethnic Minority Percentages From U.S. Census Data						
			B	H	A/PI	AI/AN	TOTAL	
		National	10.5	10.7	3.7	0.7	27.3	
General Services Agreement		DATE: 10/16/2019	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 - SBE	Company Wide	0	28	0	0	26	100.0% 39.9%
Bay Line Cutting & Coring, Inc. Juan Arreguin 501 Cesar Street, Suite 101B San Francisco, CA 94124 415-508-1800		Manager/Prof	0	3	0	0	8	100.0%
		Technical/Sales	0	2	0	0	2	100.0%
		Clerical/Skilled	0	5	0	0	0	0.0%
		Semi/Unskilled	0	18	0	0	16	100.0%
		Bay Area	0	28	0	0	26	173.3% 39.9%
		AA Plan on File:	NA		Date of last contract with District:		7/16/2018	
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		26 Bay Area: 28	
RP	WM: L/SBE	Company Wide	3	15	1	0	19	32.2% 39.9%
Cal-West Concrete Cutting, Inc. Sean Birch 3000 Tara Court Union City, CA 94587 510-656-0253		Manager/Prof	0	0	0	0	0	0.0%
		Technical/Sales	0	0	1	0	1	25.0%
		Clerical/Skilled	1	2	0	0	3	25.0%
		Semi/Unskilled	2	13	0	0	15	38.5%
		Bay Area	3	15	1	0	19	32.2% 39.9%
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		59 Bay Area: 59	
RP	EMM: H	Company Wide	0	12	2	0	14	93.3% 39.9%
Concrete Demo Works, Inc. Ed Flores 1595 South 10th Street San Jose, CA 95111 408-293-7356		Manager/Prof	0	2	2	0	4	100.0%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	0	0	0	0	0.0%
		Semi/Unskilled	0	10	0	0	10	90.9%
		Bay Area	0	12	2	0	14	93.3% 39.9%
		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide:		15 Bay Area: 15	
RP	WM: LBE	Company Wide	0	18	1	0	19	67.9% 48.4%
Fine Line Sawing and Drilling, Inc. Tita Tandoc 37651 Sycamore Street Newark, CA 94560 510-793-6700		Manager/Prof	0	4	1	0	5	62.5%
		Technical/Sales	0	0	0	0	0	0.0%
		Clerical/Skilled	0	0	0	0	0	0.0%
		Semi/Unskilled	0	14	0	0	14	82.4%
		Bay Area	0	0	0	0	0	0.0% 39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		28 Bay Area: 0	
RP	WM: LBE	Company Wide	119	317	172	3	611	41.4% 27.3%
Penhall Company Terry Cooley 13750 Catalina Street San Leandro, CA 94577 219-557-1372		Manager/Prof	11	32	41	1	85	28.7%
		Technical/Sales	11	35	6	1	53	25.1%
		Clerical/Skilled	34	80	27	1	142	34.3%
		Semi/Unskilled	63	170	98	0	331	59.5%
		Bay Area	2	33	5	0	40	67.8% 39.9%
		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		1,477 Bay Area: 59	

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.
October 22, 2019

TITLE AUTHORIZE CONTINUED EMPLOYMENT OF HANSON BRIDGETT, LLP, FOR SPECIALIZED LEGAL SERVICES

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Authorize the Office of General Counsel to continue the employment of the law firm of Hanson Bridgett, LLP, for specialized legal services related to tax, public pension law, litigation, and construction matters in an additional amount not to exceed \$85,000.

DISCUSSION

The firm of Hanson Bridgett, LLP, has been retained to assist the Office of General Counsel in matters related to tax, public pension law, litigation, and construction matters. The Office of General Counsel is now requesting authorization for additional funds for services described in a separate confidential attorney-client privileged memorandum to the Board of Directors.

SUSTAINABILITY

Economic

Funding for this item is included in the FY20 budget for obtaining specialized legal assistance.

Social



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

Attachments:

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary

{00042747;1}

Funds Available: FY20		Budget Code: WS0 130 8511 5231
DEPARTMENT SUBMITTING Office of General Counsel	DEPARTMENT MANAGER or DIRECTOR  Craig S. Spencer, General Counsel	APPROVED  General Manager

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE						DATE:						
Professional Services Agreement - Amendment						October 7, 2019						
Authorize Continued Employment of Hanson Bridgett, LLP for Specialized Legal Services												
CONTRACTOR:				PERCENTAGE OF CONTRACT DOLLARS								
Hanson Bridgett, LLP San Francisco, CA 94015				Availability Group		Contracting Objectives		Participation				
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		100.0%				
		Ethnicity	Gender	White Women		6%		0.0%				
\$85,000 *		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: Hanson Bridgett, LLP		\$85,000	White	X		100.0%						
SUBS: None												
TOTAL		\$85,000				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:		55		82		94		231				
Percent of Total Employees:		23.8%		35.5%		40.7%						
MSA Labor Market %:		28.0%		23.6%		48.4%						
MSA Labor Market Location:		California										
COMMENTS												
Contract Equity Participation - 100.0% White Men participation.												
*Total contract amount: \$476,918.71 = \$391,918.71 (Multiple previous amendments) + \$85,000 (Amendment)												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								



AGENDA NO.
MEETING DATE

7.
October 22, 2019

TITLE MONTHLY INVESTMENT TRANSACTIONS REPORT

☒ MOTION ☐ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Approve the September 2019 Monthly Investment Transactions Report.

SUMMARY

In accordance with Board Resolution No. 30127 and Policy 4.07 – Investment Policy, staff presents a monthly transactions report for the Finance/Administration Committee to review and for the Board to consider each month. The September 2019 report is being submitted for Board consideration. This report was reviewed with the Finance/Administration Committee on October 22, 2019.

DISCUSSION

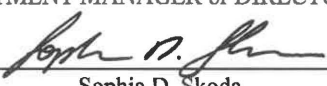

Pursuant to Policy 4.07 – Investment Policy, staff produces a monthly report of investment transactions generated by Treasury staff (buys, sales, deposits, withdrawals) as well as transactions that occur as a feature of the securities held (interest, calls, maturities). Information on portfolio performance,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

In September 2019, the portfolio increased from \$818.0 million to \$844.0 million. Net transactions increased the total by \$25.5 million. Interest received added \$0.4 million to the portfolio. Deposits into short-term liquidity funds totaled \$39.1 million and \$31.0 million was withdrawn. The District purchased \$0.9 million in securities, \$2.1 million in securities matured, and \$10.5 million in securities were called. No securities were sold. Net transactions at the District's commercial bank resulted in an increase of \$29.1 million.

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

Attachment

I:\Sec\2019 Board Related Items\102219 Board Agenda Items\FIN - Monthly Investment Transactions Report 102219.docx

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

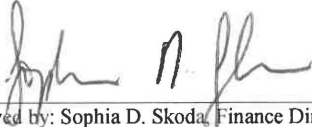
Contact the Office of the District Secretary with questions about completing or submitting this form.

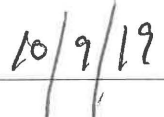
Monthly Investment Transactions Report
September 2019

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

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

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


Approved by: Sophia D. Skoda, Finance Director


Date

SDS:DSK:AW


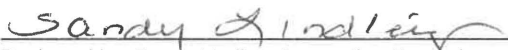
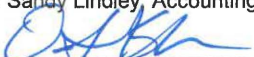


EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Transactions Summary
September 2019

Portfolio	Beginning Balance*	Monthly Net Transaction Activity	Monthly Interest Activity	Ending Balance
001 - Water System Consolidated	678,112,360.41	(7,513,000.00)	196,017.74	670,795,378.15
007 - Wastewater Consolidated	95,310,346.66	(170,000.00)	67,393.33	95,207,739.99
049 - Ferc Partnership	2,000,000.00	-	-	2,000,000.00
009 - BACWA	2,262,600.00	-	-	2,262,600.00
015 - DERWA	-	1,000,000.00	-	1,000,000.00
002 - FRWA	1,000,000.00	-	-	1,000,000.00
014 - IICP	150,500.00	-	-	150,500.00
010 - UMRWA	64,000.00	-	-	64,000.00
003 - Employees Retirement	11,151,340.12	3,116,000.00	-	14,267,340.12
065 - Water S2008A DSRF	3,380,753.94	-	4,842.42	3,385,596.36
068 - Water 2010A DSRF	350,810.78	-	502.48	351,313.26
099 - Wells Fargo**	24,245,199.78	29,092,255.60	148,316.75	53,485,772.13
Total	818,027,911.69	25,525,255.60	417,072.72	843,970,240.01

* Portfolio balance presented at face value.

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


 Prepared by: Matt Houck, Accountant 1

 Reviewed by: Sandy Lindley, Accounting Supervisor

 Approved by: D. Scott Klein, Controller

10-9-2019
 Date
 10-9-19
 Date
 10-9-19
 Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

Portfolio	Buys	Deposits	Matured	Calls	Sales	Withdrawals	Non-Investment Transactions*	Net Transaction Activity
001 - Water System Consolidated	-	15,000,000.00	(1,045,000.00)	(10,468,000.00)	-	(11,000,000.00)	-	(7,513,000.00)
007 - Wastewater Consolidated	850,000.00	-	(1,020,000.00)	-	-	-	-	(170,000.00)
049 - Ferc Partnership	-	-	-	-	-	-	-	-
009 - BACWA	-	-	-	-	-	-	-	-
015 - DERWA	-	1,000,000.00	-	-	-	-	-	1,000,000.00
002 - FRWA	-	-	-	-	-	-	-	-
014 - IICP	-	-	-	-	-	-	-	-
010 - UMRWA	-	-	-	-	-	-	-	-
003 - Employees Retirement	-	23,095,000.00	-	-	-	(19,979,000.00)	-	3,116,000.00
065 - Water S2008A DSRF	-	-	-	-	-	-	-	-
068 - Water 2010A DSRF	-	-	-	-	-	-	-	-
Investment Activity Total	850,000.00	39,095,000.00	(2,065,000.00)	(10,468,000.00)	-	(30,979,000.00)	-	(3,567,000.00)
099 - Wells Fargo	(850,000.00)	(39,095,000.00)	2,065,000.00	10,468,000.00	-	30,979,000.00	25,525,255.60	29,092,255.60
Total	-	-	-	-	-	-	25,525,255.60	25,525,255.60

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

Reviewed by: Damien Charléty, Principal Mgmt Analyst

Approved by: Robert L. Hannay, Treasury Manager

10/9/19
 Date
 10/9/2019
 Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buys										
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FFCB 1.52 10/25/2021-17	3133EGZN8	09/18/2019	09/19/2019	10/25/2021	250,000.00	247,542.50	1,520.00	249,062.50
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FFCB 2.28 4/11/2022-19	3133EKUR5	09/18/2019	09/19/2019	04/11/2022	100,000.00	100,000.00	430.67	100,430.67
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 2.05 4/30/2020-14	3136G0EC1	09/18/2019	09/19/2019	04/30/2020	500,000.00	500,145.00	3,957.64	504,102.64

850,000.00	847,687.50	5,908.31	853,595.81
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Deposits										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	09/13/2019	09/13/2019	N/A	15,000,000.00	15,000,000.00	0.00	15,000,000.00
					Subtotal		15,000,000.00			
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	09/11/2019	09/11/2019	N/A	4,054,000.00	4,054,000.00	0.00	4,054,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	09/19/2019	09/19/2019	N/A	4,041,000.00	4,041,000.00	0.00	4,041,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	09/27/2019	09/27/2019	N/A	15,000,000.00	15,000,000.00	0.00	15,000,000.00
					Subtotal		23,095,000.00			
015 - DERWA	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1001	09/23/2019	09/23/2019	N/A	1,000,000.00	1,000,000.00	0.00	1,000,000.00
					Subtotal		1,000,000.00			
							39,095,000.00	39,095,000.00	0.00	39,095,000.00



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Matured										
001 - Water System Consolidated	Municipal Bonds	Santa Cruz County Redevelopment Succ	80182YCQ8	09/01/2019	09/01/2019	09/01/2019	475,000.00	475,000.00	0.00	475,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.5 9/9/2019-18	3134GA7A6	09/09/2019	09/09/2019	09/09/2019	420,000.00	420,000.00	0.00	420,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.5 9/27/2019-17	3134GBWH1	09/27/2019	09/27/2019	09/27/2019	150,000.00	150,000.00	0.00	150,000.00
					Subtotal		1,045,000.00			
007 - Wastewater Consolidated	Municipal Bonds	Successor Agency to the Redevelopmen	79730WBG4	09/01/2019	09/01/2019	09/01/2019	520,000.00	520,000.00	0.00	520,000.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.15 9/30/2019-17	3136G4CZ4	09/30/2019	09/30/2019	09/30/2019	500,000.00	500,000.00	0.00	500,000.00
					Subtotal		1,020,000.00			

2,065,000.00	2,065,000.00	0.00	2,065,000.00
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EAST BAY MUNICIPAL UTILITY DISTRICT

Monthly Investment Activity

September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Calls										
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 3/30/2021-16	3130A9HD6	09/30/2019	09/30/2019	03/30/2021	4,000,000.00	4,000,000.00	0.00	4,000,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/23/2021-16	3134GAHM9	09/23/2019	09/23/2019	09/23/2021	4,000,000.00	4,000,000.00	0.00	4,000,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/30/2021-16	3134GAGL2	09/30/2019	09/30/2019	09/30/2021	2,468,000.00	2,468,000.00	0.00	2,468,000.00

10,468,000.00 10,468,000.00 0.00 10,468,000.00



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

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

No Transactions this Period

0.00	0.00	0.00	0.00
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EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Investment Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Withdrawals										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	09/23/2019	09/23/2019	N/A	10,000,000.00	10,000,000.00	0.00	10,000,000.00
001 - Water System Consolidated	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1001	09/23/2019	09/23/2019	N/A	1,000,000.00	1,000,000.00	0.00	1,000,000.00
					Subtotal		11,000,000.00			
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	09/11/2019	09/11/2019	N/A	9,976,000.00	9,976,000.00	0.00	9,976,000.00
003 - Employees Retirement	LAIF Local Government Investment Pool	LAIF LGIP	LGIP1005	09/30/2019	09/30/2019	N/A	10,003,000.00	10,003,000.00	0.00	10,003,000.00
					Subtotal		19,979,000.00			

30,979,000.00	30,979,000.00	0.00	0.00
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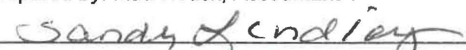
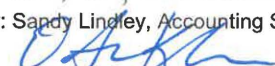


EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
September 2019

Portfolio	Total Interest Received	Interest Transferred to Wells Fargo*	Net Interest Activity (Reinvested)**
001 - Water System Consolidated	333,034.49	(137,016.75)	196,017.74
007 - Wastewater Consolidated	78,693.33	(11,300.00)	67,393.33
049 - Ferc Partnership	-	-	-
009 - BACWA	-	-	-
015 - DERWA	-	-	-
002 - FRWA	-	-	-
014 - IICP	-	-	-
010 - UMRWA	-	-	-
003 - Employees Retirement	-	-	-
065 - Water S2008A DSRF	4,842.42	-	4,842.42
068 - Water 2010A DSRF	502.48	-	502.48
Interest Transactions Total	417,072.72	(148,316.75)	268,755.97
099 - Wells Fargo	-	148,316.75	148,316.75
Total	417,072.72	-	417,072.72

*Coupon and other interest received; reinvestment unavailable.

