



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

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA  
Tuesday, February 10, 2015**

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

**ROLL CALL:**

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

**ANNOUNCEMENT OF CLOSED SESSION AGENDA:**

1. Existing litigation pursuant to Government Code section 54956.9(d)(1):

- a. *Ivette Rivera v. East Bay Municipal Utility District, et al.*  
USDC, N.D. Cal., Case No. C 15-0380

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

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

**ROLL CALL:**

**BOARD OF DIRECTORS:**

- Pledge of Allegiance
- Present Former Director Katy Foulkes with 20 year certificate and BOD/Congress resolutions
- Present an award to the District from the Society for Protective Coatings for the District's Mokelumne Aqueduct Phase 8 Recoating-Slough Crossing Project

**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)

1. Approve the Regular Meeting Minutes of January 27, 2015.
2. File correspondence with the Board.
3. Award contracts to the lowest responsive/responsible bidders Cemex, CM Excavating Inc., S&S Trucking (DBA SN Sands) and Haver Transport in a total annual amount, after the addition of taxes, not to exceed \$2,233,739 for supplying backfill materials to locations throughout the District for 3 years, beginning on or after February 11, 2015 with 2 options to renew for an additional 1-year period for a total cost of \$11,168,695 under Request for Quotation No. 1507.
4. Authorize renewal of an agreement with Dynamic Systems Inc. (Dynamic) beginning on or after April 1, 2015 in an amount not to exceed \$43,000 annually for Oracle (Sun Microsystems) equipment hardware and software maintenance at the Administration Building in Oakland for three years for a total cost of \$129,000. The additional \$129,000 will increase the total cost for Dynamic's services under the agreement to \$178,000.
5. Authorize agreements beginning on or after February 11, 2015 with Bay Area Traffic Solutions Inc., TPR Traffic Solutions, YCAT-C, CMC Traffic Control Specialists, Traffic Management, Western Traffic Supply, Inc. and Cal-Safety Inc. in an amount not to exceed \$280,000 annually for flagging services for two years with three options to renew for additional one-year periods for a total cost of \$1,400,000.
6. Authorize an agreement beginning on or after February 10, 2015 with Monterey Mechanical Company in an amount not to exceed \$147,000 for the Administration Building Cooling Tower Recycled Water Piping Project.
7. Authorize the Office of General Counsel to continue employment of the law firm of Barg, Coffin, Lewis & Trapp, LLP, for specialized legal services related to environmental regulatory matters and environmental litigation.
8. Authorize the Office of General Counsel to continue the employment of the law firm of Liebert Cassidy Whitmore for specialized legal services related to labor and employment matters.
9. Adopt the 2015 Affirmative Action Programs.

**DETERMINATION AND DISCUSSION:**

10. Legislative Update:
  - Receive Legislative Report No. 01-15 and consider positions on the following bills: Bill No. TBD (Hancock) Legislation to Eliminate the 2015 Sunset Date on EBMUD's Lien Authority for Delinquent Water and Wastewater Charges; AB 1 (Brown) Drought: Local Government: Fines; AB 149 (Chavez) Urban Water Management Plans; SB 20 (Pavley) Wells: Reports: Public Availability; S. 176 (Boxer) Water in the 21<sup>st</sup> Century Act; and H.R. 291 (Napolitano) Water in the 21<sup>st</sup> Century Act.
  - Update on Legislative Issues of Interest to EBMUD

**DETERMINATION AND DISCUSSION:** (Continued)

11. General Manager's Report:
- Water Supply Update
  - 2015 Water Shortage Emergency Action Plan Update
  - Monthly Report – January 2015

**REPORTS AND DIRECTOR COMMENTS:**

12. Committee Reports:
- Finance/Administration
  - Planning
  - Legislative/Human Resources
13. Director Comments.

**ADJOURNMENT:**

*The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, February 24, 2015 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.*

**Disability Notice**

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

**Document Availability**

*Materials related to an item on this Agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11<sup>th</sup> Street, Oakland, California, during normal business hours.*

## BOARD CALENDAR

Date	Meeting	Time/Location	Topics
<b>Tuesday, February 10</b>	<b>Planning Committee</b> McIntosh {Chair}, Linney, Young	<b>9:00 a.m.</b> Training Resource Center	<ul style="list-style-type: none"> <li>• Leland Reservoir Replacement Project Update</li> <li>• Provision of Water Service Within and Outside of the Service Area</li> <li>• Consent Decree Implementation Update</li> <li>• 2014 Mokelumne Fall-Run Chinook Salmon Returns</li> <li>• 2014 California Groundwater Legislation</li> </ul>
	<b>Legislative/Human Resources Committee</b> Coleman {Chair}, McIntosh, Patterson	<b>10:30 a.m.</b> Training Resource Center	<ul style="list-style-type: none"> <li>• 2015 Affirmative Action Programs</li> <li>• Legislative Report No. 01-15</li> </ul>
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>• Closed Session</li> <li>• Regular Meeting</li> </ul>
<b>Thursday, February 12</b>	<b>Lincoln's Birthday Holiday</b>		<ul style="list-style-type: none"> <li>• District Offices Closed</li> </ul>
<b>Monday, February 16</b>	<b>President's Day Holiday</b>		<ul style="list-style-type: none"> <li>• District Offices Closed</li> </ul>
<b>Tuesday, February 24</b>	<b>Sustainability/Energy Committee</b> Katz {Chair}, Linney, Young	8:30 a.m. Training Resource Center	
	<b>Finance/Administration Committee</b> Patterson {Chair}, Katz, Young	9:15 a.m. Training Resource Center	
	<b>Long-Term Water Supply Workshop</b>	10:00 a.m. Training Resource Center	
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>• Closed Session</li> <li>• Regular Meeting</li> </ul>
<b>Tuesday, March 10</b>	<b>Planning Committee</b> McIntosh {Chair}, Linney, Young	9:15 a.m. Training Resource Center	<ul style="list-style-type: none"> <li>•</li> </ul>
	<b>Legislative/Human Resources Committee</b> Coleman {Chair}, McIntosh, Patterson	10:15 a.m. Training Resource Center	
	<b>Board of Directors</b>	11:00 a.m. 1:15 p.m.	<ul style="list-style-type: none"> <li>• Closed Session</li> <li>• Regular Meeting</li> </ul>



**MINUTES**

**Tuesday, January 27, 2015**

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

**Regular Closed Session Meeting**

President Frank Mellon called to order the Regular Closed Session Meeting of the Board of Directors at 11:04 a.m. in the Administration Center Board Room.

**ROLL CALL**

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

Staff present included General Manager Alexander R. Coate (Item 1) and General Counsel Jylana Collins.

**PUBLIC COMMENT**

There was no public comment.

**ANNOUNCEMENT OF CLOSED SESSION AGENDA**

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

**Regular Business Meeting**

President Frank Mellon called to order the Regular Business Meeting of the Board of Directors at 1:18 p.m. in the Administration Center Board Room.

**ROLL CALL**

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

**BOARD OF DIRECTORS**

President Mellon led the Pledge of Allegiance.

**2015 Committee Assignments**

President Mellon announced modifications to the memorandum regarding 2015 Committee Assignments (placed Director Linney on Planning; Director Patterson on Finance/Administration as chair; and Director Katz on EBMUD/EBRPD Liaison).

- Motion by Director McIntosh, seconded by Director Coleman, to approve the 2015 Committee Assignments (as modified), carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).

**Motion No. 010-15** -- Approved the following 2015 Board Committee assignments:

**Planning**

Director McIntosh, Chair  
Director Linney  
Director Young

*2<sup>nd</sup> Tuesday of the month at 9:15 a.m.*  
Administration Center Building  
Training Resource Center, 2<sup>nd</sup> Floor

**Legislative/Human Resources**

Director Coleman, Chair  
Director McIntosh  
Director Patterson

*2<sup>nd</sup> Tuesday of the month at 10:15 a.m.*  
Administration Center Building  
Training Resource Center, 2<sup>nd</sup> Floor

**Finance/Administration**

Director Patterson, Chair  
Director Katz  
Director Young

*4<sup>th</sup> Tuesday of the month at 10:00 a.m.*  
Administration Center Building  
Training Resource Center, 2<sup>nd</sup> Floor

**Sustainability/Energy**

Director Katz, Chair  
Director Linney  
Director Young

*Meets quarterly on 4<sup>th</sup> Tuesday*

**DSRSD/EBMUD Recycled  
Water Authority (DERWA)**

Director Coleman  
President Mellon  
Director Young, Alternate

*4<sup>th</sup> Monday of even calendar months at 6:00 p.m.*  
Contact: Linda H. Hu, 287-1691

**Freeport Regional Water Authority**

Director Coleman  
Director Patterson  
Director Linney, Alternate

*2<sup>nd</sup> Thursday at 10:00 a.m. on a quarterly basis,  
with locations to be announced*

**Retirement Board**

President Mellon  
Director Young

*3<sup>rd</sup> Thursday odd numbered months at 8:30 a.m.*  
Administration Center Building  
Training Resource Center, 2<sup>nd</sup> Floor

**Upper Mokelumne River Watershed  
Authority**

Director Coleman  
Director Patterson  
Director Katz, Alternate  
Director McIntosh, Alternate

*4<sup>th</sup> Friday, quarterly at 1:30 p.m.*  
McLean Hall, Pardee Center

**Business Forum (Ad Hoc)**

Director Patterson, Chair  
Director McIntosh  
President Mellon  
Director Coleman, Alternate

*Meeting dates, times, and location to be determined*

**EBMUD/EBRPD Liaison**

Director Linney  
Director Katz  
Director Young, Alternate  
President Mellon, Alternate

*Meeting dates, times, and location to be determined*

**Oakland Chamber of Commerce**

Director Patterson  
Director Linney, Alternate  
Director Young, Alternate

**Special Districts Association of Alameda County/Special Districts Selection Committee**

President Mellon  
Director Katz, Alternate

**Special Districts Association of Contra Costa County**

Director McIntosh  
Director Young, Alternate

**PRESENTATION**

President Mellon presented Director Andy Katz a plaque in recognition of his leadership as President of the Board in 2013 and 2014.