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


 Prepared by: Matt Houck, Accountant 1

 Reviewed by: Sandy Lindley, Accounting Supervisor

 Approved by: D. Scott Klein, Controller

10-9-2019
 Date
 10-9-19
 Date
 10/9/19
 Date



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Interest Received (Transferred to Wells Fargo)										
001 - Water System Consolidated	Municipal Bonds	Alameda County Improvement Commission Successor Agency	010775BA1	09/01/2019	09/01/2019	09/01/2020	0.00	0.00	2,250.00	2,250.00
001 - Water System Consolidated	Municipal Bonds	Santa Cruz County Redevelopment Successor Agency 1	80182YCQ8	09/01/2019	09/01/2019	09/01/2019	0.00	0.00	3,823.75	3,823.75
001 - Water System Consolidated	Municipal Bonds	Santa Cruz County Redevelopment Successor Agency 2	80182YCR6	09/01/2019	09/01/2019	09/01/2020	0.00	0.00	7,638.00	7,638.00
001 - Water System Consolidated	Municipal Bonds	Yorba Linda Redevelopment Agency Successor Agency	986176AP0	09/01/2019	09/01/2019	09/01/2020	0.00	0.00	2,056.25	2,056.25
001 - Water System Consolidated	Municipal Bonds	Yorba Linda Redevelopment Agency Successor Agency	986176AR6	09/01/2019	09/01/2019	09/01/2022	0.00	0.00	4,106.25	4,106.25
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.5 9/9/2019-18	3134GA7A6	09/09/2019	09/09/2019	09/09/2019	0.00	0.00	3,150.00	3,150.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/23/2021-16	3134GAHM9	09/23/2019	09/23/2019	09/23/2021	0.00	0.00	40,000.00	40,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC 1.5 9/27/2019-17	3134GBWH1	09/27/2019	09/27/2019	09/27/2019	0.00	0.00	562.50	562.50
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 9/29/2020-18	3130ACFY5	09/29/2019	09/29/2019	09/29/2020	0.00	0.00	8,750.00	8,750.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLB Step 3/30/2021-16	3130A9HD6	09/30/2019	09/30/2019	03/30/2021	0.00	0.00	40,000.00	40,000.00
001 - Water System Consolidated	Federal Agency Issues Coupon	FHLMC Step 9/30/2021-16	3134GAGL2	09/30/2019	09/30/2019	09/30/2021	0.00	0.00	24,680.00	24,680.00
Subtotal										137,016.75
007 - Wastewater Consolidated	Municipal Bonds	Palm Springs CA Cmnty Redevelopment Agency Successor Agency	69667ABR6	09/01/2019	09/01/2019	09/01/2020	0.00	0.00	2,850.00	2,850.00
007 - Wastewater Consolidated	Municipal Bonds	Palm Springs CA Cmnty Redevelopment Agency Successor Agency	69667ABS4	09/01/2019	09/01/2019	09/01/2021	0.00	0.00	1,350.00	1,350.00
007 - Wastewater Consolidated	Municipal Bonds	Successor Agency to the Redevelopment Agency of the City of Palm Springs	79730WBG4	09/01/2019	09/01/2019	09/01/2019	0.00	0.00	4,225.00	4,225.00
007 - Wastewater Consolidated	Federal Agency Issues Coupon	FNMA 1.15 9/30/2019-17	3136G4CZ4	09/30/2019	09/30/2019	09/30/2019	0.00	0.00	2,875.00	2,875.00
Subtotal										11,300.00

0.00 0.00 148,316.75 148,316.75



EAST BAY MUNICIPAL UTILITY DISTRICT
Monthly Interest Activity
September 2019

Portfolio Name	Asset Class	Description	CUSIP/Ticker	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Interest Received (Reinvested)										
001 - Water System Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	09/30/2019	09/30/2019	N/A	0.00	0.00	195,981.31	195,981.31
001 - Water System Consolidated	Money Market Mutual Funds	Federated MM	MM3767	09/30/2019	09/30/2019	N/A	0.00	0.00	36.43	36.43
Subtotal									196,017.74	
007 - Wastewater Consolidated	CAMP CA Asset Mgmt Program	CAMP MM	CAMP6035	09/30/2019	09/30/2019	N/A	0.00	0.00	67,383.59	67,383.59
007 - Wastewater Consolidated	Money Market Mutual Funds	Federated MM	MM3767	09/30/2019	09/30/2019	N/A	0.00	0.00	9.74	9.74
Subtotal									67,393.33	
065 - Water S2008A DSRF	Money Market Mutual Funds	Dreyfus MM	MM6999	09/04/2019	09/04/2019	N/A	0.00	0.00	4,842.42	4,842.42
Subtotal									4,842.42	
068 - Water 2010A DSRF	Money Market Mutual Funds	Dreyfus MM	MM2642	09/04/2019	09/04/2019	N/A	0.00	0.00	502.48	502.48
Subtotal									502.48	
							0.00	0.00	268,755.97	268,755.97



AGENDA NO.
MEETING DATE

8.

October 22, 2019

TITLE SUSTAINABLE GROUNDWATER PLANNING GRANT APPLICATION (ROUND 3)

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Adopt a resolution authorizing the General Manager to submit an application for an amount up to \$1 million, for a Sustainable Groundwater Planning Grant (Round 3) for development of a Groundwater Sustainability Plan (Plan) for the East Bay Plain Subbasin and, if funding is awarded, to execute a grant agreement on terms approved as to form by the Office of the General Counsel.

SUMMARY



As the Groundwater Sustainability Agency (GSA) for a portion of the East Bay Plain Subbasin, the District is preparing a Plan for the Subbasin in cooperation with the City of Hayward. In 2018, the District was awarded \$1 million for Plan development through a Sustainable Groundwater Planning Grant (Round 2) from the California Department of Water Resources (DWR). DWR is administering Round 3 of the Sustainable Groundwater Management Program's Planning Grant program under Proposition 68 to provide additional funding to GSAs for Plan development.

The proposed application for Round 3 grant funding would designate the District as lead agency and the City of Hayward as a supporting agency. DWR requires the District's grant application to be accompanied by a resolution designating an authorized representative to submit the application and to execute a grant agreement if funding is awarded. The District's Plan development activities were discussed at the March 12, 2019 Long Term Water Supply Workshop.

DISCUSSION

California's Sustainable Groundwater Management Act (SGMA) requires all groundwater basins designated by DWR as high- or medium-priority basins to be managed under Plans by January 31, 2022. The East Bay Plain Subbasin (DWR Bulletin 118 Basin No. 2-009.04) is categorized as a medium-priority groundwater basin and subject to provisions of SGMA.

Under SGMA, the District became an exclusive GSA on November 29, 2016, for the portion of the East Bay Plain Subbasin which underlies the District's service area. The City of Hayward is the other exclusive GSA for the portion of the East Bay Plain Subbasin which underlies Hayward. A key responsibility of GSAs is development and implementation of a plan for their basins by January 31, 2022. The District and City of Hayward executed a Cooperating Agreement on June 25, 2018 to develop a single Plan for the entire basin, including extensive outreach to interested stakeholders. The

Funds Available: FY20		Budget Code: WSC/WNR/455/2010561	
DEPARTMENT SUBMITTING Water and Natural Resources	DEPARTMENT MANAGER or DIRECTOR  Michael T. Tognolini	APPROVED  General Manager	

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

Cooperating Agreement includes a framework for sharing costs related to Plan development. In January 2019, the District awarded a contract to a consultant team for Plan development.

Under the Sustainable Groundwater Planning Grant Program, DWR has initiated several rounds of funding to help GSAs with Plan development and implementation. In 2017, the District applied successfully for \$1 million in grant funding under Round 2. DWR has recently released the Proposal Solicitation Package for Round 3 grant funding, which made \$46 million available under Proposition 68, approved by voters in June 2018, to support additional planning work. Only one GSA per basin will be awarded a grant. Given that the District has already received \$1 million in grant funding from a previous round, the maximum grant amount available for the District under this round of funding is an additional \$1 million. District staff is preparing an estimate of the cost of the work to be funded by the grant. The exact amount of the District's grant application will depend on the cost estimate, but staff is requesting Board authority to apply for the full \$1 million available from DWR.

The grant will require a local cost-share, which may be fulfilled through contribution of staff time and other in-kind contributions. The maximum required local cost-share for the Round 3 grant is 25 percent. However, given the percentage of Disadvantaged Areas in the Subbasin, it is expected that the District would receive a cost share of 15 percent of the total cost. Staff expects the City of Hayward would assume a share of the local cost-share responsibility. If a grant is awarded, the District and the City of Hayward would develop a cost-sharing agreement.

SUSTAINABILITY

Economic

Funds for Plan development are included in the FY20 budget for the Bayside Groundwater Project. The grant would offset up to an additional \$1 million of the anticipated District and City of Hayward costs.

Social

This Plan will benefit East Bay residents by preserving local groundwater resources for future generations and promotes efficient local government coordination. Any savings due to consideration of Disadvantaged Areas in the Subbasin will reduce local costs and further support the District and City of Hayward providing affordable, reliable water to the community.

Environmental

This grant, if awarded, would facilitate long-term protection of the East Bay Plain Subbasin by partially funding Plan preparation. Applying for and accepting this grant is not subject to the requirements of the California Environmental Quality Act (CEQA) because it is a type of governmental fiscal activity not subject to CEQA neither would it commit the District to any specific project with a potentially significant physical impact on the environment. Plan preparation and adoption is also statutorily exempt from CEQA. Any projects the District undertakes in the future to implement actions taken pursuant to an adopted Plan may be subject to CEQA.

ALTERNATIVE

Do not authorize the District to apply for additional grant funding. This alternative is not recommended because the District would have to fund its remaining share of costs of Plan development entirely from its own sources.

RESOLUTION NO. _____

AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER
RESOURCES FOR A SUSTAINABLE GROUNDWATER MANAGEMENT GRANT
PURSUANT TO THE CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL
PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018 (PROPOSITION 68)
AND DESIGNATING AN AUTHORIZED REPRESENTATIVE
TO EXECUTE A GRANT AGREEMENT

Introduced by Director

; Seconded by Director

WHEREAS, the East Bay Municipal Utility District (District) is a public agency formed under the Municipal Utility District Act that provides water service to approximately 1.4 million customers in Alameda County and Contra Costa County; and

WHEREAS, pursuant to the Sustainable Groundwater Management Act (SGMA), the District is the exclusive Groundwater Sustainability Agency (GSA) for the portion of the East Bay Plain Subbasin of the Santa Clara Valley Groundwater Basin (East Bay Plain Subbasin) north of the City of Hayward (Hayward); and

WHEREAS, the District is responsible as a GSA to coordinate and develop a Groundwater Sustainability Plan (GSP) for the East Bay Plain Subbasin by January 31, 2022; and

WHEREAS, the California Department of Water Resources (DWR) administers the Sustainable Groundwater Management Grant Program, which provides funds for sustainable groundwater planning and implementation projects through a competitive grant solicitation process, including GSP development and implementation projects; and

WHEREAS, the District was awarded \$1,000,000 in grant funding from DWR in 2018 under the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1); and

WHEREAS, the District is eligible as a GSA within the East Bay Plain Subbasin to apply for up to \$1,000,000 in additional "Round 3" grant funding via Proposition 68 for GSP development within the East Bay Plain Subbasin; and

WHEREAS, Hayward is the exclusive GSA for a separate portion of the East Bay Plain Subbasin within its jurisdictional boundaries; and

WHEREAS, on May 22, 2018, the Board of Directors authorized District staff to enter into a Cooperating Agreement with Hayward in which the two GSAs committed to working together cooperatively to develop a single GSP for the entire Subbasin, and outlined a framework for sharing costs and a grant administration process; and

WHEREAS, sustainable groundwater management activities within the East Bay Plain Subbasin remain in the planning phase and have not yet been sufficiently defined to allow for analysis under the California Environmental Quality Act (CEQA), the application for Proposition 68 grant funding is a type of governmental fiscal activity that does not constitute a project under CEQA as per CEQA Guideline section 15378(b)(4), the application for a Proposition 68 grant does not commit the District to a definite course of action regarding sustainable groundwater management measures, and GSP preparation and adoption is exempt from CEQA requirements under Water Code section 10728.6;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Municipal Utility District hereby authorizes the General Manager to submit an application, in a form approved by the Office of General Counsel, to the California Department of Water Resources for up to \$1,000,000 in "Round 3" Proposition 68 grant funding under the Sustainable Groundwater Management Grant Program, to assist in funding the development of a coordinated Groundwater Sustainability Plan for the East Bay Plain Subbasin.

BE IT FURTHER RESOLVED that if the East Bay Municipal Utility District is offered such grant funding, the General Manager shall review the terms and conditions of any grant agreement presented by the California Department of Water Resources and, subject to the Office of General Counsel's approval of the grant agreement as to form, the General Manager is hereby authorized to execute said grant agreement and accept the funds.

ADOPTED this 22nd day of October, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel

{00042879;4}



AGENDA NO.
MEETING DATE

9.
October 22, 2019

TITLE APPOINTMENT OF DIRECTOR OF ENGINEERING AND CONSTRUCTION

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

Appoint Olujimi O. Yolo as Director of Engineering and Construction, effective October 28, 2019.

SUMMARY

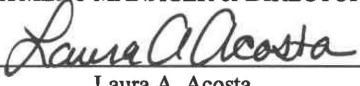

The District has conducted a comprehensive recruitment process for a Director of Engineering and Construction, with responsibilities for managing water distribution planning, design, construction, engineering services and pipeline infrastructure work. Olujimi O. Yolo is recommended for the position. The Director of Engineering and Construction is exempt from the civil service provisions of the Municipal Utility District Act in accordance with Section 12055(b) which excludes officers, assistant officers, and other persons and employees appointed by the Board of Directors.

DISCUSSION

Mr. Yolo has worked for 36 years in the areas of planning, design and construction of water and wastewater facilities with 34 of those years at EBMUD. For the District, he has served and progressed through assistant, associate, and senior engineer and manager roles in the Engineering and Construction and Wastewater Departments. For nearly 13 years, Mr. Yolo has served as Engineering Manager of the Construction Division with responsibility for construction management, construction inspection in the field, materials inspection at manufacturing facilities, surveying for water system capital facilities, and routine inspection of pipelines constructed by District forces and applicant contractors.

Mr. Yolo has a Bachelor of Science in Civil Engineering from the University of Manchester Institute of Science and Technology and Master of Science and Master of Engineering degrees in Civil Engineering from Stanford University. He is a licensed Professional Civil Engineer in California.

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

RESOLUTION NO. _____

APPOINTING OLUJIMI O. YOLOYE
AS DIRECTOR OF ENGINEERING AND CONSTRUCTION

Introduced by Director _____ ; Seconded by Director _____

WHEREAS, the Board of Directors has heretofore established the position of Director of Engineering and Construction, and such position has been assigned a salary range under the Management Salary Plan heretofore established for District officers, assistant officers, civil service exempt and certain civil service classes; and

WHEREAS, the Director of Engineering and Construction position is exempt from the District civil service pursuant to State of California Public Utilities Code section 12055; and

WHEREAS, the General Manager has recommended that Olujimi O. Yoloje be appointed to serve as Director of Engineering and Construction;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Bay Municipal Utility District that it hereby appoints Olujimi O. Yoloje to serve as Director of Engineering and Construction effective October 28, 2019.

ADOPTED this 22nd day of October, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Secretary

APPROVED AS TO FORM AND PROCEDURE

General Counsel

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: October 17, 2019

MEMO TO: Board of Directors

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

SUBJECT: Mid-Session Report on State Legislation – Status of EBMUD Position Bills for the First Year of the 2019-20 State Legislative Session

The first year of the 2019-20 state legislative session concluded on September 13. The deadline for Governor Newsom to act on all bills that passed out of the legislature was October 13. This memo provides a summary of the status of each bill that EBMUD adopted a formal position on during the 2019 legislative year. The final status of these bills is reported as “chaptered,” “vetoed,” or “2-year bill.” Those bills that are reported as “2-year bill” are still considered active and may be considered by the legislature next year.

All statutes will take effect as noted. Copies of the relevant legislation will be made available upon request.

EBMUD POSITION BILLS

AB 74 (Committee on Budget) – Budget Act of 2019

Status: Chaptered – Chapter 23; June 27, 2019

Effective Date: June 27, 2019

EBMUD Position: Support

AB 74 is the first of two budget bills intended to implement an agreement between the governor and legislative leadership to fund access to safe drinking water for disadvantaged communities. AB 74, the state’s main budget bill for fiscal year (FY) 2019-20, included \$133.4 million in FY 2019-20 funding for access to safe drinking water. Provisions related to a long-term solution to address the lack of access to safe drinking water for disadvantaged communities by providing a stable and sustainable funding source through 2030 were included in AB 100 and subsequently included in SB 200, discussed below.

AB 100 (Committee on Budget) – Public resources: drinking water: greenhouse gasses

Status: 2-Year Bill

EBMUD Position: Support

AB 100 is the second budget bill that, along with AB 74 (Committee on Budget), was intended to implement an agreement between the governor and legislative leadership that would provide an ongoing source of funding through 2030 for safe drinking water access for disadvantaged

communities and establish a framework to administer the funding. Substantially similar language providing the ongoing source of funding through 2030 was subsequently amended into SB 200 (Monning). SB 200, which EBMUD supported, was signed into law.

AB 292 (Quirk) – Recycled water: raw water and groundwater augmentation
Status: 2-Year Bill
EBMUD Position: Support

AB 292 would facilitate the use of recycled water by updating and simplifying the definition of potable reuse to reduce confusion about potable reuse projects and allow for more precise public outreach and communication regarding those projects.

AB 533 (Holden) – Income taxes: exclusion: water conservation or efficiency programs: water runoff management improvement program
Status: 2-Year Bill
EBMUD Position: Support

AB 533 would promote water conservation by extending the sunset date on the state personal income tax exemption for rebates, vouchers, and incentives for turf removal from January 1, 2019 to January 1, 2024. This would ensure these rebates, vouchers, and incentives remain tax exempt until January 1, 2024.

AB 557 (Wood) – Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program
Status: 2-Year Bill
EBMUD Position: Support

AB 557 would increase the state's and local water managers' understanding of atmospheric rivers. Specifically, AB 557 would provide funding to the Department of Water Resources' atmospheric rivers program to continue its research and clarify that research can include improving the accuracy of atmospheric river forecasting. This would improve reservoir management and reduce flood risks by assisting water supply managers and flood control operators in making reservoir storage decisions based on more precise information.

AB 834 (Quirk) – Freshwater and Estuarine Harmful Algal Bloom Program
Status: Chaptered – Chapter 354; September 27, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

AB 834 promotes the protection of water quality and public health by requiring the State Water Resources Control Board to establish a dedicated program, the Freshwater and Estuarine Harmful Algal Bloom Program, to coordinate state efforts, including research, on the issue of harmful algal blooms, and provide recommendations for preventing and mitigating harmful algal blooms.

AB 1080 (Gonzalez) – California Circular Economy and Plastic Pollution Reduction Act
Status: 2-Year Bill
EBMUD Position: Support

AB 1080 and its companion measure, SB 54 (Allen), are pollution prevention measures that would require single-use packaging and single-use plastic products be source reduced to the maximum extent feasible as well as require single-use packaging be recyclable or compostable.

AB 1180 (Friedman) – Water: recycled water
Status: Chaptered – Chapter 455; October 2, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

AB 1180 promotes potential indoor uses of recycled water by requiring the State Water Resources Control Board to update regulations for non-potable recycled water as well as, when updating backflow protection regulations, to allow the use of a changeover device in buildings plumbed for both recycled water and potable water. The use of a changeover device improves the process and lowers the cost to switch from recycled water to potable water in the event of recycled water interruptions.

AB 1414 (Friedman) – Urban retail water suppliers: reporting
Status: Chaptered – Chapter 239; September 5, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

AB 1414 makes technical corrections to the “Making Conservation a California Way of Life” legislative package, which EBMUD supported and was signed into law in 2018. That legislative package included new reporting requirements for water agencies that were in addition to existing requirements for Urban Water Management Plans and water loss audit reports. AB 1414 keeps current reporting in place, while streamlining water agency reporting requirements, by consolidating various reports and aligning due dates for report submission.

AB 1588 (Gloria) – Drinking water and wastewater operator certification programs
Status: Chaptered – Chapter 760; October 11, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

AB 1588 assists military veterans transitioning into civilian water and wastewater operator occupations by providing a process by which they can receive credit for equivalent experience and education gained during military service when seeking state certification as water or wastewater facility operators.

AB 1672 (Bloom) – Solid waste: flushable products
Status: 2-Year Bill
EBMUD Position: Support

AB 1672 is intended to help reduce the amount of unsuitable material disposed of in sewer systems. Specifically, the bill would require that only those wet wipes that are safe to flush are labeled as flushable.

ACA 1 (Aguiar-Curry) – Local government financing: affordable housing and public infrastructure: voter approval
Status: 2-Year bill
EBMUD Position: Support

ACA 1 is a constitutional amendment, that, pending voter approval, would change the two-thirds voter approval requirement for special taxes to, instead, authorize a city, county, or special district to impose, extend, or increase a special tax with the approval of 55 percent of its voters voting on the tax if the tax is for funding “the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, or the acquisition or lease of real property for public infrastructure or affordable housing.” In addition, similar to an existing exception for schools, ACA 1 would create an exception to the current limit that the tax rate for ad valorem property taxes not exceed 1 percent of property value if a city, county or special district imposes a tax to fund bonded indebtedness for specified purposes if the indebtedness is approved by 55 percent of the voters.

SB 1 (Atkins) – California Environmental, Public Health, and Workers Defense Act of 2019
Status: Vetoed
EBMUD Position: Support in Concept; Support

SB 1 was intended to ensure that there were no gaps between state law and federal law if Congress and the federal administration move to weaken key environmental and worker safety statutes. SB 1 would have designated federal laws meant to protect the environment, natural resources, and public health as “baseline federal standards” and would have ensured that there was a process in place for adopting the baseline federal standards at the state level if needed to maintain these important protections.

While there are areas of the bill that would have benefited from refinements, EBMUD expressed its support for the measure as weakening of strong federal environmental protections could adversely impact the Mokelumne River fishery.

Governor Newsom’s veto message states “while I disagree about the efficacy and necessity of SB 1, I look forward to working with the Legislature in our shared fight against the weakening of California’s environmental and worker protections.”

SB 54 (Allen) – California Circular Economy and Plastic Pollution Reduction Act
Status: 2-Year Bill
EBMUD Position: Support

SB 54 and its companion measure, AB 1080 (Gonzalez), are pollution prevention measures that would require single-use packaging and single-use plastic products be source reduced to the maximum extent feasible as well as require single-use packaging be recyclable or compostable.

SB 69 (Wiener) – Ocean Resiliency Act of 2019
Status: 2-Year Bill
EBMUD Position: Support if Amended

SB 69 is intended to improve and protect the health of watersheds and the Pacific Ocean along the California coast, including improving survival of hatchery-produced salmon and increasing the contribution hatchery-produced salmon have to the commercial and recreational fisheries. EBMUD sought amendments to clarify that the Department of Fish and Wildlife should coordinate with local agencies that own hatcheries, such as EBMUD, in the Department of Fish and Wildlife's salmon fishery efforts. While the requested amendments were agreed to by the author, the bill was held in committee before the agreed upon amendments could be added to the bill.

SB 134 (Hertzberg) – Water conservation: water losses: enforcement
Status: Chaptered – Chapter 203; August 30, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

SB 134 clears up ambiguity over how water loss standards will be enforced, and eliminates the potential for duplicative enforcement of water loss performance standards. Specifically, SB 134 provides that the State Water Resources Control Board cannot take enforcement action against an urban retail water supplier for not meeting its urban water use objective if the State Water Resources Control Board is taking enforcement action against the supplier for not meeting its water loss performance standard and the supplier is not meeting its water use objective solely due to water losses.

SB 200 (Monning) – Drinking Water
Status: Chaptered – Chapter 120; July 24, 2019
Effective Date: July 24, 2019
EBMUD Position: Support

SB 200, along with AB 74 (Committee on Budget), the state's main budget bill discussed above, implements an agreement between the governor and legislative leadership related to safe drinking water. SB 200 helps ensure the long-term sustainability of drinking water service and infrastructure by providing an ongoing source of funding through 2030 for safe drinking water access for disadvantaged communities, as well as establishing a framework to administer the funding.

SB 332 (Hertzberg) – Wastewater treatment: recycled water
Status: 2-Year Bill
EBMUD Position: Oppose unless Amended

SB 332 would impose a statewide mandate to reduce treated wastewater discharges through ocean and bay outfalls by 50 percent by 2030 and 95 percent by 2040. These reductions could be achieved by recycling or working with affiliated water suppliers to reduce inflow via water conservation and efficiency measures.

EBMUD sought amendments pertaining to identification of barriers to increasing recycled water and elimination of mandates, enforcement provisions, and declaration of waste and unreasonable use. The requested amendments were not accepted.

SB 379, 380, and 381 (Committee on Governance and Finance) – Validations
Status: SB 379 Chaptered – Chapter 74; July 10, 2019: Effective Date – July 10, 2019
SB 380 Chaptered – Chapter 75; July 10, 2019: Effective Date – July 10, 2019
SB 381 Chaptered – Chapter 76; July 10, 2019: Effective Date – January 1, 2020
EBMUD Position: Support

These bills enact the First, Second, and Third Validating Acts of 2019. These acts retroactively correct procedural errors or omissions that public officials of state agencies, cities, counties, and special districts may have made inadvertently and validates the organization, boundaries, acts, proceedings, and bonds of the state, cities, counties, and special districts. Enactment of these Validating Acts ensures the continued highest possible bond rating, resulting in the lowest possible interest rates on the sale of bonds. The three acts were enacted at different times to validate actions of the state and local government agencies that occur throughout the year.

SB 487 (Caballero) – Department of Water Resources: aerial snow survey
Status: Vetoed
EBMUD Position: Support

SB 487 would assist the state and others with water resource management by providing for more accurate and timely information about snowpack, runoff, and conditions in watersheds. Specifically, SB 487 would have required the Department of Water Resources to conduct and collect aerial survey data of snowpack in the state and conduct runoff forecasts for watersheds that drain or supply water to major reservoirs and lakes, if funds were appropriated for these purposes, and make that data available to public agencies and other interested parties.

Governor Newsom's veto message states that "while improving California's snowpack survey will improve our understanding of the patterns of snow accumulation and help us develop better forecasting tools for snow melt runoff" this bill should be considered as part of the budget due to the cost.

SB 785 (Committee on Natural Resources and Water) – Public resources: parklands, freshwater resources, and coastal resources: off-highway motor vehicles: public lands
Status: Chaptered – Chapter 469; October 2, 2019
Effective Date: January 1, 2020
EBMUD Position: Support

SB 785 will help prevent the spread of quagga and zebra mussels among reservoirs in the state. Specifically, SB 785, among other things, extends the existing sunset date on the provisions of law governing the control and eradication of quagga mussels and zebra mussels from January 1, 2020 to January 1, 2030. The sunset extension ensures that the Department of Fish and Wildlife retains its authority to continue programs and efforts to control and eradicate these invasive mussels.