**ANNOUNCEMENTS FROM CLOSED SESSION**

There were no announcements required from closed session.

**PUBLIC COMMENT**

Addressing the Board were the following persons: 1) Brian Blum, resident of Berkeley, commented that the water rate structure is regressive and suggested that EBMUD implement a structure which reduces fixed costs and increases variable costs to encourage conservation; and 2) Cheryl Franklin, representing AFSCME Local 444, suggested that the District provide instructions to staff on how to report water theft. General Manager Coate reported that a presentation on water theft was given to the Finance/Administration Committee and said that staff would notify employees on how to report instances of water theft.

**CONSENT CALENDAR**

- Items 1 and 9 were removed from the Consent Calendar for separate discussion.
  - Motion by Director Linney, seconded by Director Coleman, to approve Items 2-8 on the Consent Calendar, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 016-15** -- Approved the Special and Regular Meeting Minutes of January 13, 2015.
    - Director Young pulled the Regular Meeting Minutes of January 13 to note a correction to the bill number referenced in the Legislative Report (AB 42 should read AB 142).
    - Motion by Director Young, seconded by Director Linney, to approve the minutes as amended, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAIN (None); ABSENT (None).
  2. The following correspondence was filed with the Board: 1) Memorandum dated January 27, 2015 to Board of Directors, from Frank Mellon, President, regarding 2015 Committee Assignments; and 2) Presentation entitled "Water Supply Update," dated January 27, 2015.
  3. **Motion No. 011-15** -- Awarded a contract to the lowest responsive/responsible bidder Univar USA, Inc. in an annual amount, after the addition of taxes, of \$591,500 for supplying bulk liquid lime for the Pardee Chemical Plant for one year, beginning on or after February 1, 2015 with four options to renew for an additional one-year period for a total cost of not to exceed \$2,957,500 under Request for Quotation No. 1505.
  4. **Motion No. 012-15** -- Authorized an agreement beginning on or after January 28, 2015 with Schaaf & Wheeler Consulting Civil Engineers in an amount not to exceed \$830,349 for the design of the Pump Station Q Force Main/Gravity Interceptor Reverse Flow Project and the Urban Runoff Diversion Project.
  5. **Motion No. 013-15** -- Authorized an increase to the contract with the University Corporation at Monterey Bay for a bathymetric survey of Upper San Leandro and Briones Reservoirs from \$45,000 to a not-to-exceed amount of \$120,000 through September 30, 2015.
  6. **Motion No. 014-15** -- Authorized renewal of an agreement with DataBank IMX LLC beginning on or after January 28, 2015 in an amount not to exceed \$8,500 annually for services to maintain OnBase software for the District's Human Resources document management system for one year with four options to renew for an additional one-year period for a total cost of \$42,500. The additional \$42,500 will increase the total cost for DataBank's services under the agreement to \$70,000.
  7. **Motion No. 015-15** -- Amended the Pardee Reservoir Recreation Area Concession

Management Contract with Pardee Lake Recreation, Inc. to extend the contract by an additional year and to adjust fees and other elements to account for an abbreviated 2015 season resulting from planned construction.

8. **Resolution No. 34022-15** -- Authorize Application To The U.S. Bureau Of Reclamation To Include The Podva Residential Development Annexation In The District's Central Valley Project Contractor Service Area.
9. **Resolution No. 34023-15** -- Appointing Clifford Chan As Operations And Maintenance Department Manager (Maintenance and Construction Department).
  - Director Mellon pulled Item 9 to recognize Mr. Chan. Board members congratulated Mr. Chan on his appointment and he thanked the Board for the opportunity.
  - Motion by Director Mellon, seconded by Director Linney, to approve the recommended action for Item 9, carried (7-0) by the following voice vote: AYES (Coleman, Katz, Linney, McIntosh, Patterson, Young, and Mellon); NOES (None); ABSTAINED (None); ABSENT (None).

#### **DETERMINATION AND DISCUSSION**

##### 10. **Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine reported that Assemblyman Frank Bigelow and Senator Tom Berryhill introduced AB 142 that centers on Wild and Scenic designation for the Mokelumne River. There are no official positions yet but staff will keep the Board apprised as more information becomes available on this measure. President Mellon requested that staff provide the Board with a copy of the bill. Next, Ms. Dumaine provided a brief update on federal legislation related to the drought.

President Mellon announced his schedule of meetings with Sacramento legislators. He asked Board members interested in participating in these meetings to confirm with Secretary Lewis.

##### 11. **General Manager's Report.**

Operations and Maintenance Department Manager Eileen M. White presented the water supply update. She reported that since the last briefing there has been no rainfall and January 2015 is tracking to be the driest January on record. Customer demand is 36 million gallons per day less than last year and total system storage is 54 percent. California's overall water supply is significantly below average and state water allocations are expected in late February. In concluding, Ms. White reviewed the water supply schedule of activities for Water Year 2015 which will conclude in late April with the Water Supply Availability and Deficiency Report and consideration of approval of using Freeport water. Staff will continue updating the Board.

General Manager Coate reported that staff provided copies of the 2015 Water Shortage Emergency Action Plan Update along with a memorandum that outlines the approach for recording regular EBMUD Board Meetings. The Board raised no questions.

## **REPORTS AND DIRECTOR COMMENTS**

### **12. Committee Reports.**

- Filed with the Board were the Minutes of the January 13, 2015 Legislative/Human Resources Committee.

### **13. Director Comments.**

- Director Coleman reported attending/participating in the following events: Bay Planning Coalition dinner on January 14 in Long Beach; ACWA meeting on January 15 in Los Angeles; ACWA Executive Committee teleconference meeting on January 20 in Oakland; EBMUD/East Bay Leadership Council dinner on January 22 in Concord; Upper Mokelumne River Water Authority (UMRWA) Board meeting on January 23 at Pardee; and ACWA Executive Committee teleconference meeting on January 26. He reported his plans to attend/participate in the following upcoming events: EBMUD presentation for Save Mt. Diablo Executive Council meeting on January 28 in Walnut Creek; ACWA strategic planning meeting on January 29 in Sacramento; ACWA Board meetings on January 30 in Sacramento; ACWA Executive Committee meeting on February 2 in Oakland; and ACWA Executive Committee meeting on February 9 in Oakland.
- Director Katz reported attending/participating in the following events: Alameda County Mayors' Conference on January 14 in Fremont, and the Green California Conference on January 20 in Sacramento.
- Director Linney commented on constituent concerns about water bills. General Manager Coate said staff would provide an information memo summarizing issues related to renters who have concerns about what they are charged for water.
- Director McIntosh reported attending/participating in the following events: ACWA Region 5 Board meeting on January 8; Richmond Chamber of Commerce 2015 installation dinner on January 23; and San Pablo Chamber of Commerce 2015 installation dinner. She asked Secretary Lewis to provide her with a regular reminder of upcoming meetings of the Special Districts Association of Contra Costa County.
- Director Patterson reported on his attendance at the Peralta Community College District's 50th year celebration.
- Director Young reported taking a tour of the District's upcountry facilities including the fish hatchery and Pardee and attending the UMRWA Board meeting as a guest on January 23.

- President Mellon reported on attending/participating in the following events: Alameda County Special Districts meeting on January 14 in Castro Valley; Alameda County Mayors' Conference on January 15 in Fremont; EBMUD Retirement Board meeting on January 15 in Oakland; Castro Valley Kiwanis Club on January 26; and Contra Costa Special Districts Association on January 26 in Martinez. He announced his schedule of meetings with local and state officials and asked Secretary Lewis to provide a copy to all Board members.

Board members thanked and congratulated General Counsel Jylana Collins on her retirement and years of service to the District.

### **ADJOURNMENT**

President Mellon adjourned the meeting at 2:05 p.m.

SUBMITTED BY:

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Lynelle M. Lewis, Secretary of the District

APPROVED: February 10, 2015

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Frank Mellon, President of the Board

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AGENDA NO.  
MEETING DATE

3.  
February 10, 2015

TITLE BACKFILL MATERIAL

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Award contracts to the lowest responsive/responsible bidders Cemex, CM Excavating Inc., S&S Trucking (DBA SN Sands) and Haver Transport in a total annual amount, after the addition of taxes, not to exceed \$2,233,739 for supplying backfill materials to locations throughout the District for 3 years, beginning on or after February 11, 2015 with 2 options to renew for an additional 1-year period for a total cost of \$11,168,695 under Request for Quotation (RFQ) No. 1507.

**SUMMARY**

Backfill material (rock and sand) is used to replace soils in trenches for new and replacement pipeline services. The District is not committed to purchase the material described in the contracts; purchases will be made to meet actual District needs and may exceed or fall below the estimated quantities. Quantities estimated in the RFQ are based on historical usage and departmental input.

**DISCUSSION**

Purchasing backfill material on a volume basis, using multi-year contracts with a pool of vendors, has proven to be cost-effective for the District. Additionally, in certain cases the District's backfill demands may exceed the vendor's capacity for a particular order. In this case having multiple vendors under contract provides the District with backup suppliers in the event that the primary supplier is unable to deliver the required quantities within the contractual timeframe.

**SERVICE PROVIDER/CONSULTANT/VENDOR SELECTION**

Requests for quotations were sent to three resource organizations and to 223 potential proposers.

**CONTRACT EQUITY PROGRAM EFFORTS**

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

Funds Available: FY15		Budget Code: VAR/VAR
DEPARTMENT SUBMITTING  Finance	DEPARTMENT MANAGER or DIRECTOR   Eric L. Sandler	APPROVED   General Manager

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

## **FISCAL IMPACT**

This expenditure has been included in the FY15 budget.

## **UNION NOTIFICATION**

Union notification is not necessary for materials purchases.