ARC:MD:JW

Attachment

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2019-2020 Mid-Legislative Session – Status of EBMUD Position Bills by Topic

<u>Topic</u>	<u>Bills</u>	<u>EBMUD Final Position</u>	<u>Status</u>
Conservation/Water-Use Efficiency	AB 533 (Holden) AB 1414 (Friedman) SB 134 (Hertzberg)	Support Support Support	2-Year Chaptered Chaptered
Dreissenid Mussels/ Invasive Species	SB 785 (Committee on Natural Resources and Water)	Support	Chaptered
Federal Backstop	SB 1 (Atkins)	Support	Vetoed
Fishery/Ocean Resiliency	SB 69 (Wiener)	Support if Amended	2-Year
Local Government Finance	ACA 1 (Aguiar-Curry)	Support	2-Year
Pollution Prevention	AB 1080 (Gonzalez) AB 1672 (Bloom) SB 54 (Allen)	Support Support Support	2-Year 2-Year 2-Year
Recycled Water	AB 292 (Quirk) AB 1180 (Friedman) SB 332 (Hertzberg)	Support Support Oppose unless Amended	2-Year Chaptered 2-Year
Safe Drinking Water Access for Disadvantaged Communities	AB 74 (Committee on Budget) AB 100 (Committee on Budget) SB 200 (Monning)	Support Support Support	Chaptered 2-Year Chaptered
Surface Water Quality	AB 834 (Quirk)	Support	Chaptered
Water Supply Management	AB 557 (Wood) SB 487 (Caballero)	Support Support	2-Year Vetoed
Workforce Development	AB 1588 (Gloria)	Support	Chaptered
Validations	SB 379 (Committee on Governance and Finance) SB 380 (Committee on Governance and Finance) SB 381 (Committee on Governance and Finance)	Support Support Support	Chaptered Chaptered Chaptered



AGENDA NO.
MEETING DATE

11.
October 22, 2019

**TITLE EXTEND STANDBY BOND PURCHASE AGREEMENTS FOR VARIABLE RATE
DEMAND BONDS SERIES 2008A-1 AND 2008A-4**

☐ MOTION ☒ RESOLUTION ☐ ORDINANCE

RECOMMENDED ACTION

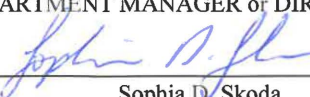

Authorize execution of legal documents associated with extending Standby Bond Purchase Agreements and Fee Agreements with Wells Fargo Bank, National Association for the Water System Revenue Refunding Bonds, Series 2008A-1 and 2008A-4 until December 9, 2022 at a fee of 30 basis points (0.30%) per year.

SUMMARY

Wells Fargo Bank, National Association (Wells Fargo) provides liquidity support for the District's Water System Revenue Refunding Bonds, Series 2008A-1 and 2008A-4 (the Series 2008A-1 Bonds and Series 2008A-4 Bonds) through two Standby Bond Purchase Agreements which expire on December 9, 2019. The Series 2008A-1 Bonds and the Series 2008A-4 Bonds are outstanding in the amounts of \$32,395,000 and \$24,285,000, respectively. Wells Fargo has offered to extend the Standby Bond Purchase Agreements for three years, to December 9, 2022, at an annual rate (based upon the maintenance of the District's current credit ratings) of 30 basis points (0.30%). The purpose of the current action is to adopt a resolution authorizing execution of the legal documents related to the liquidity extension. The extension was discussed at the September 24, 2019 Finance/Administration Committee and Board meetings as part of the Fiscal Year 2020 Financing Plan. This proposal was also presented and discussed with the Finance/Administration Committee on October 22, 2019.

DISCUSSION

The District's Series 2008A Water System Revenue Refunding Bonds totaling \$105.3 million are Variable Rate Demand Bonds (VRDBs), which are remarketed weekly. The bonds are divided into four subseries: A-1, A-2, A-3, and A-4. Each subseries is supported by a liquidity facility, known as a Standby Bond Purchase Agreement, to cover any failed remarketings of the bonds. The \$32.4 million Series 2008A-1 and \$24.3 million 2008A-4 VRDBs are backed by Standby Bond Purchase Agreements provided by Wells Fargo. The original agreements were executed in 2013. In November 2016, the agreements were extended to December 9, 2019. As discussed in the Fiscal Year 2020 Financing Plan, the Standby Bond Purchase Agreements must now be extended or replaced prior to December 9, 2019.

Funds Available: FY20/21		Budget Code:
DEPARTMENT SUBMITTING Finance	DEPARTMENT MANAGER or DIRECTOR  Sophia D. Skoda	APPROVED  General Manager

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

Wells Fargo has proposed a three-year extension at an annual cost of 30 basis points (0.30%), contingent upon the maintenance of the District's current credit rating and subject to adjustment as provided in the agreements. The proposed fee is higher than the 27 basis point fee set in these agreements in December 2013. However, the District's financial advisor, Montague DeRose and Associates (Montague), has analyzed the fee and considers it low in the current market environment based on proposals Montague has received for other clients during 2018 and 2019. The fee also matches the District's Bank of America commercial paper liquidity facility which was renewed in late 2018. Finally, Montague notes that changing liquidity providers, rather than extending with the current provider, would result in higher transaction costs of about \$110,000 due to the additional legal and advisory work involved in developing a new agreement. A new liquidity provider would have to propose a fee as low as 23.5 basis points to offset the additional cost of a liquidity substitution. Montague believes it is very unlikely that another bank could provide a proposed fee this low. Based on this analysis, staff recommends extending the existing agreements with Wells Fargo for three years. This item supports the District's Long-Term Financial Stability Strategic Plan goal.

A summary of the key documents is provided below:

- Third Amendment to Standby Bond Purchase Agreement (Series 2008A-1 Bonds): This document amends the Standby Bond Purchase Agreement entered into by the District and Wells Fargo for the Series 2008A-1 Bonds in January 2013. The Standby Bond Purchase Agreement provides the terms and conditions under which Wells Fargo provides liquidity support for the Series 2008A-1 Bonds by agreeing to purchase the bonds in the case of a failed remarketing. The Amendment provides for the extension of the stated expiration date of the Agreement for three years to December 9, 2022.
- Third Amended and Restated Fee Agreement (Series 2008A-1 Bonds): This document replaces the fee agreement previously entered into by the District with Wells Fargo for the Standby Bond Purchase Agreement supporting the Series 2008A-1 Bonds. It documents the various fees the District will pay the bank under the Standby Bond Purchase Agreement. This includes the annual Commitment Fee of 30 basis points (0.30%) at the District's current credit ratings. Under the agreement, this annual Commitment Fee is subject to increase upon the occurrence of certain events such as a decline in or withdrawal of the District's credit ratings or following an event of default.
- Second Amendment to Standby Bond Purchase Agreement (Series 2008A-4 Bonds): This document amends the Standby Bond Purchase Agreement entered into by the District and Wells Fargo for the Series 2008A-4 Bonds in December 2013. The Standby Bond Purchase Agreement provides the terms and conditions under which Wells Fargo provides liquidity support for the Series 2008A-4 Bonds by agreeing to purchase the bonds in the case of a failed remarketing. The Amendment provides for the extension of the stated expiration date of the Agreement for three years to December 9, 2022.
- Second Amended and Restated Fee Agreement (Series 2008A-4 Bonds): This document replaces the fee agreement previously entered into by the District with Wells Fargo for the Standby Bond Purchase Agreement supporting the Series 2008A-4 Bonds. It documents the various fees the District will pay the bank under the Standby Bond Purchase Agreement. This includes the annual Commitment Fee of 30 basis points (0.30%) at the District's current credit ratings. Under the agreement, this annual Commitment Fee is subject to increase upon the occurrence of certain

events such as a decline in or withdrawal of the District's credit ratings or following an event of default.

SUSTAINABILITY

Economic

Funding for this item is included in the FY20/21 budget.

ALTERNATIVE

Do not authorize execution of documents required to extend the Wells Fargo Standby Bond Purchase Agreements. This alternative is not recommended. Liquidity facilities like the Standby Bond Purchase Agreements support the Series 2008A-1 and Series 2008A-4 Bonds, which are in a variable rate mode. Selecting a new bank to provide liquidity facilities would result in higher transaction costs. When incorporating transaction costs, extending the existing agreements is the most cost-effective option.

Attachments

I:\Sec\2019 Board Related Items\Board Packets 2019\102219 Board Items\FIN - Extend Standby Bond Purchase Agreement 102219.docx

RESOLUTION NO. _____

AUTHORIZING THE EXECUTION OF CERTAIN AMENDMENTS TO STANDBY BOND
PURCHASE AGREEMENTS AND RELATED AMENDED AND RESTATED FEE
AGREEMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

Introduced by Director

; Seconded by Director

WHEREAS, the East Bay Municipal Utility District (the “District”) has previously issued its \$322,525,000 Water System Subordinated Revenue Refunding Bonds, Series 2008A (which have been re-designated as Water System Revenue Refunding Bonds, Series 2008A) pursuant to the Water System Subordinated Revenue Bond Indenture, dated as of April 1, 1990, by and between the District and First Interstate Bank of California, which has been succeeded by The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”), as amended and supplemented (the “Water Bond Indenture”), of which \$105,250,000 aggregate principal amount is currently outstanding, including, among other subseries, \$32,395,000 principal amount of Series 2008A-1 Bonds and \$24,285,000 principal amount of Series 2008A-4 Bonds (the “Water Series 2008A-1 Bonds” and the “Water Series 2008A-4 Bonds,” respectively, and together, the “Series 2008A-1 and 2008A-4 Water Bonds”); and

WHEREAS, the Series 2008A-1 and 2008A-4 Water Bonds are variable rate demand obligations in a weekly interest rate mode and subject to optional and mandatory tender for purchase by the owners thereof on the terms and under the circumstances as provided in the Water Bond Indenture; and

WHEREAS, in order to provide liquidity for the purchase of Series 2008A-1 and 2008A-4 Water Bonds subject to optional and mandatory tender for purchase pursuant to the Water Bond Indenture which are not remarketed, the District has arranged for separate liquidity facilities to be provided for the Water Series 2008A-1 Bonds and for the Water Series 2008A-4 Bonds in the form of: (i) with respect to the Water Series 2008A-1 Bonds, a Standby Bond Purchase Agreement, dated as of January 1, 2013, as previously amended by the First Amendment to Standby Bond Purchase Agreement, dated December 10, 2013, and the Second Amendment to Standby Bond Purchase Agreement, dated November 1, 2016, each among the District, The Bank of New York Mellon Trust Company, N.A., as tender agent (the “Tender Agent”), and Wells Fargo Bank, National Association (hereinafter, the “Liquidity Bank”), and including the related Second Amended and Restated Fee Agreement dated November 1, 2016, between the District and the Liquidity Bank, incorporated by reference therein (collectively, the “Series 2008A-1 Standby Bond Purchase Agreement”); and (ii) with respect to the Water Series 2008A-4 Bonds, a Standby Bond Purchase Agreement, dated as of December 1, 2013, as previously amended by the First Amendment to Standby Bond Purchase Agreement, dated November 1, 2016, each among the District, the Tender Agent and the Liquidity Bank, and including the related Amended and Restated Fee Agreement dated November 1, 2016, between the District and the Liquidity Bank, incorporated by reference therein (collectively, the “Series 2008A-4 Standby Bond Purchase Agreement” and each of the Series 2008A-1 Standby Bond Purchase Agreement and the Series 2008A-4 Standby Bond Purchase Agreement, a “Standby Bond Purchase Agreement” and together, the “Standby Bond Purchase Agreements”); and

WHEREAS, the “Commitment Period” (as such term is defined in the related Standby Bond Purchase Agreement) of the Liquidity Bank under each of the Standby Bond Purchase Agreements is currently scheduled to expire on December 9, 2019 (the current “Expiration Date”); and

WHEREAS, the District has requested the Liquidity Bank to extend the Expiration Date under each of the Standby Bond Purchase Agreements, and the Liquidity Bank has agreed to such extension for a period of up to three years (*i.e.*, to December 9, 2022), with an annual Commitment Fee as set forth in the respective related Amended and Restated Fee Agreement referred to in Section 2 hereof and otherwise on substantially the same terms (with only such changes as are set forth in the respective amendments to Standby Bond Purchase Agreement referred to in Section 2 hereof); and

WHEREAS, this Board does hereby find and determine that it would be in the best interest of the District to extend the Expiration Date of each of the Standby Bond Purchase Agreements and to approve the respective amendments to the Standby Bond Purchase Agreements and the related Amended and Restated Fee Agreements in connection therewith, each in the form as presented to this meeting;

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

Section 1. Recitals True and Correct. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Approval of Amendments to Standby Bond Purchase Agreements and related Amended and Restated Fee Agreements. The General Manager, the Director of Finance or the Treasury Manager or the designee of any of such officers is hereby authorized and directed to execute for and on behalf of the District (i) in connection with the Water Series 2008A-1 Bonds, the Third Amendment to Standby Bond Purchase Agreement and the related Third Amended and Restated Fee Agreement, and (ii) in connection with the Water Series 2008A-4 Bonds, the Second Amendment to Standby Bond Purchase Agreement and the related Second Amended and Restated Fee Agreement, each in substantially the form submitted to this meeting, with such changes, insertions and omissions as the General Manager, the Director of Finance or the Treasury Manager shall approve after consultation with the District’s General Counsel and Norton Rose Fulbright US LLP and Curls Bartling P.C., the District’s Co-Bond Counsel, such approval to be evidenced by the execution and delivery thereof; provided that the annual Commitment Fee to be paid to the Liquidity Bank under each of the Standby Bond Purchase Agreements following the extension of the Expiration Date of such Standby Bond Purchase Agreement (assuming the maintenance of the District’s current long-term unenhanced debt ratings) shall not exceed 30 basis points per annum (0.300%), subject to adjustment under the terms and conditions set forth therein.

The Third Amendment to Standby Bond Purchase Agreement and the related Third Amended and Restated Fee Agreement for the Water Series 2008A-1 Bonds, as executed and delivered, are hereinafter referred to as the “Series 2008A-1 Amendment to Standby Bond Purchase Agreement” and the “Series 2008A-1 Fee Agreement,” respectively, and such Series

2008A-1 Amendment to Standby Bond Purchase Agreement and Series 2008A-1 Fee Agreement are hereby approved.

The Second Amendment to Standby Bond Purchase Agreement and the related Second Amended and Restated Fee Agreement for the Water Series 2008A-4 Bonds, as executed and delivered, are hereinafter referred to as the "Series 2008A-4 Amendment to Standby Bond Purchase Agreement" and the "Series 2008A-4 Fee Agreement," respectively, and such Series 2008A-4 Amendment to Standby Bond Purchase Agreement and Series 2008A-4 Fee Agreement are hereby approved.

Section 3. Additional Actions. The General Manager, the Director of Finance and the Treasury Manager and such other proper officers of the District be and they hereby are authorized, individually and collectively, to do any and all things and to execute and deliver such other agreements, documents and certificates (including, but not limited to providing for the giving of written directions and notices or the securing of any required third party approvals required by the Water Bond Indenture or other documents related to the Series 2008A-1 and 2008A-4 Water Bonds or otherwise in connection with the extension of the Expiration Date of the related Standby Bond Purchase Agreement and the transactions contemplated by this Resolution) as may be necessary, convenient, or advisable and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Water Bond Indenture, the applicable Standby Bond Purchase Agreement and the transactions herein authorized. All actions heretofore taken by the officers (or their designees), employees and agents of the District in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

ADOPTED this 22nd day of October, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

ATTEST:

Secretary

APPROVED AS TO FORM AND PROCEDURE:

General Counsel

{00043008;1}

THIRD AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT

This THIRD AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT (this "*Amendment*") is dated October 30, 2019 (the "*Amendment Date*"), among EAST BAY MUNICIPAL UTILITY DISTRICT (the "*District*"), THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Tender Agent (the "*Tender Agent*"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (the "*Bank*").

WITNESSETH

WHEREAS, the parties hereto have entered into that certain Standby Bond Purchase Agreement dated as of January 1, 2013 (as amended, modified or supplemented from time to time, the "*Agreement*") relating to the District's Water System Revenue Refunding Bonds, Series 2008A-1; and

WHEREAS, the parties hereto desire to extend the Expiration Date and amend the Agreement.

NOW, THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon the satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. The definitions of the terms "*Expiration Date*" and "*Fee Agreement*" appearing in Section 1.1 of the Agreement shall be amended and restated in their entireties to read as follows:

"*Expiration Date*" means the later of (a) 5:00 p.m. (New York City time) on December 9, 2022, or, if such day is not a Business Day, the Business Day next preceding such day, and (b) 5:00 p.m. (New York City time) on the last day of any extension of such date pursuant to Section 10.9 hereof or, if such day is not a Business Day, the Business Day next preceding such day.

"*Fee Agreement*" means the Third Amended and Restated Fee Agreement, dated October 30, 2019, by and between the District and the Bank, as amended and supplemented from time to time.

1.02. Clause (iv) of Section 3.1(a) of the Agreement shall be amended and restated in its entirety to read as follows:

(iv) in the event that the conditions set forth in Section 3.1(c)(i), (ii), (iii), (iv) and (v) hereof have not been satisfied on any Amortization Commencement Date, such Amortization Commencement Date, and

1.03. Section 3.1(c) of the Agreement shall be amended and restated in its entirety to read as follows:

(c) If on any Amortization Commencement Date (i) the representations and warranties of the District set forth in Article V of this Agreement and in each other Related Document and certificate delivered to the Bank pursuant to this Agreement are true and correct as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation and warranty shall be true and correct as of such date), (ii) no Default or Event of Default has occurred and is continuing, (iii) no Material Adverse Change has occurred, (iv) no Material Litigation is pending and (v) the Bank shall have received a certificate in the form of Exhibit F hereto certifying as to the forgoing and requesting the term-out period, the applicable Bank Bonds and the accrued interest thereon shall be paid by or on behalf of the District upon the occurrence of any of the items set forth in Sections 3.1(a)(i) through and including Section 3.1(a)(v) and in Section 3.1(a)(vii) above and shall, in addition thereto, be repaid by or on behalf of the District in equal (or as nearly as possible) semi-annual installments on each Amortization Payment Date, and with the final installment being due and payable no later than the Amortization End Date. The District may prepay any Bank Bond as provided in Section 3.1(d) below. The Bank shall use its best efforts to notify the District of the amount of accrued interest on each Bank Bond at least two (2) Business Days prior to the date on which such amount is due.

1.04. Section 7.1(b) of the Agreement shall be amended and restated in its entirety to read as follows:

(b) as soon as practicable and in any event within seventy-five (75) days after the end of each quarter of each Fiscal Year, the unaudited financial report of the District as of the end of such fiscal quarter prepared from the books and records of the District on a consistent basis, including a balance sheet of the Water System as of the end of such fiscal quarter and related statements of revenues, expenses and changes in fund equity and cash flows for the fiscal quarter ended;

1.05. The Agreement is hereby amended by the addition of a new Exhibit F thereto in the form attached hereto as Exhibit F.

2. CONDITIONS PRECEDENT.

This Amendment shall be effective as of the Amendment Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Delivery by each of the District and the Tender Agent of executed counterparts of this Amendment.

2.02. Delivery by the District of an executed counterpart of that certain Third Amended and Restated Fee Agreement dated the date hereof, between the District and the Bank.

2.03. Delivery by the District of an enforceability opinion from bond counsel.

2.04. The District hereby certifies that the following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the District contained in Article V of the Agreement are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date); and

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.05. Payment to the Bank on the Amendment Date of the reasonable legal fees and expenses of counsel to the Bank; provided that such payment shall be contingent upon the timely receipt of an invoice and wire instructions.

2.06. All other legal matters pertaining to the execution and delivery of this Amendment shall be reasonably satisfactory to the Bank and its counsel.

The execution and delivery of this Amendment by the Bank shall constitute its acknowledgement that such conditions have been satisfied or waived.

3. REPRESENTATIONS AND WARRANTIES.

In addition to the representations and warranties given in Article V of the Agreement, the District hereby represents and warrants as follows:

3.01. The execution, delivery and performance by the District of this Amendment and the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the District.

3.02. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required as a condition precedent to the due execution, delivery and performance by the District of this Amendment or the Agreement, as amended hereby, except such as shall have been duly obtained, given or accomplished prior to the execution and delivery hereof.

3.03. This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights and remedies generally, by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) and by limitations on legal remedies against public agencies in the State of California.

4. MISCELLANEOUS.

4.01. Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this specific amendment need not be made in any note, document, agreement, letter, certificate, the Agreement itself, or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. This instrument shall be deemed to be a contract made under and shall be governed by and construed in accordance with the law of the State of New York; *provided* that the power and authority of the District to execute and perform its obligations hereunder shall be governed by and construed in accordance with the law of the State of California.

4.02. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered on the date first above written.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: Mary Lou Lopez
Title: Vice President

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____
Name: Sophia Skoda
Title: Director of Finance

Acknowledged and Consented to by:

THE COMPANY OF NEW YORK MELLON TRUST
COMPANY, N.A., as Tender Agent

By: _____
Name: Daniel Marroquin
Title: Vice President

EXHIBIT F
FORM OF REQUEST FOR TERM OUT FUNDING

[DATE]

Wells Fargo Bank, National Association
333 Market Street, 15th Floor
San Francisco, California 94105
Attention: Mary Lou Lopez

East Bay Municipal Utility District
Water System Revenue Refunding Bonds, Series 2008A-1

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement dated January 1, 2013 (the “*Agreement*”), among East Bay Municipal Utility District (the “*District*”) The Bank of New York Mellon Trust Company, N.A., (the “*Trustee*”) and Wells Fargo Bank, National Association (the “*Bank*”). All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Agreement.

The District hereby requests, pursuant to Section 3.1(c) of the Agreement, that the Bank Bonds outstanding on the Amortization Commencement Date be payable on each Amortization Payment Date as set forth in Section 3.1(c).

In connection with such request and in accordance with Section 3.1(c), the District hereby represents and warrants that as of the Amortization Commencement Date:

- (i) the representations and warranties of the District set forth in Article V of the Agreement and in each other Related Document and certificate delivered to the Bank pursuant to the Agreement are true and correct as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation and warranty shall be true and correct as of such date);
- (ii) no Default or Event of Default has occurred and is continuing;
- (iii) no Material Adverse Change has occurred;
- (iv) no Material Litigation is pending; and
- (v) the outstanding amount of the Bank Bonds is [\$_____].

Very truly yours,

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____

Name: _____

Title: _____

THIRD AMENDED AND RESTATED FEE AGREEMENT

DATED OCTOBER 30, 2019

Reference is hereby made to that certain Standby Bond Purchase Agreement dated as of January 1, 2013 (as amended, the “*Agreement*”), among the East Bay Municipal Utility District (the “*District*”), The Bank of New York Mellon Trust Company, N.A., as tender agent (the “*Tender Agent*”) and Wells Fargo Bank, National Association (the “*Bank*”), relating to the District’s Water System Revenue Refunding Bonds, Series 2008A-1. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Third Amended and Restated Fee Agreement is to confirm the agreement between the Bank and the District with respect to the Commitment Fees (as defined below) and certain other fees payable by the District to the Bank. This Third Amended and Restated Fee Agreement is the Fee Agreement referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

ARTICLE I. FEES.

Section 1.1. Commitment Fee. The District hereby agrees to pay or cause to be paid to the Bank on January 2, 2020, for the period commencing on October 1, 2019 to but not including January 2, 2020, and in arrears on the first Business Day of each April, July, October and January occurring thereafter to the last day of the Commitment Period, and on the last day of the Commitment Period, a non-refundable Commitment Fee (the “*Commitment Fee*”) with respect to the Available Commitment of the Bank under the Agreement in an amount equal to the rate per annum (the “*Commitment Fee Rate*”) specified below on the average daily Available Commitment from time to time in effect during each related period:

(a) For the period commencing on October 1, 2019, to but not including January 2, 2020, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

LEVEL	S&P RATING	MOODY’S RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1:	AA+ or higher	Aa1 or above	AA+ or above	0.270%
Level 2:	AA	Aa2	AA	0.345%
Level 3:	AA-	Aa3	AA-	0.420%
Level 4:	A+	A1	A+	0.570%
Level 5:	A	A2	A	0.720%
Level 6:	A-	A3	A-	0.870%

(b) For the period commencing on January 2, 2020 and at all times thereafter, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

LEVEL	S&P RATING	MOODY'S RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1:	AA+ or higher	Aa1 or above	AA+ or above	0.300%
Level 2:	AA	Aa2	AA	0.375%
Level 3:	AA-	Aa3	AA-	0.450%
Level 4:	A+	A1	A+	0.600%
Level 5:	A	A2	A	0.750%
Level 6:	A-	A3	A-	0.900%

The term “Rating” as used above shall mean the lowest long-term unenhanced debt rating assigned by any Rating Agency to any Parity Bond. In the event of a split rating (*i.e.*, the Rating of one of the foregoing Rating Agencies is at a different Level than the Rating of any other Rating Agency), the Commitment Fee Rate shall be based upon the Level in which the lower of the two highest Ratings appears; *provided, however*, that if only two Rating Agencies are then rating Parity Bonds, the term “Rating” as used above shall mean the Level in which the lower of the two Ratings appears; *provided, further*, that, for purposes of this sentence only, any Rating that appears in a higher numbered Level than the Level in which a Rating of another Rating Agency appears shall be deemed to be a “lower” Rating for purposes of determining the Commitment Fee Rate. Any change in the Commitment Fee Rate resulting from a change in the Rating shall be and become effective as of and on the date of the announcement of the change in the Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies, and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Ratings in connection with the adoption of a “global” rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The District and the Bank acknowledge that as of the date hereof the Commitment Fee Rate is that specified above for Level 1. In the event that either (i) the Rating is suspended, withdrawn or otherwise unavailable from any Rating Agency or (ii) there shall have occurred and be continuing any Event of Default, in each such case the Commitment Fee Rate shall increase to the rate set forth in Level 6 *plus* 1.00% per annum (the “Fee Increase”); *provided, however*, that the Fee Increase shall not occur pursuant to clause (i) of this sentence if any such rating shall have been suspended, withdrawn or is otherwise unavailable by a Rating Agency due to the District’s failure to apply for such rating or failure to provide information to such Rating Agency, in each case as a result of such Rating Agency’s imposition or proposed imposition of conditions to issuing such rating with which the District cannot legally comply. The Commitment Fees shall be payable quarterly in arrears, together with interest on the Commitment Fees from the date payment is due until payment in full at the Default Rate. Such fee shall be payable in immediately available funds and computed on the basis of a 360-day year and the actual number of days elapsed.

Section 1.2. Purchase Demand Fees. Upon each purchase of Eligible Bonds, the District agrees to pay to the Bank a non-refundable purchase demand fee equal to \$300, payable without any requirement of notice or demand by the Bank on the day on which such purchase is made by the Bank.

Section 1.3. Transfer Fee. Upon each transfer of the Agreement in accordance with its terms or appointment of a successor Tender Agent under the Indenture, the District agrees to pay the Bank a non-refundable fee of \$2,500, and to reimburse the Bank for its actual costs and expenses associated with such transfer or appointment (including, without limitation, the reasonable fees and expenses of counsel to the Bank), payable on the date of such transfer or appointment.

Section 1.4. Amendment Fee. The District agrees to pay to the Bank on the date of each amendment, supplement, or modification to the Agreement (or any Related Document, the amendment, supplement or modification of which requires the consent of the Bank), a non-refundable fee equal to \$2,500, or such other fee as may be agreed to between the District and the Bank, plus, in each case, the reasonable fees and expenses of counsel to the Bank.

Section 1.5. Termination Fee. (a) Notwithstanding anything set forth herein or in the Agreement to the contrary, the District hereby agrees not to terminate the Agreement prior to the first anniversary of the date hereof, without the payment by the District to the Bank of a termination fee in an amount equal to the product of (i) the Commitment Fee Rate in effect pursuant to Section 1.1 hereof on the date of such termination, (ii) the Available Commitment in effect on the date hereof, and (iii) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including the first anniversary of the date hereof, and the denominator of which is 360. Notwithstanding any provisions of this Section to the contrary, the District will not be required to pay the Termination Fee (i) on the date on which any two of Moody's, S&P or Fitch shall have withdrawn the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank below "P-1," "A-1" and "F1," respectively, and thereafter for so long as such withdrawal or reduction shall be continuing or (ii) if the Bank submits to the District a request for payment of amounts payable pursuant to Section 2.9 of the Agreement.

(b) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the District agrees not to permanently reduce the Available Commitment under the Agreement prior to the first anniversary of the date hereof, without the payment by the District to the Bank of a reduction fee (the "*Reduction Fee*") in connection with each and every permanent reduction of the Available Commitment as set forth herein in an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of such reduction, (B) the difference between the Available Commitment prior to such reduction and the Available Commitment after such reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the first anniversary of the date hereof, and the denominator of which is 360; *provided* that no such Reduction Fee will be payable (i) in connection with permanent reductions of the Available Commitment as a result of scheduled mandatory redemptions of the Bonds pursuant to the Indenture, (ii) on the date on which any two of Moody's, S&P or Fitch shall have withdrawn the

short-term credit rating of the Bank or lowered the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank below “P-1,” “A-1” and “F1,” respectively, and thereafter for so long as such withdrawal or reduction shall be continuing or (iii) if the Bank submits to the District a request for payment of amounts payable pursuant to Section 2.9 of the Agreement.