## **ALTERNATIVES**

**Purchase material on the open market on an “as needed” basis.** This alternative is not recommended because a multi-year contract supports consistent pricing based on volume usage and guarantees material availability and product quality. Also, open market competition on a per order basis may be too slow to meet daily requirements.

**Conduct a competitive bid process annually.** This alternative is not recommended due to the cost of competition for both the District and the vendor community. Multiple year vendor relationships also position the suppliers and District staff to learn job site techniques and establish processes that over time increase efficiency and overall productivity.

## **Attachments**

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



## CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

<b>TITLE</b> <b>Materials &amp; Supplies</b> <b>Quotation #: 1507 - Backfill Material - 3-Year Contract with 2 One-Year Renewal Options</b>							<b>DATE:</b> <p style="text-align: right; font-size: 1.2em;">January 9, 2015</p>					
<b>CONTRACTOR:</b>				<b>PERCENTAGE OF CONTRACT DOLLARS</b>								
Various				<b>Availability Group</b>			<b>Contracting Objectives</b>		<b>Participation</b>			
<b>BID/PROPOSER'S PRICE:</b>		<b>FIRM'S OWNERSHIP</b>		<b>White Men</b>			<b>25%</b>		<b>10.6%</b>			
		<b>Ethnicity</b>	<b>Gender</b>	<b>White Women</b>			<b>2%</b>		<b>0.0%</b>			
\$2,233,739 *		See P-61		<b>Ethnic Minorities</b>			<b>25%</b>		<b>88.4%</b>			
<b>CONTRACT EQUITY PARTICIPATION</b>												
<b>COMPANY NAME</b>		<b>ESTIMATED AMOUNT</b>	<b>ETHNICITY</b>	<b>GENDER</b>		<b>CONTRACTING PARTICIPATION</b>						
				<b>M</b>	<b>W</b>	<b>White-Men</b>	<b>White-Women</b>	<b>Ethnic Minorities</b>	<b>Unclassified</b>	<b>Publicly Held Corp.</b>	<b>Gov't/Non Profit</b>	<b>Foreign</b>
<b>PRIME:</b> Cemex Construction Materials Pacific, LLC		\$27,782	White	X		1.1%	---	---	---	---	---	---
C M Excavating, Inc.		\$231,173	White	X		9.5%	---	---	---	---	---	---
S&S Trucking		\$1,817,824	Hispanic	X		---	---	81.4%	---	---	---	---
Haver Transport		\$156,960	Asian		X	---	---	7.0%	---	---	---	---
<b>TOTAL</b>		<b>\$2,233,739</b>				<b>10.6%</b>	<b>0.0%</b>	<b>88.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)</b>												
			<b>White Men</b>		<b>White Women</b>		<b>Ethnic Minorities</b>		<b>Total Employees</b>			
<b>No. of Employees:</b>			See P-61									
<b>Percent of Total Employees:</b>												
<b>MSA Labor Market %:</b>												
<b>MSA Labor Market Location:</b>												
<b>COMMENTS</b>												
<b>Contract Equity Participation - 10.6% White Men participation and 88.4% Ethnic Minority participation</b>  *Total not to exceed \$11,168,695.												
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>				
NA				NA								





## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Quotation #: 1507 - Backfill Material - 3-Year Contract with 2 One-Year Renewal Options</b>		Ethnic Minority Percentages From U.S. Census Data							
		B	H	A/PI	AI/AN	TOTAL			
		National	10.5	10.7	3.7	0.7	27.3		
		9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9		
		Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2		
<b>Materials &amp; Supplies Award</b>	DATE: 1/9/2015	<b>Number of Ethnic Minority Employees</b>							
R=Recomm P=Prime S=Sub	Composition of Ownership								
Company Name, Owner/Contact Person, Address, and Phone Number		B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	<b>WM</b>	<b>Company Wide</b>	1,230	2,438	97	61	3,826	39.3%	27.2%
Cemex Construction Materials Pacific, Inc. Carl Watson, Jr. 5180 Golden Foothills Parkway El Dorado Hills, CA 95762  925-426-8787		Manager/Prof	64	333	38	7	442	24.6%	
		Technical/Sales	32	84	6	5	127	21.1%	
		Clerical/Skilled	1,069	1,796	48	43	2,956	43.7%	
		Semi/Unskilled	65	225	5	6	301	53.2%	
		<b>Bay Area</b>	-	-	-	-	-	-	0.0%
		AA Plan on File:	NA		Date of last contract with District:		3/28/2014		
		Co. Wide MSA:	<b>Total USA</b>		# Employees-Co. Wide:		9,727	Bay Area:	
RP	<b>WM - LBE</b>	<b>Company Wide</b>	-	3	-	2	5	55.6%	38.5%
C M Excavating, Inc. Charley McDowell 3121 Morgan Territory Rd. Clayton, CA 94517  925-250-8718		Manager/Prof	-	1	-	-	1	100.0%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	-	-	-	-	-	NA	
		Semi/Unskilled	-	2	-	2	4	50.0%	
		<b>Bay Area</b>	-	-	-	-	0	0.0%	39.9%
		Co. Wide MSA:	<b>Contra Costa</b>		# Employees-Co. Wide:		9	Bay Area:	
RP	<b>EMM:H - L/SBE</b>	<b>Company Wide</b>	3	11	2	1	17	50.0%	47.8%
S&S Trucking Steve Navarro 477 Roland Way Oakland, CA 94621  510-383-3556		Manager/Prof	-	2	-	-	2	66.7%	
		Technical/Sales	-	2	-	-	2	28.6%	
		Clerical/Skilled	-	4	2	1	7	63.6%	
		Semi/Unskilled	3	3	-	-	6	46.2%	
		<b>Bay Area</b>	3	11	2	1	17	50.0%	39.9%
		Co. Wide MSA:	<b>Oakland</b>		# Employees-Co. Wide:		34	Bay Area:	
RP	<b>EMW: A/PI - L/SBE</b>	<b>Company Wide</b>	-	-	4	-	4	100.0%	38.5%
Haver Transport Navneet Bal 47 Via Puerta Dr. Pittsburg, CA 94565  925-786-4371		Manager/Prof	-	-	1	-	1	100.0%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	-	-	3	-	3	100.0%	
		Semi/Unskilled	-	-	-	-	-	NA	
		<b>Bay Area</b>	-	-	4	-	4	100.0%	39.9%
		Co. Wide MSA:	<b>Contra Costa</b>		# Employees-Co. Wide:		4	Bay Area:	
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		Co. Wide MSA:							
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		Co. Wide MSA:							
		# Employees-Co. Wide:					Bay Area:		

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



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Quotation #: 1507 - Backfill Material - 3-Year Contract with 2 One-Year Renewal Options</b>		Ethnic Minority Percentages From U.S. Census Data							
				B	H	A/PI	AI/AN	TOTAL	
		National		10.5	10.7	3.7	0.7	27.3	
<b>Materials &amp; Supplies Award</b>		DATE: 1/9/2015	<b>9 Bay Area Counties</b>		5.5	16.2	14.2	0.4	39.9
			<b>Alameda/CC Counties</b>		10.7	15.6	15.4	0.5	46.2
R=Recommd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
P	<b>WW - SBE</b>	<b>Company Wide</b>	-	3	32	-	35	52.2%	39.9%
Cutler Trucking, Inc., dba R & S Trucking Sharon Cutler 1688 Almar Parkway Santa Rosa, CA 95403  707-571-8820		Manager/Prof	-	-	-	-	0	0.0%	
		Technical/Sales	-	-	-	-	0	0.0%	
		Clerical/Skilled	-	-	-	-	0	0.0%	
		Semi/Unskilled	-	3	32	-	35	106.1%	
		<b>Bay Area</b>	-	3	32	-	35	52.2%	39.9%
		<b>Co. Wide MSA:</b>	<b>9 Bay Area Counties</b>		<b># Employees-Co. Wide:</b>		<b>67</b>	<b>Bay Area:</b>	<b>67</b>
P	<b>WM</b>	<b>Company Wide</b>	8	77	11	4	100	30.5%	39.9%
Syar Industries, Inc. James Syar 2301 Napa Vallejo Highway Napa, CA 94558  707-252-8711		Manager/Prof	-	2	1	-	3	5.2%	
		Technical/Sales	-	1	1	-	2	13.3%	
		Clerical/Skilled	3	13	5	2	23	21.5%	
		Semi/Unskilled	5	61	4	2	72	48.6%	
		<b>Bay Area</b>	-	-	-	-	0	0.0%	39.9%
		<b>Co. Wide MSA:</b>	<b>9 Bay Area Counties</b>		<b># Employees-Co. Wide:</b>		<b>328</b>	<b>Bay Area:</b>	<b>328</b>
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		<b>Co. Wide MSA:</b>			<b># Employees-Co. Wide:</b>			<b>Bay Area:</b>	
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		<b>Co. Wide MSA:</b>			<b># Employees-Co. Wide:</b>			<b>Bay Area:</b>	
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		<b>Co. Wide MSA:</b>			<b># Employees-Co. Wide:</b>			<b>Bay Area:</b>	

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



AGENDA NO.  
MEETING DATE

4.

February 10, 2015

TITLE ORACLE SERVERS MAINTENANCE

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Authorize renewal of an agreement with Dynamic Systems Inc. (Dynamic) beginning on or after April 1, 2015 in an amount not to exceed \$43,000 annually for Oracle (Sun Microsystems) equipment hardware and software maintenance at the Administration Building in Oakland for three years for a total cost of \$129,000. The additional \$129,000 will increase the total cost for Dynamic’s services under the agreement to \$178,000.

**SUMMARY**

This agreement provides hardware and software maintenance pursuant to the terms of the State of California eServer Contract, for all Oracle and Sun Microsystems servers and peripheral equipment supporting the District’s business critical databases and applications. These servers host all of the Oracle databases, the CIS database and applications, and myriad other core business systems. This coverage includes 25 critical servers, some of which are 10 years old.

**DISCUSSION**

The Oracle (Sun Microsystems) servers are housing all business critical Oracle databases and related applications supporting Customer Watch, Electronic Timesheet System, Asset and Infrastructure Management, PeopleSoft, DOX and other systems. The maintenance agreement provides support from the manufacturer for hardware failure or operating system software faults. The District relies on these business systems and this hardware and software maintenance support is required in order to respond to system issues.

**SERVICE PROVIDER SELECTION**

Public Contract Code, Section 10298, specifically allows agencies such as EBMUD to purchase directly from or use state awarded contracts without pursuing separate competitive bidding. The state has an existing contract with Dynamic Systems Inc. (State Contract # 1-12-70-15B) whom we have used in the past and are very satisfied with their service, price, and performance. Use of the state contract is

Funds Available: FY 15		Budget Code: WSO/252/8547/5312	
DEPARTMENT SUBMITTING <u>Information Systems</u>	DEPARTMENT MANAGER or DIRECTOR  Nicholas J. Irias	APPROVED  General Manager	

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

advantageous to the District as the state is able to obtain better pricing, levels of service, and terms than the District could obtain on its own.

### **CONTRACT EQUITY PROGRAM EFFORTS**

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

### **FISCAL IMPACT**

Funds are available for this work in the FY15 operating budget.

### **ALTERNATIVE**

**Do not renew hardware and software maintenance for Oracle servers.** This alternative is not recommended because of these servers are hosting all the critical business applications which are required to be available on a daily basis. Additionally, some of the older equipment can only be maintained and supported by the manufacturer.

### **Attachments**

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary





## CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

<b>TITLE</b> <i>Professional Services Agreement</i> Oracle Servers Maintenance - One Year Contract with 2 One-Year Renewal Options						<b>DATE:</b> January 26, 2015						
<b>CONTRACTOR:</b>				<b>PERCENTAGE OF CONTRACT DOLLARS</b>								
Dynamic Systems Inc. El Segundo, CA		State Contract Award/ Small Business		Availability Group		Contracting Objectives		Participation				
<b>BID/PROPOSER'S PRICE:</b>		<b>FIRM'S OWNERSHIP</b>		White Men		25%		0.0%				
		Ethnicity	Gender	White Women		6%		100.0%				
\$43,000 *		White	Women	Ethnic Minorities		25%		0.0%				
<b>CONTRACT EQUITY PARTICIPATION</b>												
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
<b>PRIME:</b> Dynamic Systems Inc.		\$43,000	White		X	---	100.0%	---	---	---	---	---
<b>SUBS:</b> None						---	---	---	---	---	---	---
<b>TOTAL</b>		\$43,000				0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)</b>												
		White Men		White Women		Ethnic Minorities		Total Employees				
<b>No. of Employees:</b>		21		20		7		48				
<b>Percent of Total Employees:</b>		43.8%		41.7%		14.6%						
<b>MSA Labor Market %:</b>		39.0%		33.7%		27.2%						
<b>MSA Labor Market Location:</b>		Total USA										
<b>COMMENTS</b>												
<i>Contract Equity Participation - 100% White Women participation and no subcontract opportunities exist</i>												
*Total not to exceed \$129,000.												
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>				
NA				NA								



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Oracle Servers Maintenance - One Year Contract with 2 One-Year Renewal Options</b>		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
<b>Professional Services Agreement</b>		DATE: 1/26/2015							
			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	WW - SBE	Company Wide	1	2	3	-	6	12.5%	27.2%
Dynamic Systems Inc. 124 Maryland Street El Segundo, CA 90245  310-337-4400		Manager/Prof	-	-	2	-	2	8.3%	
		Technical/Sales	-	1	-	-	1	11.1%	
		Clerical/Skilled	1	1	1	-	3	20.0%	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	-	-	-	-	0	0.0%	39.9%
		AA Plan on File:	NA		Date of last contract with District:		2/1/2015		
		Co. Wide MSA:	Total USA		# Employees-Co. Wide:		48 Bay Area: 2		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
		# Employees-Co. Wide:							
		Bay Area:							
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
		# Employees-Co. Wide:							
		Bay Area:							
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
		# Employees-Co. Wide:							
		Bay Area:							
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:							
		# Employees-Co. Wide:							
		Bay Area:							

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



AGENDA NO. 5.  
 MEETING DATE February 10, 2015

TITLE FLAGGING SERVICES

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Authorize agreements beginning on or after February 11, 2015 with Bay Area Traffic Solutions Inc., TPR Traffic Solutions, YCAT-C, CMC Traffic Control Specialists, Traffic Management, Western Traffic Supply, Inc. and Cal-Safety Inc. in an amount not to exceed \$280,000 annually for flagging services for two years with three options to renew for additional one-year periods for a total cost of \$1,400,000. In awarding this contract, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

**SUMMARY**

Flagging services are used to augment District forces in the repair and replacement of the District's distribution pipeline system and repair of District facilities. Emergencies, unplanned work, temporary programs, seasonal variations in demand, and personnel vacancies require that the District use these services throughout the service area to augment District staff. Rentals are hourly, and rates established by vendors vary from \$50 to \$60 per hour.

**DISCUSSION**

The District uses flagging services on an as-needed basis and due to increasingly stringent permit requirements, the use of these services has increased significantly in the last two years. Flagging expenses were approximately \$100,000 in fiscal year 2013 and \$220,000 in fiscal year 2014. The firms listed will be issued purchase orders to cover job requirements, and work will be competed on a job-by-job basis.

As the District is able to identify additional companies who meet District standards and offer pricing at or below the range described in the current proposed contracts, to increase flexibility and ensure vendor availability, the District will also consider awarding contracts to those currently unidentified contractors, pursuant to this recommendation.

**SERVICE PROVIDER SELECTION**

The District reviewed 45 vendors within its database for these services, but only those listed provide this particular service and met the District's minimum performance requirements. These requirements included the ability to provide multiple crews on one day's notice.

Funds Available: FY15/16		Budget Code: Various/Various	
DEPARTMENT SUBMITTING <u>Operations and Maintenance</u>	DEPARTMENT MANAGER or DIRECTOR  Michael J. Wallis	APPROVED  General Manager	

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

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.

### **CONTRACT EQUITY PROGRAM EFFORTS**

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

### **FISCAL IMPACT**

Funds are available for this work in the FY15 budget.

### **UNION NOTIFICATION**

Local 444 was notified of this agreement on December 16, 2014 and again on January 8, 2015 and did not raise any specific issues related to this contract.

### **ALTERNATIVE**

**Add staff and equipment to reduce the need for services.** The District will evaluate the addition of staff and equipment as part of the FY16/17 budget considerations; however, supplementing in-house capabilities with rentals will still be needed due to the nature of the work, which may require concurrent use of flaggers for multi-day assignments, as well as the need to address emergencies and seasonal peak workloads. Should the need for flagging services diminish, these contracts present no obligation on the part of the District to continue to purchase these services.

### **Attachments**

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



# CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

<b>TITLE</b> <b>General Services Agreement</b> Flagging Services - Two-Year Contract with 3 One-Year Renewal Options	<b>DATE:</b> January 7, 2015
--	---------------------------------

CONTRACTOR:	PERCENTAGE OF CONTRACT DOLLARS		
Various	Availability Group	Contracting Objectives	Participation
<b>BID/PROPOSER'S PRICE:</b> \$280,000/year *	<b>FIRM'S OWNERSHIP</b>		White Men
	Ethnicity	Gender	White Women
	See P-61		Ethnic Minorities

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
			<b>PRIMES:</b>								
Bay Area Traffic Solutions, Inc.	\$40,000	Hispanic	X		---	---	14.3%	---	---	---	---
Yolanda's Construction Administration & Traffic Control	\$40,000	Black		X	---	---	14.3%	---	---	---	---
CMC Traffic Control Specialists	\$40,000	White		X	---	14.3%	---	---	---	---	---
Cal Safety, Inc.	\$40,000	White		X	---	14.3%	---	---	---	---	---
TPR Traffic Solutions	\$40,000	White	X		14.3%	---	---	---	---	---	---
Traffic Management	\$40,000	Hispanic	X		---	---	14.3%	---	---	---	---
Western Traffic Supply, Inc.	\$40,000	Hispanic,	X		---	---	14.3%	---	---	---	---
<b>TOTAL</b>	<b>\$280,000</b>				<b>14.3%</b>	<b>28.6%</b>	<b>57.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)				
	White Men	White Women	Ethnic Minorities	Total Employees
<b>No. of Employees:</b>	See P-61			
<b>Percent of Total Employees:</b>				
<b>MSA Labor Market %:</b>				
<b>MSA Labor Market Location:</b>				

**COMMENTS**

**Contract Equity Participation** - 14.3% White Men participation, 28.6% White Women participation and 57.1% Ethnic Minority participation.

\*Total not to exceed \$1,400,000.