ARTICLE II. MISCELLANEOUS.

Section 2.1. Out-of-Pocket Expenses. The District shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank, the reasonable fees and disbursements of counsel to the Bank) all payable in accordance with this Third Amended and Restated Fee Agreement and Section 10.2(a) of the Agreement.

Section 2.2. Payment Account. As provided in the Agreement, all payments hereunder shall be made by means of wire transfer of funds to the Payment Account of the Bank.

Section 2.3. Amendments. No amendment to this Third Amended and Restated Fee Agreement shall become effective without the prior written consent of the District and the Bank.

Section 2.4. Governing Law. THIS THIRD AMENDED AND RESTATED FEE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK; *PROVIDED* THAT THE AUTHORITY OF THE DISTRICT TO EXECUTE THIS THIRD AMENDED AND RESTATED FEE AGREEMENT AND THE DISTRICT’S OBLIGATIONS HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

Section 2.5. Counterparts. This Third Amended and Restated Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument.

Section 2.6. Severability. Any provision of this Third Amended and Restated Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 2.7. Amendment and Restatement. This Third Amended and Restated Fee Agreement shall become effective on the date first written above and shall supersede all provisions of the Second Amended and Restated Fee Agreement dated November 1, 2016 (the “Original Fee Agreement”), between the District and the Bank. From and after the date first written above, all references made to the Original Fee Agreement in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Third Amended and Restated Fee Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Third Amended and Restated Fee Agreement to be duly executed and delivered by their respective officers thereunto duly authorized on the date first set forth above.

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____
Name: Sophia Skoda
Title: Director of Finance

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: Mary Lou Lopez
Title: Vice President

SECOND AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT

This SECOND AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT (this “*Amendment*”) is dated October 30, 2019 (the “*Amendment Date*”), among EAST BAY MUNICIPAL UTILITY DISTRICT (the “*District*”), THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Tender Agent (the “*Tender Agent*”), and WELLS FARGO BANK, NATIONAL ASSOCIATION (the “*Bank*”).

WITNESSETH

WHEREAS, the parties hereto have entered into that certain Standby Bond Purchase Agreement dated as of December 1, 2013 (as amended, modified or supplemented from time to time, the “*Agreement*”) relating to the District’s Water System Revenue Refunding Bonds, Series 2008A-4; and

WHEREAS, the parties hereto desire to extend the Expiration Date and amend the Agreement.

NOW, THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon the satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. The definitions of the terms “*Expiration Date*” and “*Fee Agreement*” appearing in Section 1.1 of the Agreement shall be amended and restated in their entireties to read as follows:

“*Expiration Date*” means the later of (a) 5:00 p.m. (New York City time) on December 9, 2022, or, if such day is not a Business Day, the Business Day next preceding such day, and (b) 5:00 p.m. (New York City time) on the last day of any extension of such date pursuant to Section 10.9 hereof or, if such day is not a Business Day, the Business Day next preceding such day.

“*Fee Agreement*” means the Second Amended and Restated Fee Agreement, dated October 30, 2019, by and between the District and the Bank, as amended and supplemented from time to time.

1.02. Clause (iv) of Section 3.1(a) of the Agreement shall be amended and restated in its entirety to read as follows:

(iv) in the event that the conditions set forth in Section 3.1(c)(i), (ii), (iii), (iv) and (v) hereof have not been satisfied on any Amortization Commencement Date, such Amortization Commencement Date, and

1.03. Section 3.1(c) of the Agreement shall be amended and restated in its entirety to read as follows:

(c) If on any Amortization Commencement Date (i) the representations and warranties of the District set forth in Article V of this Agreement and in each other Related Document and certificate delivered to the Bank pursuant to this Agreement are true and correct as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation and warranty shall be true and correct as of such date), (ii) no Default or Event of Default has occurred and is continuing, (iii) no Material Adverse Change has occurred, (iv) no Material Litigation is pending and (v) the Bank shall have received a certificate in the form of Exhibit F hereto certifying as to the forgoing and requesting the term-out period, the applicable Bank Bonds and the accrued interest thereon shall be paid by or on behalf of the District upon the occurrence of any of the items set forth in Sections 3.1(a)(i) through and including Section 3.1(a)(v) and in Section 3.1(a)(vii) above and shall, in addition thereto, be repaid by or on behalf of the District in equal (or as nearly as possible) semi-annual installments on each Amortization Payment Date, and with the final installment being due and payable no later than the Amortization End Date. The District may prepay any Bank Bond as provided in Section 3.1(d) below. The Bank shall use its best efforts to notify the District of the amount of accrued interest on each Bank Bond at least two (2) Business Days prior to the date on which such amount is due.

1.04. Section 7.1(b) of the Agreement shall be amended and restated in its entirety to read as follows:

(b) as soon as practicable and in any event within seventy-five (75) days after the end of each quarter of each Fiscal Year, the unaudited financial report of the District as of the end of such fiscal quarter prepared from the books and records of the District on a consistent basis, including a balance sheet of the Water System as of the end of such fiscal quarter and related statements of revenues, expenses and changes in fund equity and cash flows for the fiscal quarter ended;

1.05. The Agreement is hereby amended by the addition of a new Exhibit F thereto in the form attached hereto as Exhibit F.

2. CONDITIONS PRECEDENT.

This Amendment shall be effective as of the Amendment Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Delivery by each of the District and the Tender Agent of executed counterparts of this Amendment.

2.02. Delivery by the District of an executed counterpart of that certain Second Amended and Restated Fee Agreement dated the date hereof, between the District and the Bank.

2.03. Delivery by the District of an enforceability opinion from bond counsel.

2.04. The District hereby certifies that the following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the District contained in Article V of the Agreement are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date); and

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.05. Payment to the Bank on the Amendment Date of the reasonable legal fees and expenses of counsel to the Bank; provided that such payment shall be contingent upon the timely receipt of an invoice and wire instructions.

2.06. All other legal matters pertaining to the execution and delivery of this Amendment shall be reasonably satisfactory to the Bank and its counsel.

The execution and delivery of this Amendment by the Bank shall constitute its acknowledgement that such conditions have been satisfied or waived.

3. REPRESENTATIONS AND WARRANTIES.

In addition to the representations and warranties given in Article V of the Agreement, the District hereby represents and warrants as follows:

3.01. The execution, delivery and performance by the District of this Amendment and the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the District.

3.02. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required as a condition precedent to the due execution, delivery and performance by the District of this Amendment or the Agreement, as amended hereby, except such as shall have been duly obtained, given or accomplished prior to the execution and delivery hereof.

3.03. This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights and remedies generally, by general equitable principles

(regardless of whether such enforceability is considered in a proceeding in equity or at law) and by limitations on legal remedies against public agencies in the State of California.

4. MISCELLANEOUS.

4.01. Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this specific amendment need not be made in any note, document, agreement, letter, certificate, the Agreement itself, or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. This instrument shall be deemed to be a contract made under and shall be governed by and construed in accordance with the law of the State of New York; *provided* that the power and authority of the District to execute and perform its obligations hereunder shall be governed by and construed in accordance with the law of the State of California.

4.02. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered on the date first above written.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: Mary Lou Lopez
Title: Vice President

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____
Name: Sophia Skoda
Title: Director of Finance

Acknowledged and Consented to by:

THE COMPANY OF NEW YORK MELLON TRUST
COMPANY, N.A., as Tender Agent

By: _____
Name: Daniel Marroquin
Title: Vice President

EXHIBIT F
FORM OF REQUEST FOR TERM OUT FUNDING

[DATE]

Wells Fargo Bank, National Association
333 Market Street, 15th Floor
San Francisco, California 94105
Attention: Mary Lou Lopez

East Bay Municipal Utility District
Water System Revenue Refunding Bonds, Series 2008A-4

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement dated December 1, 2013 (the “*Agreement*”), among East Bay Municipal Utility District (the “*District*”) The Bank of New York Mellon Trust Company, N.A., (the “*Trustee*”) and Wells Fargo Bank, National Association (the “*Bank*”). All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Agreement.

The District hereby requests, pursuant to Section 3.1(c) of the Agreement, that the Bank Bonds outstanding on the Amortization Commencement Date be payable on each Amortization Payment Date as set forth in Section 3.1(c).

In connection with such request and in accordance with Section 3.1(c), the District hereby represents and warrants that as of the Amortization Commencement Date:

- (i) the representations and warranties of the District set forth in Article V of the Agreement and in each other Related Document and certificate delivered to the Bank pursuant to the Agreement are true and correct as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation and warranty shall be true and correct as of such date);
- (ii) no Default or Event of Default has occurred and is continuing;
- (iii) no Material Adverse Change has occurred;
- (iv) no Material Litigation is pending; and
- (v) the outstanding amount of the Bank Bonds is [\$_____].

Very truly yours,

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____

Name: _____

Title: _____

SECOND AMENDED AND RESTATED FEE AGREEMENT

DATED OCTOBER 30, 2019

Reference is hereby made to that certain Standby Bond Purchase Agreement dated as of December 1, 2013 (as amended, the “*Agreement*”), among the East Bay Municipal Utility District (the “*District*”), The Bank of New York Mellon Trust Company, N.A., as tender agent (the “*Tender Agent*”) and Wells Fargo Bank, National Association (the “*Bank*”), relating to the District’s Water System Revenue Refunding Bonds, Series 2008A-4. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Second Amended and Restated Fee Agreement is to confirm the agreement between the Bank and the District with respect to the Commitment Fees (as defined below) and certain other fees payable by the District to the Bank. This Second Amended and Restated Fee Agreement is the Fee Agreement referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

ARTICLE I. FEES.

Section 1.1. Commitment Fee. The District hereby agrees to pay or cause to be paid to the Bank on January 2, 2020, for the period commencing on October 1, 2019 to but not including January 2, 2020, and in arrears on the first Business Day of each April, July, October and January occurring thereafter to the last day of the Commitment Period, and on the last day of the Commitment Period, a non-refundable Commitment Fee (the “*Commitment Fee*”) with respect to the Available Commitment of the Bank under the Agreement in an amount equal to the rate per annum (the “*Commitment Fee Rate*”) specified below on the average daily Available Commitment from time to time in effect during each related period:

(a) For the period commencing on October 1, 2019, to but not including January 2, 2020, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

LEVEL	S&P RATING	MOODY’S RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1:	AA+ or higher	Aa1 or above	AA+ or above	0.270%
Level 2:	AA	Aa2	AA	0.345%
Level 3:	AA-	Aa3	AA-	0.420%
Level 4:	A+	A1	A+	0.570%
Level 5:	A	A2	A	0.720%
Level 6:	A-	A3	A-	0.870%

(b) For the period commencing on January 2, 2020 and at all times thereafter, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

LEVEL	S&P RATING	MOODY'S RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1:	AA+ or higher	Aa1 or above	AA+ or above	0.300%
Level 2:	AA	Aa2	AA	0.375%
Level 3:	AA-	Aa3	AA-	0.450%
Level 4:	A+	A1	A+	0.600%
Level 5:	A	A2	A	0.750%
Level 6:	A-	A3	A-	0.900%

The term “Rating” as used above shall mean the lowest long-term unenhanced debt rating assigned by any Rating Agency to any Parity Bond. In the event of a split rating (*i.e.*, the Rating of one of the foregoing Rating Agencies is at a different Level than the Rating of any other Rating Agency), the Commitment Fee Rate shall be based upon the Level in which the lower of the two highest Ratings appears; *provided, however*, that if only two Rating Agencies are then rating Parity Bonds, the term “Rating” as used above shall mean the Level in which the lower of the two Ratings appears; *provided, further*, that, for purposes of this sentence only, any Rating that appears in a higher numbered Level than the Level in which a Rating of another Rating Agency appears shall be deemed to be a “lower” Rating for purposes of determining the Commitment Fee Rate. Any change in the Commitment Fee Rate resulting from a change in the Rating shall be and become effective as of and on the date of the announcement of the change in the Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies, and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Ratings in connection with the adoption of a “global” rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The District and the Bank acknowledge that as of the date hereof the Commitment Fee Rate is that specified above for Level 1. In the event that either (i) the Rating is suspended, withdrawn or otherwise unavailable from any Rating Agency or (ii) there shall have occurred and be continuing any Event of Default, in each such case the Commitment Fee Rate shall increase to the rate set forth in Level 6 *plus* 1.00% per annum (the “Fee Increase”); *provided, however*, that the Fee Increase shall not occur pursuant to clause (i) of this sentence if any such rating shall have been suspended, withdrawn or is otherwise unavailable by a Rating Agency due to the District’s failure to apply for such rating or failure to provide information to such Rating Agency, in each case as a result of such Rating Agency’s imposition or proposed imposition of conditions to issuing such rating with which the District cannot legally comply. The Commitment Fees shall be payable quarterly in arrears, together with interest on the Commitment Fees from the date payment is due until payment in full at the Default Rate. Such fee shall be payable in immediately available funds and computed on the basis of a 360-day year and the actual number of days elapsed.

Section 1.2. Purchase Demand Fees. Upon each purchase of Eligible Bonds, the District agrees to pay to the Bank a non-refundable purchase demand fee equal to \$300, payable without any requirement of notice or demand by the Bank on the day on which such purchase is made by the Bank.

Section 1.3. Transfer Fee. Upon each transfer of the Agreement in accordance with its terms or appointment of a successor Tender Agent under the Indenture, the District agrees to pay the Bank a non-refundable fee of \$2,500, and to reimburse the Bank for its actual costs and expenses associated with such transfer or appointment (including, without limitation, the reasonable fees and expenses of counsel to the Bank), payable on the date of such transfer or appointment.

Section 1.4. Amendment Fee. The District agrees to pay to the Bank on the date of each amendment, supplement, or modification to the Agreement (or any Related Document, the amendment, supplement or modification of which requires the consent of the Bank), a non-refundable fee equal to \$2,500, or such other fee as may be agreed to between the District and the Bank, plus, in each case, the reasonable fees and expenses of counsel to the Bank.