<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>	<b>Good Faith Outreach Efforts Requirement Satisfied</b>	<b>Award Approval Recommended</b>
NA	NA	





## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Flagging Services - Two-Year Contract with 3 One-Year Renewal Options</b>		Ethnic Minority Percentages From U.S. Census Data								
			B	H	A/PI	AI/AN				TOTAL
General Services Agreement		DATE:								
		1/7/2015								
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	<b>EMM:H - L/SBE</b>		<b>Company Wide</b>	6	159	8	-	173	81.2%	53.9%
Bay Area Traffic Solutions Rafael DeLa Cruz, Jr. 44800 Industrial Dr Fremont, CA 94538  510-657-2543			Manager/Prof	-	6	-	-	6	85.7%	
			Technical/Sales	-	-	-	-	-	NA	
			Clerical/Skilled	1	9	2	-	12	70.6%	
			Semi/Unskilled	5	144	6	-	155	82.0%	
			<b>Bay Area</b>	6	159	8	-	173	81.2%	39.9%
AA Plan on File:			NA		Date of last contract with District:		8/11/2014			
Co. Wide MSA:			Alameda		# Employees-Co. Wide:		213	Bay Area:	213	
RP	<b>EMW:B - SBE</b>		<b>Company Wide</b>	12	-	-	-	12	100.0%	39.9%
Yolanda's Construction Administration & Traffic Control Yolanda Jones 230 Newhall St San Francisco, CA 94124  415-647-2682			Manager/Prof	2	-	-	-	2	100.0%	
			Technical/Sales	-	-	-	-	-	NA	
			Clerical/Skilled	6	-	-	-	6	100.0%	
			Semi/Unskilled	4	-	-	-	4	100.0%	
			<b>Bay Area</b>	12	-	-	-	12	100.0%	39.9%
Co. Wide MSA:			9 Bay Area Counties		# Employees-Co. Wide:		12	Bay Area:	12	
RP	<b>WW - SBE</b>		<b>Company Wide</b>	5	25	1	-	31	86.1%	48.3%
CMC Traffic Control Specialists Crystal Miks 3450 Third St, 3G San Francisco, CA 94124  415-206-1700			Manager/Prof	-	1	1	-	2	33.3%	
			Technical/Sales	-	-	-	-	-	NA	
			Clerical/Skilled	-	-	-	-	-	NA	
			Semi/Unskilled	5	24	-	-	29	96.7%	
			<b>Bay Area</b>	-	-	-	-	-	0.0%	39.9%
Co. Wide MSA:			San Francisco		# Employees-Co. Wide:		36	Bay Area:	36	
RP	<b>WW - L/SBE</b>		<b>Company Wide</b>	1	10	1	1	13	54.2%	47.8%
Cal Safety, Inc. Carmel Karrick P.O. Box 1901 Fremont, CA 94538  510-656-5544			Manager/Prof	-	-	-	-	0	0.0%	
			Technical/Sales	-	-	-	-	-	NA	
			Clerical/Skilled	-	-	-	1	1	50.0%	
			Semi/Unskilled	1	10	1	-	12	60.0%	
			<b>Bay Area</b>	-	-	-	-	0	0.0%	39.9%
Co. Wide MSA:			Oakland		# Employees-Co. Wide:		24	Bay Area:	24	
RP	<b>WM - LBE</b>		<b>Company Wide</b>	6	1	-	-	7	70.0%	27.2%
TPR Traffic Solutions Perella Weinberg Partners 564 143rd Ave San Leandro, CA 94578  855-351-1114			Manager/Prof	1	-	-	-	1	100.0%	
			Technical/Sales	1	-	-	-	1	50.0%	
			Clerical/Skilled	4	1	-	-	5	71.4%	
			Semi/Unskilled	-	-	-	-	-	NA	
			<b>Bay Area</b>	6	1	-	-	7	70.0%	39.9%
Co. Wide MSA:			Total USA		# Employees-Co. Wide:		10	Bay Area:	10	
RP	<b>EMM:H</b>		<b>Company Wide</b>	78	144	13	-	235	55.8%	48.4%
Traffic Management, Inc. Christopher Spano 2435 Lemon Ave Signal Hill, CA 90755  562-264-2238			Manager/Prof	5	4	1	-	10	16.1%	
			Technical/Sales	-	2	2	-	4	13.3%	
			Clerical/Skilled	2	2	4	-	8	13.8%	
			Semi/Unskilled	71	136	10	-	217	80.1%	
			<b>Bay Area</b>	78	144	13	-	235	55.8%	39.9%
Co. Wide MSA:			California		# Employees-Co. Wide:		421	Bay Area:	421	

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



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Flagging Services - Two-Year Contract with 3 One-Year Renewal Options</b>		Ethnic Minority Percentages From U.S. Census Data									
				B	H	A/PI	AI/AN	TOTAL			
		National		10.5	10.7	3.7	0.7	27.3			
General Services Agreement		DATE:	9 Bay Area Counties		5.5	16.2	14.2	0.4	39.9		
		1/7/2015	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 - L/SBE	Company Wide	-	5	-	-	5	71.4%	53.9%		
Western Traffic Supply, Inc. Edward Ibanez 3942 Valley Ave, Unit M Pleasanton, CA 94566  925-249-1854		Manager/Prof	-	1	-	-	1	100.0%			
		Technical/Sales	-	-	-	-	-	NA			
		Clerical/Skilled	-	1	-	-	1	33.3%			
		Semi/Unskilled	-	3	-	-	3	100.0%			
		Bay Area	-	5	-	-	5	71.4%			39.9%
		Co. Wide MSA:	Alameda		# Employees-Co. Wide:		7	Bay Area:		7	
		Company Wide					0	0.0%			
		Manager/Prof					0	0.0%			
		Technical/Sales					-	NA			
		Clerical/Skilled					0	0.0%			
		Semi/Unskilled					0	0.0%			
		Bay Area					0	0.0%			39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:						
		Company Wide					0	0.0%			
		Manager/Prof					0	0.0%			
		Technical/Sales					-	NA			
		Clerical/Skilled					0	0.0%			
		Semi/Unskilled					0	0.0%			
		Bay Area					0	0.0%			39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:						
		Company Wide					0	0.0%			
		Manager/Prof					0	0.0%			
		Technical/Sales					-	NA			
		Clerical/Skilled					0	0.0%			
		Semi/Unskilled					0	0.0%			
		Bay Area					0	0.0%			39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:						
		Company Wide					0	0.0%			
		Manager/Prof					0	0.0%			
		Technical/Sales					-	NA			
		Clerical/Skilled					0	0.0%			
		Semi/Unskilled					0	0.0%			
		Bay Area					0	0.0%			39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:						
		Company Wide					0	0.0%			
		Manager/Prof					0	0.0%			
		Technical/Sales					-	NA			
		Clerical/Skilled					0	0.0%			
		Semi/Unskilled					0	0.0%			
		Bay Area					0	0.0%			39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:						

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





AGENDA NO. 6.  
 MEETING DATE February 10, 2015

TITLE ADMINISTRATION BUILDING COOLING TOWER RECYCLED WATER PIPING PROJECT

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Authorize an agreement beginning on or after February 10, 2015 with Monterey Mechanical Company in an amount not to exceed \$147,000 for the Administration Building (AB) Cooling Tower Recycled Water Piping Project. In awarding this contract, the Board of Directors finds that this work cannot be satisfactorily performed under civil service.

**SUMMARY**

This contract includes the purchase and installation of a new 3-inch Chlorinated Polyvinyl Chloride (CPVC) pipe in the AB to transport recycled water to the cooling towers on the roof. The recycled water will be used to offset the use of potable water for heating, ventilation, and air conditioning (HVAC) purposes.

**DISCUSSION**

Currently the AB uses approximately three million gallons of potable water a year. Of this water usage, 57 percent is used in two cooling towers which provide cooling to the building through evaporation.

The project will provide recycled water to the cooling towers on the roof. The recycled water will be mixed with potable water to manage water chemistry and will save approximately 330,000 gallons (11 percent of total usage) of potable water. Recycled water will be first used in the smaller of the two cooling towers. The second cooling tower will receive recycled water when it is replaced with equipment designed to accept the recycled water in FY18.

After the recycled water is used in both cooling towers, approximately 860,000 gallons per year or 29 percent of the building's potable water demand will be offset by recycled water. Greater potable water savings may be achieved in the future depending on the performance of the water treatment system and the cooling tower equipment.

This project will be the first of its kind in downtown Oakland. The results and lessons learned will be shared with customers in order to encourage our customers to implement similar projects.

Funds Available: FY15		Budget Code: WSC / 790 / 7999 / 2009463	
DEPARTMENT SUBMITTING  Operations & Maintenance	DEPARTMENT MANAGER or DIRECTOR  <i>Michael J. Wallis</i> Michael J. Wallis	APPROVED  <i>Stephanie R. Lewis</i> General Manager	

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

## **SERVICE PROVIDER SELECTION**

Requests for proposals (RFPs) were sent to 27 firms, including seven minority-owned firms, with expertise in commercial plumbing. In addition, the RFP package was posted on the District's website. Two firms submitted proposals with nearly identical pricing. Monterey Mechanical received the highest scores specifically for their extensive knowledge of the coordination required to implement the project.

## **CONTRACT EQUITY PROGRAM EFFORTS**

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

## **FISCAL IMPACT**

Funds are available in the FY15 capital budget for this project.

## **PREVAILING WAGE**

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

## **UNION NOTIFICATION**

Local 444 was notified of the contract on October 31, 2014 and did not raise any specific issues related to this contract.

## **CEQA/ENVIRONMENTAL COMPLIANCE**

This project will be installed internally to the District's Administration Building. Therefore, it was determined that no Environmental Impact Reports or Mitigated Negative Declarations were needed as there were no CEQA compliance issues.

## **ALTERNATIVES**

**Install system with District forces.** This alternative is not recommended as the District does not have the staff or resources to complete this project in the required timeline due to other higher priority projects. In addition, District forces do not routinely install riser pipes in multi-story commercial buildings.

**Do not install project.** This alternative is not recommended as the HVAC system is the largest user of potable water in the Administration Building. This project represents the most feasible manor of reducing potable water usage in the building.

Attachments

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



## CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

<b>TITLE</b> <b>General Services Agreement</b> <b>AB Cooling Tower Recycled Water Piping Project</b>						<b>DATE:</b> <p style="text-align: right;">December 22, 2014</p>					
<b>CONTRACTOR:</b>						<b>PERCENTAGE OF CONTRACT DOLLARS</b>					
Monterey Mechanical Company San Leandro, CA			Local Business			Availability Group		Contracting Objectives		Participation	
<b>BID/PROPOSER'S PRICE:</b>		<b>FIRM'S OWNERSHIP</b>				<b>White Men</b>		<b>25%</b>		<b>100.0%</b>	
		<b>Ethnicity</b>		<b>Gender</b>		<b>White Women</b>		<b>6%</b>		<b>0.0%</b>	
\$147,000		White		Men		<b>Ethnic Minorities</b>		<b>25%</b>		<b>0.0%</b>	
<b>CONTRACT EQUITY PARTICIPATION</b>											
<b>COMPANY NAME</b>		<b>ESTIMATED AMOUNT</b>	<b>ETHNICITY</b>	<b>GENDER</b>		<b>CONTRACTING PARTICIPATION</b>					
				<b>M</b>	<b>W</b>	<b>White-Men</b>	<b>White-Women</b>	<b>Ethnic Minorities</b>	<b>Unclassified</b>	<b>Publicly Held Corp.</b>	<b>Gov't/Non Profit</b>
<b>PRIME:</b>											
Monterey Mechanical Company		\$142,400	White	X		96.9%	--	--	--	--	--
<b>SUBS:</b>											
Jeffco Painting		\$3,500	White	X		2.4%	--	--	--	--	--
Concrete Wall Sawing		\$1,100	White	X		0.7%	--	--	--	--	--
<b>TOTAL</b>		\$147,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)</b>											
			<b>White Men</b>		<b>White Women</b>		<b>Ethnic Minorities</b>		<b>Total Employees</b>		
<b>No. of Employees:</b>			96		10		44		150		
<b>Percent of Total Employees:</b>			64.0%		6.7%		29.3%				
<b>MSA Labor Market %:</b>			24.5%		21.6%		53.9%				
<b>MSA Labor Market Location:</b>			Alameda County								
<b>COMMENTS</b>											
<i>Contract Equity Participation - 100% White Men participation</i>											
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>			
NA				YES							



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>AB Cooling Tower Recycled Water Piping Project</b>		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
<b>General Services Agreement</b>		DATE: 12/22/2014	National	10.5	10.7	3.7	0.7	27.3	
			9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2	
R=Recmmd P=Prime S=Sub	Composition of Ownership	<b>Number of Ethnic Minority Employees</b>							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	<b>WM - LBE</b>	<b>Company Wide</b>	6	27	4	1	38	25.3%	53.9%
Monterey Mechanical Company 8275 San Leandro St. Oakland, CA 94621  510-632-3173		Manager/Prof	-	1	1	1	3	13.0%	
		Technical/Sales	-	1	1	-	2	100.0%	
		Clerical/Skilled	3	15	2	-	20	26.7%	
		Semi/Unskilled	3	10	-	-	13	26.0%	
		<b>Bay Area</b>	6	27	4	1	38	25.3%	39.9%
		AA Plan on File: NA	Date of last contract with District: 6/4/2014						
		Co. Wide MSA: Alameda County	# Employees-Co. Wide: 150		Bay Area: 150				
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				
P	<b>WM - LBE</b>	<b>Company Wide</b>							
Berkeley Plumbing & Heating Co., Inc. 2160 Dwight Way Berkeley, CA 94704  510-841-0883		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				
		<b>Company Wide</b>							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		<b>Bay Area</b>							39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				

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



AGENDA NO.  
MEETING DATE

7.  
February 10, 2015

**TITLE** AUTHORIZE CONTINUED EMPLOYMENT OF BARG, COFFIN, LEWIS & TRAPP, LLP, FOR SPECIALIZED LEGAL SERVICES

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Authorize the Office of General Counsel to continue employment of the law firm of Barg, Coffin, Lewis & Trapp, LLP, for specialized legal services related to environmental regulatory matters and environmental litigation in an additional amount not to exceed \$100,000.00.

**DISCUSSION**

The firm of Barg, Coffin, Lewis & Trapp, LLP, has been retained to assist the Office of General Counsel in environmental regulatory and environmental litigation matters. The Office of General Counsel is now requesting authorization for additional funds for services described in a separate attorney-client confidential memorandum to the Board of Directors.

**CONTRACT EQUITY PROGRAM EFFORTS**

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

**FISCAL IMPACT**

Sufficient monies have been budgeted in the Office of General Counsel's budget for the fiscal year 2015 for this request for specialized legal assistance.

**Attachments**

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

Funds Available: FY 2015		Budget Code: WSO 130 8511 5231	
DEPARTMENT SUBMITTING <u>Office of General Counsel</u>	DEPARTMENT MANAGER or DIRECTOR <u>Craig S. Spencer</u> Craig S. Spencer, General Counsel	APPROVED <u>[Signature]</u> 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)

<b>TITLE</b> <b><i>Amendment to Professional Services Agreement</i></b> Authorize Continued Employment of Barg, Coffin, Lewis & Trapp, LLP, for Specialized Legal Services						<b>DATE:</b> January 28, 2015					
<b>CONTRACTOR:</b> Barg, Coffin, Lewis & Trapp, LLP San Francisco, CA				<b>PERCENTAGE OF CONTRACT DOLLARS</b>							
<b>BID/PROPOSER'S PRICE:</b> \$100,000		<b>FIRM'S OWNERSHIP</b> Ethnicity: White      Gender: Men		<b>White Men</b> 25%		<b>White Women</b> 6%		<b>Ethnic Minorities</b> 25%		<b>Participation</b> 100.0% 0.0% 0.0%	
<b>CONTRACT EQUITY PARTICIPATION</b>											
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
<b>PRIME:</b> Barg, Coffin, Lewis & Trapp, LLP	\$100,000	White	X		100.0%	---	---	---	---	---	---
<b>SUBS:</b> None					---	---	---	---	---	---	---
<b>TOTAL</b>		\$100,000			100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)</b>											
			White Men		White Women		Ethnic Minorities		Total Employees		
No. of Employees:			13		9		6		28		
Percent of Total Employees:			46.4%		32.1%		21.4%				
MSA Labor Market %:			30.8%		25.1%		44.0%				
MSA Labor Market Location:			San Francisco								
<b>COMMENTS</b>											
<i>Contract Equity Participation - 100% White Men participation.</i>											
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>			
NA				NA							



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Authorize Continued Employment of Barg, Coffin, Lewis &amp; Trapp, LLP, for Specialized Legal Services</b>		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
<b>Professional Services Agreement</b>		DATE: 1/28/2015	National	10.5	10.7	3.7	0.7	27.3	
			9 Bay Area Counties	5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties	10.7	15.6	15.4	0.5	46.2	
R=Recomm P=Prime S=Sub	Composition of Ownership	<b>Number of Ethnic Minority Employees</b>							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	WM	Company Wide	2	-	3	-	5	17.9%	44.0%
Barg, Coffin, Lewis & Trapp, LLP John F. Barg 350 California St San Francisco, CA 94104  415-228-5400		Manager/Prof	1	-	-	-	1	5.9%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	1	-	3	-	4	36.4%	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	1	-	3	-	4	14.3%	39.9%
		AA Plan on File:	NA	Date of last contract with District:			10/14/2014		
Co. Wide MSA:	San Francisco	# Employees-Co. Wide:			28 Bay Area: 28				
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
		Co. Wide MSA:			# Employees-Co. Wide:			Bay Area:	

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





AGENDA NO.  
MEETING DATE

8.  
February 10, 2015

**TITLE     AUTHORIZE CONTINUED EMPLOYMENT OF LIEBERT CASSIDY WHITMORE  
FOR SPECIALIZED LEGAL SERVICES**

MOTION                       RESOLUTION                       ORDINANCE

**RECOMMENDED ACTION**

Authorize the Office of General Counsel to continue the employment of the law firm of Liebert Cassidy Whitmore for specialized legal services related to labor and employment matters in an additional amount not to exceed \$80,000.

**DISCUSSION**

The Office of General Counsel has employed the law firm of Liebert Cassidy Whitmore for specialized legal services related to labor and employment matters. The Office of General Counsel is now requesting authorization for additional funds for services described in a separate attorney-client confidential memorandum to the Board of Directors.

**CONTRACT EQUITY PROGRAM EFFORTS**



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

**FISCAL IMPACT**

Sufficient monies have been budgeted in the Office of General Counsel's budget for fiscal year 2015 for this request for specialized legal services.

**Attachments**

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

Funds Available: FY 2015		Budget Code: WSO 130 8511 5231	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR	APPROVED	
Office of General Counsel	 Craig S. Spencer, General Counsel	 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)

<b>TITLE</b> <b><i>Amendment to Professional Services Agreement</i></b> Authorize Continued Employment of Liebert Cassidy Whitmore for Specialized Legal Services							<b>DATE:</b> January 30, 2015					
<b>CONTRACTOR:</b>				<b>PERCENTAGE OF CONTRACT DOLLARS</b>								
Liebert Cassidy Whitmore Los Angeles, CA				Availability Group			Contracting Objectives		Participation			
<b>BID/PROPOSER'S PRICE:</b>		<b>FIRM'S OWNERSHIP</b>		White Men			25%		100.0%			
		Ethnicity	Gender	White Women			6%		0.0%			
\$80,000		White	Men	Ethnic Minorities			25%		0.0%			
<b>CONTRACT EQUITY PARTICIPATION</b>												
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
<b>PRIME:</b> Liebert Cassidy Whitmore		\$80,000	White	X		100.0%	---	---	---	---	---	---
<b>SUBS:</b> None						---	---	---	---	---	---	---
<b>TOTAL</b>		\$80,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)</b>												
		White Men		White Women		Ethnic Minorities		Total Employees				
<b>No. of Employees:</b>		35		47		48		130				
<b>Percent of Total Employees:</b>		26.9%		36.2%		36.9%						
<b>MSA Labor Market %:</b>		20.2%		16.4%		63.5%						
<b>MSA Labor Market Location:</b>		Los Angeles - Long Beach										
<b>COMMENTS</b>												
<i>Contract Equity Participation - 100% White Men participation.</i>												
<b>Workforce Profile &amp; Statement of Nondiscrimination Submitted</b>				<b>Good Faith Outreach Efforts Requirement Satisfied</b>				<b>Award Approval Recommended</b>				
NA				NA								



## AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: <b>Authorize Continued Employment of Liebert Cassidy Whitmore for Specialized Legal Services</b>		Ethnic Minority Percentages From U.S. Census Data								
				B	H	A/PI	AI/AN	TOTAL		
		National		10.5	10.7	3.7	0.7	27.3		
<b>Professional Services Agreement</b>		DATE:								
		1/30/2015	9 Bay Area Counties		5.5	16.2	14.2	0.4	39.9	
		Alameda/CC Counties		10.7	15.6	15.4	0.5	46.2		
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees								
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM	Company Wide	11	13	22	-	46	35.4%	63.5%	
Liebert Cassidy Whitmore Gary Connally 6033 West Century Blvd, Suite 500 Los Angeles, CA 90045  310-981-2000		Manager/Prof	2	5	14	-	21	24.4%		
		Technical/Sales	-	-	-	-	-	NA		
		Clerical/Skilled	9	8	8	-	25	56.8%		
		Semi/Unskilled	-	-	-	-	-	NA		
		Bay Area	-	-	-	-	-	NA	39.9%	
		AA Plan on File:	NA		Date of last contract with District:		6/24/2014			
		Co. Wide MSA:	Los Angeles - Long Beach		# Employees-Co. Wide:	130	Bay Area:	0		
		Company Wide								
		Manager/Prof								
		Technical/Sales								
		Clerical/Skilled								
		Semi/Unskilled								
		Bay Area								
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:			
		Company Wide								
		Manager/Prof								
		Technical/Sales								
		Clerical/Skilled								
		Semi/Unskilled								
		Bay Area								
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:			
		Company Wide								
		Manager/Prof								
		Technical/Sales								
		Clerical/Skilled								
		Semi/Unskilled								
		Bay Area								
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:			
		Company Wide								
		Manager/Prof								
		Technical/Sales								
		Clerical/Skilled								
		Semi/Unskilled								
		Bay Area								
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:			

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



AGENDA NO. 9.  
 MEETING DATE February 10, 2015

TITLE ADOPT THE 2015 AFFIRMATIVE ACTION PROGRAMS

MOTION \_\_\_\_\_  RESOLUTION \_\_\_\_\_  ORDINANCE \_\_\_\_\_

**RECOMMENDED ACTION**

Adopt the 2015 Affirmative Action Programs (Programs).

**SUMMARY**

EBMUD is an equal employment opportunity (EEO) employer. As a federal contractor, the District is required by federal regulations to update and adopt written affirmative action programs on an annual basis for minorities, women, protected veterans and individuals with disabilities. For the affirmative action programs for minorities and women, federal regulations specifically require the District to establish placement goals and action-oriented programs when the utilization of minority or female employees is less than reasonably expected given their availability in the relevant labor market. The Board's adoption of the 2015 Programs complies with these regulations.

The 2015 Programs were presented to the Legislative/Human Resources Committee on February 10, 2015.

**DISCUSSION**

EBMUD is proud to be a leader in taking legal, proactive steps in support of a diverse workforce and upholding EEO. EBMUD's Programs comply with Executive Order 11246 (EO 11246), the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) and Section 503 of the Rehabilitation Act (Section 503). Pursuant to EO 11246 requirements, EBMUD establishes placement goals on an annual basis for job groups whenever the percentage of minorities and women employed in that job group is less than would be reasonably expected, given their availability in the relevant labor market. EBMUD also strives to make good faith efforts toward reaching those goals, to advise top management of the program's effectiveness, and to submit recommendations to improve performance.

The 2015 Programs for Minorities and Women provide information on the District's progress on its female and minority placement goals from the 2014 Affirmative Action Plan (AAP), the effectiveness

Funds Available FY:		Budget Code:
DEPARTMENT SUBMITTING: <u>Human Resources</u>	DEPARTMENT MANAGER or DIRECTOR: <u>Delores Turner</u> Delores Turner	APPROVED: <u>Stephanie R. Coe</u> General Manager

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

of its good faith efforts to achieve those goals, and establishes placement goals and action-oriented programs moving forward.

For the 2014 AAP for Minorities and Women, the District had 49 placement goals. As the District is now setting goals for minorities as a whole<sup>1</sup>, the goals progress was analyzed by minorities as a whole, reducing the number of goals to 25. Of those 25 goals, four had limited opportunity placements<sup>2</sup> during FY2014, and therefore did not present feasible goals as achievement of the goal would have resulted in less than a whole person. The District achieved 11 out of the 21 feasible placement goals and made progress on 13 out of the 21 goals for an achievement rate of 52.38% and a progress rate of 61.90%. Total job placements for FY2014 were 164, with the District placing 36 women and 71 minorities.

For the 2015 Programs for Minorities and Women, the AA goals were calculated using detailed data from the 2010 U.S. Census. In addition, the District determined placement goals by a statistical analysis approach, specifically the Exact Binomial Test. The change in methodology in determining placement goals was made to provide accurate information regarding the District’s problem areas, allow the District the ability to focus on the material issues, track trends, and make improvements when needed.

The specific placement goals for 2015 are set forth below:

**2015 Placement Goal Summary**

JOB GROUP	PLACEMENT GOAL	
	MINORITY	FEMALE
Plant Operators Lead/Supervisors	46.20%	
Laboratory and Quality Control Technicians		59.00%
Rangers	65.80%	
Pipeline Maintenance	61.50%	
Heavy Equipment/Truck Operators	68.30%	
Electrical/Structural Maintenance	53.10%	15.00%
Mechanical Maintenance	46.00%	
Service Maintenance	73.40%	

An analysis of applicant flow and hires was conducted to determine why the District had fewer minorities and women than would reasonably be expected for the above job groups. The analysis showed that for many job groups the percentage of minority applicants or minority contender applicants was less than the calculated availability for the requisite job group. Applicants are those individuals that applied for an open, posted EBMUD job and met the minimum qualifications (MQs) of the posted job. Contender applicants are those applicants that have sufficient qualifications above and beyond the MQs to compete and win selection. In addition, in reviewing the internship programs

<sup>1</sup> The Code of Federal Regulations only requires federal contractors to analyze utilization by minorities as a whole, rather than by racial/ethnic subset.

<sup>2</sup> Placements consist of hires and “promotions into” the target job group.

designed to increase diversity for job groups, we identified problems with success on exams and clearing background evaluations.

Accordingly, the 2015 action-oriented programs focus on increasing qualified and contender minority and female applicant pools. Staff is in the process of compiling a list of organizations that the District could potentially do targeted outreach to and obtain referrals from. The District is considering high schools with trade programs; additional community colleges with trade and science programs; female, minority, veteran and disability groups; and other community-based groups in the District's local recruitment area. In addition, the District hopes to partner with some of these organizations regarding training and/or test preparation for civil service exams. For the internships, in collaboration with Swords to Plowshares and Laney College, the District is piloting a Veterans cohort for Water Distribution Plumber I with a test preparation component. Staff is optimistic that this will increase intern success on the civil service exam. If successful, a goal will be to replicate this approach with other District internships programs. The District will also perform pre-internship selection background checks, similar to the screening performed for candidates applying for District employment, to avoid disqualification at the job application stage.

#### **FISCAL IMPACT**

The costs for implementing the 2015 Programs are included in the FY2015 District budget.

#### **ALTERNATIVE**

**Do not adopt the 2015 Programs.** This alternative is not recommended because it would not be consistent with federal regulations.

Attachment: 2015 Affirmative Action Programs





**2015  
Affirmative Action Programs (Programs)**

**Embrace Diversity**



**East Bay Municipal Utility District**





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## INTRODUCTION

EBMUD is a publicly-owned utility formed under the Municipal Utility District Act (MUD Act). The MUD Act, as codified by the Public Utilities Code of the State of California, authorizes the formation and governance of the District. The District has a federal contract that renders it subject to the affirmative action requirements of Executive Order 11246 (EO 11246), Section 503 of the Rehabilitation Act of 1973 as amended, (Section 503) and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), Section 4212. Because the District has \$50,000 or more in annual contracts, specifically the Long Term Renewal Water Supply Contract with the Federal Bureau of Reclamation and employs 50 or more employees, we are required to prepare annual written affirmative action programs (AAPs) for minorities and women, for protected veterans (Protect Veterans), and for individuals with disabilities (IWDs) for our organization. Failure to comply with these laws and their implementing regulations, which are enforced by the Office of Federal Contract Compliance Programs (OFCCP), can result in debarment of the District from future contracts and subcontracts. Although the District does not believe any violation of Title VII of the Civil Rights Act exists, it has developed this Program in accordance with and in reliance upon the EEOC's Guidelines on Affirmative Action, Title 29 Code of Federal Regulations, Part 1608. The District's AAP as defined under EO 11246 does not violate California's Proposition 209.

**EXECUTIVE ORDER 11246 AFFIRMATIVE ACTION PROGRAM FOR MINORITIES  
AND WOMEN**

**EAST BAY MUNICIPAL UTILITY DISTRICT (DISTRICT OR EBMUD)**

375 11th Street  
Oakland, CA 94607

**July 1, 2014 – June 30, 2015**

**Dun's #:** 05-190-4423 Water

**EIN (tax) #:** 94-6000590

**EEO-4 #:** 06505230

**NAICS:** 2213 Water, Sewage and Other Systems

**MSA:** 41860 San Francisco-Oakland-Fremont, CA

**Affirmative Action (AA)/**

**Equal Employment**

**Opportunity (EEO) Contact:**

Dorian West Blair

Affirmative Action Officer

East Bay Municipal Utility District

PO Box 24055

Oakland, CA 94623-9979

Attn: Affirmative Action Office/MS 601

(510) 287-0710

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## **A. Responsibility for Implementation**

41 C.F.R. § 60-2.17(a)

As part of its efforts to ensure equal employment opportunity (EEO) to all individuals, the District has designated specific responsibilities to various staff to ensure that the Executive Order 11246 Affirmative Action Program for Minorities and Women (hereinafter referred to as EO 11246 AAP or AAP) focuses on all components of the employment system. To that end, the Board of Directors, General Manager, the Manager of Human Resources, the Affirmative Action Officer, those employed as supervisors and managers, and employees have undertaken the responsibilities described below.