Section 1.5. Termination Fee. (a) Notwithstanding anything set forth herein or in the Agreement to the contrary, the District hereby agrees not to terminate the Agreement prior to the first anniversary of the date hereof, without the payment by the District to the Bank of a termination fee in an amount equal to the product of (i) the Commitment Fee Rate in effect pursuant to Section 1.1 hereof on the date of such termination, (ii) the Available Commitment in effect on the date hereof, and (iii) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including the first anniversary of the date hereof, and the denominator of which is 360. Notwithstanding any provisions of this Section to the contrary, the District will not be required to pay the Termination Fee (i) on the date on which any two of Moody's, S&P or Fitch shall have withdrawn the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank below "P-1," "A-1" and "F1," respectively, and thereafter for so long as such withdrawal or reduction shall be continuing or (ii) if the Bank submits to the District a request for payment of amounts payable pursuant to Section 2.9 of the Agreement.

(b) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the District agrees not to permanently reduce the Available Commitment under the Agreement prior to the first anniversary of the date hereof, without the payment by the District to the Bank of a reduction fee (the "*Reduction Fee*") in connection with each and every permanent reduction of the Available Commitment as set forth herein in an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of such reduction, (B) the difference between the Available Commitment prior to such reduction and the Available Commitment after such reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the first anniversary of the date hereof, and the denominator of which is 360; *provided* that no such Reduction Fee will be payable (i) in connection with permanent reductions of the Available Commitment as a result of scheduled mandatory redemptions of the Bonds pursuant to the Indenture, (ii) on the date on which any two of Moody's, S&P or Fitch shall have withdrawn the short-term credit rating of the Bank or lowered the short-term credit rating of the Bank or lowered the short-term credit rating of the

Bank below “P-1,” “A-1” and “F1,” respectively, and thereafter for so long as such withdrawal or reduction shall be continuing or (iii) if the Bank submits to the District a request for payment of amounts payable pursuant to Section 2.9 of the Agreement.

ARTICLE II. MISCELLANEOUS.

Section 2.1. Out-of-Pocket Expenses. The District shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank, the reasonable fees and disbursements of counsel to the Bank) all payable in accordance with this Second Amended and Restated Fee Agreement and Section 10.2(a) of the Agreement.

Section 2.2. Payment Account. As provided in the Agreement, all payments hereunder shall be made by means of wire transfer of funds to the Payment Account of the Bank.

Section 2.3. Amendments. No amendment to this Second Amended and Restated Fee Agreement shall become effective without the prior written consent of the District and the Bank.

Section 2.4. Governing Law. THIS SECOND AMENDED AND RESTATED FEE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK; *PROVIDED THAT THE AUTHORITY OF THE DISTRICT TO EXECUTE THIS SECOND AMENDED AND RESTATED FEE AGREEMENT AND THE DISTRICT’S OBLIGATIONS HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.*

Section 2.5. Counterparts. This Second Amended and Restated Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument.

Section 2.6. Severability. Any provision of this Second Amended and Restated Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 2.7. Amendment and Restatement. This Second Amended and Restated Fee Agreement shall become effective on the date first written above and shall supersede all provisions of the Amended and Restated Fee Agreement dated November 1, 2016 (the “Original Fee Agreement”), between the District and the Bank. From and after the date first written above, all references made to the Original Fee Agreement in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Second Amended and Restated Fee Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amended and Restated Fee Agreement to be duly executed and delivered by their respective officers thereunto duly authorized on the date first set forth above.

EAST BAY MUNICIPAL UTILITY DISTRICT

By: _____

Name: Sophia Skoda

Title: Director of Finance

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____

Name: Mary Lou Lopez

Title: Vice President

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: October 22, 2019

MEMO TO: Board of Directors

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

SUBJECT: Upcoming Long-Term Financial Stability Related Activities

SUMMARY

As part of the District's Long-Term Financial Stability Strategic Plan goal, the District is undertaking a series of interlinked activities. This memo provides information about these activities and their anticipated timelines. These Long-Term Financial Stability related activities include reevaluation of the Water System Capacity Charge (SCC), evaluation of the possibility of collecting the fixed component of the water charges as a fee on the property tax bill, and a review of other possible changes to the water rate structure that could be pursued in the near future. The timing and details of these activities are being coordinated with several related projects at the District including the Water System Demand Study, 2020 Urban Water Management Plan Update, Advanced Metering Infrastructure Project, State Department of Water Resources Indoor and Outdoor Water Use Standards, a future Water Bill Redesign effort and customer affordability. A schedule for these activities is attached.

DISCUSSION

One of the District's six Strategic Plan goals is Long-Term Financial Stability. Since 2014, staff has conducted eight Board workshops addressing the District's efforts in this area. A key component of achieving the Long-Term Financial Stability goal is implementing rates and charges that are legal, fair, reasonable and equitable. The District establishes its rates and charges based on cost-of-service principles and periodically updates the cost-of-service studies to ensure rates and charges reflect current financial, customer, operating and capital information.

Water Rate Activities**SCC Update Study**

During the workshops for Fiscal Year (FY) 2020 and 2021 water rates, the Board directed staff to complete an update of the Water System SCC during FY20 to consider recent changes in customer water use, which is a key component in the determination of the SCC. The District issued a Request for Proposals for a consultant study of the SCC and selected Stantec Consulting Services to perform the study. Because the study cost is under \$80,000, the contract was executed under the General Manager's authority. A presentation on the preliminary approach and results is

planned for March 2020. The results of the study will then be presented to the Board in May 2020 and incorporated into the FY21 rate proposal.

The SCC is assessed based on a customer's expected average annual consumption, expressed in gallons per day (gpd), and the SCC region of the new connection. The SCC was first established in 1983 as a means of assessing new water connections an appropriate share of the costs of water distribution capital improvements within the seven SCC regions of the District. Initially, the SCC was designed to recover only the incremental costs of the improvements needed to serve new development. In 2007, the then-seven SCC regions were consolidated into three regions, and the methodology was revised to include a buy-in component so that new customers contributed to the cost of the existing system-wide and regional water system facilities rather than only paying for the cost of incremental facilities constructed to serve new customers. Since 2007, the District has increased the SCC every year to reflect costs of additional facilities, construction cost escalation, financing costs and revised estimated costs to complete the Future Water Supply projects. During the FY20/21 rate setting process, the Board held SCCs unchanged pending the completion of the SCC update study. In FY20, the District will complete a water demand study and complete much of the water supply modeling for the 2020 Urban Water Management Plan (see below). These documents will provide water consumption information to support an update of the SCC methodology for Board discussion and consideration in 2020.

Fixed Charge as Fee on Property Tax Bill

District staff has identified a handful of water agencies in California that currently collect a fixed water charge as a fee on the property tax bill. This concept first came to staff's attention during research on customer affordability. Removing Water System fixed charges from the bimonthly water bill could provide up to a 100 percent volume-based water bill, excluding any wastewater treatment or satellite wastewater collection charges. For low-water use customers, the fixed portion of the current water bill is a substantial portion of the bill that cannot be reduced with lower consumption. This fixed charge can be an issue for low-income customers. To support revenue stability for the District, a proposal to simply eliminate fixed charges and incorporate all costs into a 100 percent variable charge is not financially prudent. Therefore, staff has been researching the placement of a fixed charge as a fee on the property tax bill. There are several challenges with this proposal including identifying the legal authority, establishing the nexus to property owners, cost-of-service justifications, and logistical issues. At the May 2020 Board workshop, staff will present findings and seek further direction from the Board.

Discussion of Other Near-Term Changes to Water Rates

In addition to the SCC update and research on placing Water System fixed charges as a fee on the property tax bill, staff plans to present several other possible near-term water rate changes to the Board for further consideration at the May 2020 Board workshop. As required by state law, the District's rate structure must be supported by a cost-of-service study, and therefore, any changes to the current rate structure would require an update to the cost-of-service study. The rate structure changes would dictate the extent of an update to the cost-of-service study. For example,

a switch to water budget-based rates would require a completely different approach to the cost-of-service study; a change to the single-family residential breakpoints might be accomplished with only an update to the current cost-of-service study. At the May 2020 Board workshop, staff will present a range of options for the Board to consider and then develop a plan for any necessary cost-of-service updates in FY21.

Related District Projects

Water System Demand Study

The 2050 Water System Demand Study utilizes a water demand model that forecasts water demands using future forecasts of housing units and building square footage obtained from local land use agencies, the Association of Bay Area Governments, and Plan Bay Area. This is a more detailed approach than was employed for the prior 2040 Water System Demand Study. The new water demand model also accounts for the effects that climate, socioeconomics, property characteristics, and drought-related demand management strategies have on forecasted water demand. District staff is developing the 2050 water demand forecast as part of the 2050 Water System Demand Study that will be used in the District's Need-for-Water analysis in support of completing the District's 2020 Urban Water Management Plan.

The 2050 Water System Demand Study will be integral to the SCC Update Study for establishing overall system water use to calculate the SCC per gallon unit charge, and the water use assumed for new connections. In the February 2020 Long-Term Water Supply (LTWS) Board workshop, the results of the study and application to the SCC update will be presented and discussed. The study findings will also be included in the District's long-term financial planning scenarios.

2020 Urban Water Management Plan Update

The District is required by the California Water Code to update and adopt an Urban Water Management Plan (UWMP) and submit a completed plan to the Department of Water Resources every five years. The UWMP provides an assessment of the District's water supply and demand, an overview of its recycled water and conservation programs and the District's Water Shortage Contingency Plan (WSCP). The UWMP is part of the District's long-term planning to ensure water supply reliability for District customers, especially during drought periods. The District led a series of internal stakeholder meetings from July 2018 through June 2019 to gather information on components of the Need-for-Water analysis in support of the 2020 UWMP. The UWMP will also model various scenarios related to the water supply assessment. The initial modeling work is expected to be completed by February 2020.

As part of the water supply assessment, the UWMP update will identify the new water supply projects needed to meet the water demand for new and current customers. The UWMP Need-for-Water analysis will be the basis for the incremental component of the SCC for future water supply. This analysis will determine the allocation of the cost of the projects to new customers.

Advanced Metering Infrastructure Project

The District's current Advanced Metering Infrastructure (AMI) project, also known as the Phase I AMI project, includes two studies with \$1.25 million in grants from the United States Bureau of Reclamation and the Pacific Gas and Electric Company. The studies will quantify the water and energy savings for customers that receive real-time water consumption data from an AMI system. The Phase I AMI project includes 13,000 customer accounts distributed throughout the service area. Construction of the Phase I AMI project has been completed and testing will be completed in the fall. Following testing of the AMI system and one year of operation, the District will evaluate the business case for a District-wide AMI project. By January 2020, the District plans to advertise a Request for Proposals for professional services related to the business case study. The business case study is expected to be complete by the FY22/23 budget cycle. Staff will provide an update on the status of the project during the February 2020 LTWS Board workshop.

The results of the AMI project may allow for changes to the District's water rates structure in several ways. More detailed water use information could be used to update the customer use patterns in the water cost-of-service study including the allocation of costs to the single-family water tiered rates. In addition, the deployment of AMI throughout the District would be a key consideration in review of water-budget based rates. Water budgets would be more useful, if customers had information on their real-time water use in comparison to their water budgets, which would adjust with changing weather conditions. Currently, customers are only informed of their water use once every two months.

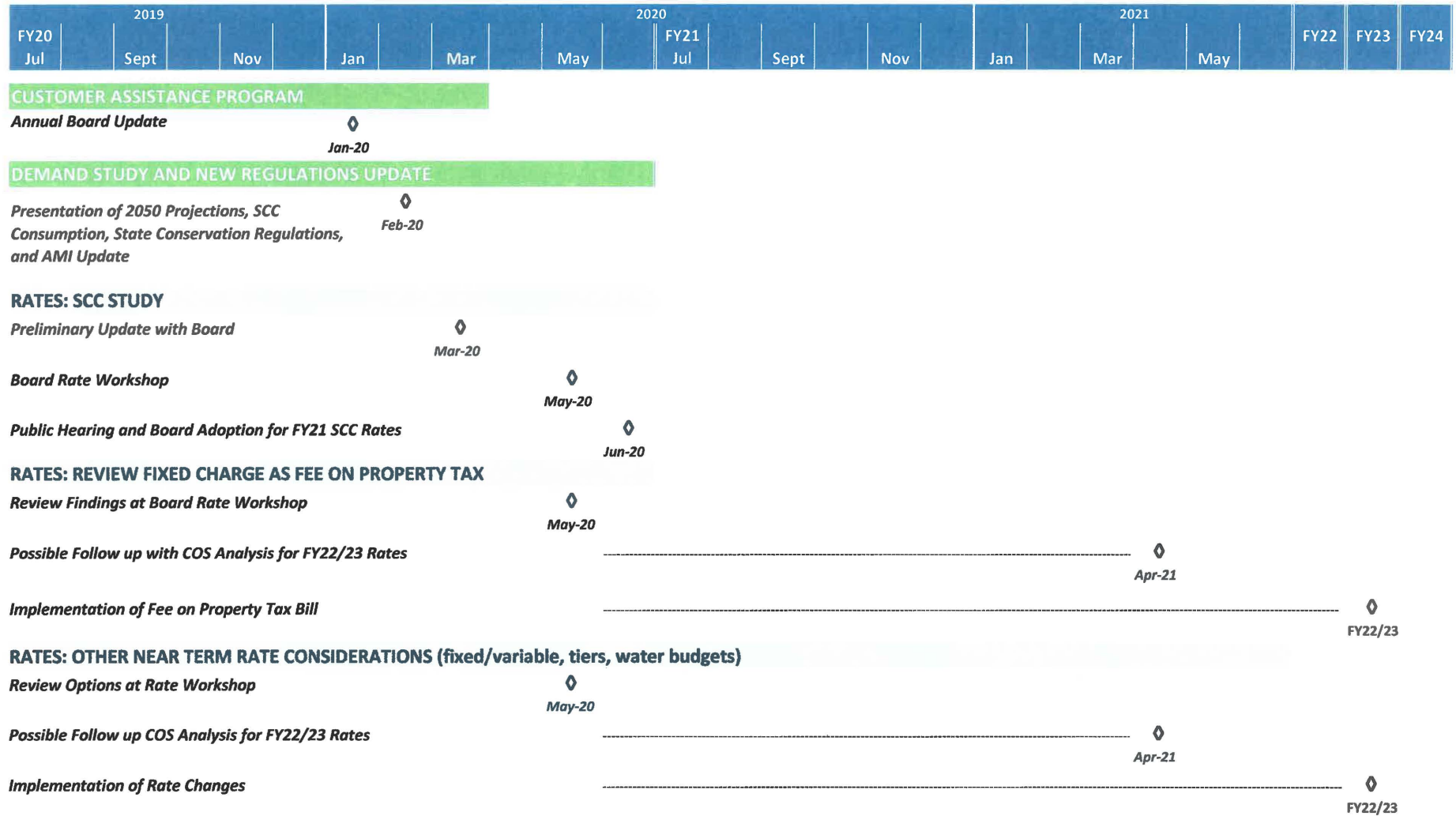
Other District Activities

There are several other District activities connected to water rates and Long-Term Financial Stability. The District continues to look at customer affordability. In January 2020, staff is planning to provide the Board an update on current affordability efforts, including review of Customer Assistance Program (CAP) progress and outreach efforts with Berkeley, Oakland, and Emeryville regarding a CAP component for the cities' wastewater collection charges. Staff will also examine the affordability impacts of the proposal to put a Water System fixed charge as a fee on the property tax bill. As part of new legislation, the Department of Water Resources and the State Water Resources Control Board are creating new urban efficiency standards for indoor use, outdoor use, and water lost to leaks, as well as any appropriate variances for unique local conditions. The outdoor water use standard will be based on land cover, climate, and other factors determined by the Department of Water Resources and the State Water Resources Control Board. The District is closely monitoring these efforts and will include the latest information in the February 2020 LTWS Board workshop.

ARC:SDS:rl

Attachment


FY20-FY21 LONG TERM FINANCIAL STABILITY RELATED ACTIVITIES




EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: October 17, 2019

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager 

FROM: Kelly A. Zito, Special Assistant to the General Manager 

SUBJECT: EBMUD/EBRPD Liaison Committee Minutes – September 13, 2019

The EBMUD/EBRPD Liaison Committee meeting was called to order by EBRPD Director Dee Rosario at 9:21 a.m. on September 13, 2019 in the Rose Room of the Redwood Canyon Golf Course in Castro Valley.

EBRPD Directors Dee Rosario, Dennis Waespi and Beverly Lane were present at roll call. EBRPD staff present included General Manager Robert E. Doyle, Deputy General Manager Dr. Ana M. Alvarez, Chief of Police/Assistant General Manager of Public Safety Anthony Ciaburro, Assistant General Manager of Operations Jim O'Connor, Acting Business Services Manager Tiffany Margulici, Assistant Finance Officer Jeff Rasmussen, Acting Supervisor of Lake Chabot Park Matt Slagle, Office Assistant Alisa Kim, and Confidential Secretary Monique Salas.

EBMUD Director Frank Mellon was present at roll call. EBMUD Director Doug Linney was absent. EBMUD Director Andy Katz was absent (excused). EBMUD staff present included General Manager Alexander R. Coate, Director of Engineering and Construction Xavier J. Irias, Director of Operations and Maintenance Clifford C. Chan, Director of Water and Natural Resources Michael T. Tognolini, Manager of Maintenance and Construction/Water Operations David A. Briggs, Manager of Regulatory Compliance David M. Woodard, Manager of Environmental Compliance Chandra R. Johannesson, Manager of Watershed and Recreation Scott D. Hill, Associate Civil Engineer Emily L. Sing, Senior Civil Engineer Christopher K. Potter, and Special Assistant to the General Manager Kelly A. Zito.

Members of the public attending: AFSCME Local 2428 representative Alisa Kim, Touchstone Golf Chief Executive Officer Steve Harker, and Touchstone Golf Regional Manager James Birchall.

Public Comment: None.

Bayfair, Peralta South Pumping Plants Project Update (EBMUD): Associate Civil Engineer Emily L. Sing provided an overview of the Bayfair, Peralta and South Pumping Plants project. The pumping plants are distribution facilities located adjacent to Lake Chabot Regional Park and the West Shore Trail, which is operated by EBRPD. To improve water service reliability and seismic resilience, EBMUD will demolish the Bayfair Pumping Plant and rebuild it to the west

of the Hayward Fault Zone. EBMUD will also replace a pipeline along Estudillo Avenue between MacArthur Boulevard and the Bayfair Pumping Plant. Because they are no longer needed for operations, Peralta and South pumping plants will be demolished. Demolition and construction will take place between October 2019 and August 2021.

Some questions arose about the visibility of the pumping plants. Emily L. Sing explained that the pumping plants are visible but not extremely noticeable. EBMUD Director Frank Mellon suggested painting the structures with a paint color that will mesh with the natural surroundings and make them less noticeable. There was also discussion of public access to the site during construction and demolition. Access to Lake Chabot Regional Park and the West Shore Trail will be maintained for the majority of the construction period with the exception of two one-month closures of the Chabot Park Bridge to vehicular traffic (one scheduled in winter of 2019/2020 and one in winter of 2020/2021) to complete pipeline construction. Pedestrian entry will be permitted during the closures. EBMUD and EBRPD will continue to work together to ensure the public is aware of the temporary closures via signage and notifications.

Redwood Canyon Golf Course Reservoir Release Management and Coordination

(EBMUD): EBMUD Manager of Maintenance and Construction/Water Operations David A. Briggs provided an update on efforts to manage releases from Upper San Leandro Reservoir via San Leandro Creek. Because of limited creek hydraulic capacity, releases during wet years can impact operations at Redwood Canyon Golf Course by creating standing water on fairways adjacent to the creek. EBRPD and Touchstone Golf (the golf course operator) have removed debris, brush and fallen trees from the creek to increase flow capacity and reduce flooding. In addition, EBRPD has received grant funding from the Federal Emergency Management Agency to replace bridge crossings and restore channel capacity to 175 cubic feet per second (cfs), which is significantly higher than the current 70 cfs.

EBRPD Director Beverly Lane asked about the depth and silting rate of Upper San Leandro Reservoir. David A. Briggs explained that EBMUD has not completed any comprehensive studies on this subject but does have recent survey data. EBMUD staff estimated that the reservoir has lost less than 5 percent capacity in the last 100 years. Regarding creek bed silting, EBMUD Director Frank Mellon noted that dredged silt can be repurposed for use on the golf course.

EBRPD General Manager Robert E. Doyle expressed appreciation for ongoing communications and coordination between EBMUD, EBRPD and the golf course. With climate change and more extreme weather events, he highlighted the need for better storm tracking to help improve emergency preparation and water resource management.

David A. Briggs and EBMUD General Manager Alexander R. Coate explained the work EBMUD is doing with the state and others on a high-definition radar pilot that aims to gather more real-time storm intensity and trajectory data, which will help inform water operations and improve coordination with stakeholders downstream of EBMUD's local reservoirs. EBMUD staff offered to share this information with EBRPD at a later date.

Integrated Pest Management Program Update (IPM) (EBMUD/EBRPD): EBMUD Manager of Environmental Compliance Chandra R. Johannesson provided an overview of the range of pest control issues and strategies utilized on 57,000 acres of local and upcountry EBMUD watershed lands, rights-of-way and operations and administrative facilities. A recent third-party review confirmed that EBMUD is implementing its IPM program well; the review also recommended several enhancements, including increased training, improved records management and better communication with the public. In 2018 and 2019, EBMUD made significant progress in implementing the recommendations, including holding IPM training for about 90 staff, finalizing decision documents for about 400 EBMUD sites, developing brochures for field staff to provide to the public and hosting a series of public meetings in Oakland, Stockton, Valley Springs, and Walnut Creek.

EBRPD Deputy General Manager Dr. Ana M. Alvarez provided an overview of EBRPD's IPM program, including the recent decision to phase out use of the pesticide glyphosate in all developed park areas by the end of 2020. As EBRPD begins to prepare its next budget, staff is looking at creating IPM-specific plans for sites with high visitor volume. EBRPD expects the phasing out of glyphosate will take substantial financial resources; EBRPD is studying glyphosate use and alternatives used by other government agencies.

Watershed Fuel Management (EBMUD): EBMUD Manager of Watershed and Recreation Scott D. Hill provided an update on EBMUD's vegetation management strategies, including EBMUD's practice of using low-intensity controlled burns to eliminate fuels and promote biodiversity. He explained EBMUD's formation of 33 fire management units across 29,000 acres of watershed from Pinole to Castro Valley. By understanding the geographic features, resources and habitats in each unit, EBMUD can more effectively contain wildfires.

Mr. Hill also discussed EBMUD's involvement in the state's planned 14-mile long 1,515-acre fuel break along the northern watershed/urban interface known as the North Orinda Shaded Fuel Break. So far, crews have cleared about 650 acres. Questions arose about the word "shaded" in the project title. He explained that in a shaded fuel break, crews thin the understory and leave the canopy intact, which reduces sunlight reaching ground level. This prevents soil disturbance and erosion. Questions were raised about EBMUD fire crews' training; Mr. Hill confirmed that EBMUD crews are trained to CalFIRE's "red card" level.

EBRPD General Manager Robert E. Doyle highlighted the hiring of EBRPD's first youth crew dedicated to fuel management. The crew works out of Fire Station 2 in Redwood Canyon; he hopes to grow the crew into a larger operation over time.

Next meeting: The Committee discussed the potential for a January meeting and including an agenda item on PG&E's Public Safety Power Shutoffs.

Adjournment: EBRPD Director Dee Rosario adjourned the meeting at 11:02 a.m.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: October 17, 2019

MEMO TO: Board of Directors

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

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

SUBJECT: Planning Committee Minutes – October 8, 2019

Chair Doug Linney called to order the Planning Committee at 9:45 a.m. in the Training Resource Center. Directors Lesa R. McIntosh and Frank Mellon were present at roll call. Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Director of Wastewater Eileen M. White, Director of Engineering and Construction Xavier J. Irias, Manager of Wastewater Treatment Maura A. Bonnarens, Special Assistant to the General Manager Kelly A. Zito, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Wet Weather Program Management Update. Manager of Wastewater Treatment Maura A. Bonnarens presented an update on wet weather operations during the 2018/2019 season and plans to ensure all regulatory requirements are met during the 2019/2020 season. During the 2018/2019 wet weather season, there were no sanitary sewer overflows from the District's interceptor system and one pH violation at the San Antonio Creek wet weather facility on February 13, 2019. All other regulatory requirements were met at the Main Wastewater Treatment Plant (MWWTP) and the District's three wet weather facilities. Ms. Bonnarens reviewed the various trainings and equipment exercises implemented to ensure staff and facilities are ready during significant storm events and highlighted the annual Wet Weather Program Readiness Report. The report is required by the San Francisco Regional Water Quality Control Board and was submitted on September 30. To ensure ongoing staff and facility readiness, plans are in place to continue conducting monthly training for operators, identifying projects that maximize treatment ability and improve reliability at the MWWTP, and offering training to additional staff on operating wet weather facilities during storm events. Eric Larsen, President, AFSCME Local 444, commented the union supports and appreciates the enhanced training for operators. Ms. Bonnarens responded to Committee questions regarding current operator staffing levels and current community college programs for treatment operators.

Electrical Engineering Support. Director of Engineering and Construction Xavier J. Irias presented an update on the District's ongoing efforts to recruit electrical engineers and information on a proposal for interim electrical engineering support services. Mr. Irias reviewed the current electrical engineering staff levels and vacancies; recent recruitment initiatives and approaches; and long-term goals for electrical engineering support at the District. To provide continued electrical engineering support and to allow sufficient time to fill vacancies and rebuild in-house expertise, staff will present two agreements for Board consideration at its meeting in the afternoon – one for electrical engineering planning, design, and field support services for the Camanche and Pardee Powerhouse facilities and one for ongoing operations and maintenance of

water operations facilities. Staff anticipates needing these agreements for up to two years starting in October 2019. The District will continue its efforts to recruit and fill electrical engineer vacancies through interdepartmental coordination and by implementing new initiatives to improve recruitment. Addressing the Committee was Justin Young, 1st Vice President, AFSCME Local 2019, who commented the union opposes the two agreements and spoke about the long-term solutions for recruiting electrical engineers including a review of the job classification's current salary schedule. Mr. Irias responded to Committee questions regarding the amount of overtime hours and costs incurred by electrical engineers; the onsite, after hour licensing classes for engineers; and the work to be performed by the consultants on the powerhouse facilities. The Committee requested information on overtime hours and costs incurred by electrical engineers across the District. It was moved by Director Mellon, seconded by Director McIntosh and unanimously carried (3-0) to support staff's recommendation.

Adjournment. Chair Linney adjourned the meeting at 10:28 a.m.

ARC/RSC

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: October 17, 2019

MEMO TO: Board of Directors

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

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

SUBJECT: Legislative/Human Resources Committee Minutes – October 8, 2019

Chair John A. Coleman called to order the Legislative/Human Resources Committee at 10:32 a.m. in the Training Resource Center. Directors Lesa R. McIntosh and William B. Patterson were present at roll call. Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Human Resources Laura A. Acosta, Diversity and Inclusion Officer Dorian West Blair, Special Assistant to the General Manager Kelly A. Zito, and Secretary of the District Rischa S. Cole.

Public Comment. None.

Quarterly Update on Diversity and Inclusion (D&I) Action-Oriented Programs and Outreach.

Diversity and Inclusion Officer Dorian West Blair presented an update on the programs and outreach/recruitment efforts outlined in the District's Fiscal Year (FY) 2019 D&I Program. The last update was provided on July 9. Ms. West Blair reported staff has developed the scope for a D&I Master Plan which will be used to better inform the goals, strategies, objectives and key performance indicators in the District's Strategic Plan. A request for proposals will be issued by November for a consultant to assist with developing the plan. Staff evaluated the Technical Trades Apprenticeship Program pilot, which launched in January 2019, and based on the findings, identified areas for improvement and potential program alternatives. The Diversity Committee, which launched in February 2019, finalized the charters and staffing for three subcommittees that will focus on three diversity goals for FY20: developing an annual outreach event strategy/calendar; developing content and resources explaining the Civil Service process; and recommending District test preparation materials. Next, she reviewed the test preparation classes developed in partnership with Laney College, outreach events and activities, and the status of various District internship programs. Staff is currently developing internship programs for the Industrial Maintenance Machinist/Mechanic and Ranger classifications and is leveraging the District's Engineering Aide program to assist with electrical engineering recruitment efforts. Additional upcoming activities include developing the FY20 D&I Program and reviewing the interim report recommendations from the women in trades environmental scan. Ms. West Blair responded to Committee questions regarding the findings from the Technical Trades Apprenticeship Program pilot. The Committee thanked staff for the information and their work on the various programs. The Committee asked to review the D&I Master Plan scope at an upcoming Legislative/Human Resources Committee meeting once a consultant is selected.

Adjournment. Chair Coleman adjourned the meeting at 10:56 a.m.

ARC/RSC