### Board of Directors (Board)

The seven-member Board, publicly elected pursuant to the MUD Act, is the legislative body of the District and determines all questions of policy. The Board is also responsible for fair and equal treatment at the District. Specifically, Board Members promote diversity and equality in personnel matters consistent with state and federal laws and assist in achieving the equal opportunity objectives of EBMUD. (District Policy 6.04, Ethics Policy of the EBMUD Board) The Board adopts the EO 11246 AAP annually and EEO policies, Policy 2.25 and 2.26, are updated and presented for adoption by the Board on a prescribed schedule.

Policy 2.25, Equal Employment Opportunity, provides for EEO in all employment practices, including recruitment, selection, transfers, promotions, and training consistent with the principles of the District and in order to promote the full realization of EEO. It prohibits discrimination and harassment based on race, gender, national origin, religion, and other protected categories. In addition, the Policy prohibits retaliation against employees alleging discrimination and harassment, or involved as witnesses in a discrimination or harassment investigation. Employees who oppose and/or refuse to participate in illegal discrimination or harassment are also protected against retaliation. Finally, it requires development and maintenance of an AAP consistent with applicable laws, including any recruitment and placement methods that will enhance District efforts to achieve a workforce composition reflective of the labor market in the community served by the District.

Policy 2.26, Prevention of Sexual Harassment in the Workplace, provides for a workplace for all employees that is free from any form of sexual harassment. It affirmatively states that sexual harassment will not be condoned or tolerated. In addition, it prohibits retaliation against employees alleging sexual harassment or involved as witnesses in a sexual harassment investigation. Employees who oppose and/or refuse to participate in sexual harassment are also protected against retaliation.

### General Manager (GM)

The Board appoints a GM to conduct the business affairs of the District, including the administration of the Civil Service System of the District. Accordingly, the District's GM has the overall responsibility to implement the District EEO policy and AAP. The GM has delegated the Civil Service System responsibilities, including the direct responsibility to

implement and administer the EEO policy and AAP to the Manager of Human Resources. The Manager of Human Resources has the full support of and access to senior management officials.

Manager of Human Resources (Manager of HR)

The Manager of HR is responsible for overall supervision of the AAP and EEO programs. The Manager of HR has delegated the EEO and AA programs to the Affirmative Action Officer. The Manager of HR ensures, through the Affirmative Action Officer and department managers and supervisors, that all relevant policies and procedures are adhered to. Successful implementation of the AAP and EEO Policy is one of the elements considered in evaluating the Manager of HR's effective work performance.

Affirmative Action Officer (AA Officer)

The AA Officer provides leadership and direction in the development, implementation, and evaluation of an effective AA and EEO programs. The AA Officer has the full support of and access to senior management officials. Successful implementation of the AA and EEO programs are a basis for evaluating the AA Officer's effective work performance. The AA Officer's responsibilities include, but are not limited to, the following:

- Develop and revise EEO policy, procedures, and work rules to enhance EEO and in accordance with federal and state laws. Prepare the annual AAP and present findings and recommendations to the Board.
- Identify problem areas and barriers to EEO, and develop strategies and programs with management to address these problems.
- Develop, implement, and maintain audit and reporting systems to measure the effectiveness of EEO programs, including those that will indicate the need for remedial action and determine the degree to which goals and objectives have been obtained.
- Serve as a liaison between the District and enforcement agencies.
- Serve as a liaison between the District and minority organizations, women's organizations and community action groups concerned with the employment opportunities of minorities and women.
- Keep managers informed of the latest developments in the equal opportunity area.

Managers and Supervisors

Supervisors at all levels act on behalf of the District. Accordingly, all managers and supervisors have the following AA and EEO program responsibilities:

- Monitor his or her work unit for discriminatory or harassing behavior and take appropriate steps to stop and correct behavior that violates District EEO policy.
- Enforce District EEO policy as well as adhere to it.
- Familiarize himself or herself with the District's policies on discrimination and harassment (Policies 2.25 and 2.26), to incorporate them into his or her own behavior, and to inform employees in the work unit to do the same.

- Be familiar with the EEO Discrimination/Harassment Complaint Procedure (Procedure 227) and be ready to assist employees (including those who do not report directly to them) who raise EEO-related complaints.
- Regard all complaints of EEO discrimination or harassment seriously. Manager/supervisors should not ignore or minimize such complaints or otherwise discourage employees from reporting them.
- Participate in and support staff's involvement with AA, EEO and diversity programs and recruitment activities.
- Work with the AA Officer to enhance the effectiveness of the AA and EEO programs and make good faith efforts by considering alternate methods to fill vacant positions in order to create a diverse and qualified candidate pool.
- Consider all qualified candidates for promotion/hire and ensure that all selections are made for valid job-related reasons and without discrimination.

All District Employees

Employees at all levels are responsible for supporting the District's AA and EEO programs, as may be appropriate in the performance of their official duties, by assuring equal treatment, and equal access to service for all persons with whom they deal.

All District employees are required to adhere to the District's EEO policies and encouraged to make positive contributions to creating an inclusive work environment.

## **B. Identification of Problem Areas and Correction of Deficiencies**

41 C.F.R. § 60-2.17(b)

### **Terminology**

*The phrases “comparison of incumbency to availability,” and “problem area” appearing in this subpart are terms the District is required by government regulations to use. The criteria used in relation to these terms are those specified by the government. These terms have no independent legal or factual significance. Although the District will use the terms in good faith in connection with its EO 11246 AAP, such use does not necessarily signify the District agrees that these terms are properly applied to any particular factual situation and is not an admission of non-compliance with EEO laws, regulations, or objectives. In addition, the establishment of a placement goal does not amount to an admission of impermissible conduct. It is neither a finding of discrimination nor a finding of a lack of good faith affirmative action efforts. Rather, the establishment of a placement goal is designed to be a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase in the future the percentage employment of minorities and women in a workforce.*

#### **Progress on 2014 AAP Goals:**

- For the reporting period of the 2014 AAP, the District was in its 4th year of a hiring freeze, which ended in July 2014. Accordingly, the 2015 AAP goal progress reflects a higher rate of regular full-time hires as a result of the District’s ability to fill additional positions.
- During Fiscal Year 2014, the District prioritized its hiring in three areas: Operations & Maintenance, Infrastructure, and Customer Service. With retirements and a growing need for infrastructure maintenance, the District also continues to have employment opportunities in several skilled trade and entry-level job positions, e.g., Water Distribution Plumber I, Mechanical Maintenance Worker II/Plant Maintenance Worker II and Instrument Worker II.

For the 2014 AAP, the District had 49 placement goals. This was because the District performed a utilization analysis by racial/ethnic subset and determined placement goals by the *any difference rule with whole person modification*<sup>1</sup>. This year, the District conformed the utilization analysis to the Code of Federal Regulations (CFR), i.e., setting forth the incumbency, availability and any needed placement goals to reflect the percentage of minorities as a whole, rather than percentages

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<sup>1</sup> With the *any person rule*, anytime female/minority representation of the incumbency is less than availability, a goal is established. With the *whole person modification*, when the difference between the female/minority representation is one whole person or greater than the availability, then a goal is established.

by racial/ethnic subset. The change was made not only to conform to current legal requirements, but to provide more accurate information regarding the District's problem areas and allow the District the ability to focus on the material issues. Applying the amended utilization analysis approach to last year's placement goals reduced the number of goals to 25. A summary of the progress on those goals is set forth below.

**Prior Year AAP – Placement Goals Met**

<b>Job Group</b>	<b>Category</b>	<b>Placement Rate Goal (%)</b>	<b>Actual Placement* Rate (%)</b>	<b>Goal Achieved?</b>
Directors/Managers	Minority	38.80%	44.44%	Yes
Analysts	Minority	50.80%	50.00%	Yes**
Other Professionals	Female	55.30%	60.00%	Yes
General Clerical	Female	90.30%	93.75%	Yes
Customer Services	Female	59.60%	66.67%	Yes
Technicians	Minority	59.30%	100.00%	Yes
Plant Operators	Female	9.70%	9.09%	Yes**
Plant Operators Lead/Supervisors	Minority	38.50%	50.00%	Yes
Laboratory and Quality Control Technicians	Female	50.80%	50.00%	Yes**
Rangers	Minority	42.20%	50.00%	Yes
Supervising Engineers	Female	22.70%	50.00%	Yes

\*Placements consist of hires and promotions into the target job group from 7/1/2013 to 6/30/2014.

\*\*Actual placement rate was not exactly at placement goal, however, difference was so negligible as to be insignificant.

From a review of the above table, the District met or exceeded female placement goals in the four following job groups:

- Other Professionals
- General Clerical
- Customer Services
- Supervising Engineers

From a review of the above table, the District met or exceeded minority placement goals in the four following job groups:

- Directors/Managers
- Technicians
- Plant Operators Lead/Supervisors
- Rangers

Although the District technically did not meet placement goals in the following three job groups, as the actual placement rate did not exactly match the goal placement rate, the difference was so negligible as to be insignificant:

- Analysts
  - Minority placement goal – 50.80%; actual placement rate – 50.00%
- Plant Operators
  - Female placement goal – 9.70%; actual placement rate – 9.09%
- Laboratory and Quality Control Technicians
  - Female placement goal – 50.80%; Actual placement rate – 50.00%

**Prior Year AAP – Placement Goals Partially Met**

<b>Job Group</b>	<b>Category</b>	<b>Incumbency Rate (%)</b>	<b>Actual Placement Rate (%)</b>	<b>Goal Achieved?</b>
Electrical/Structural Maintenance	Minority	21.57%	27.27%	Partially met
Mechanical Maintenance	Minority	30.16%	38.71%	Partially met

While the District did not meet its minority placement goals for the above job groups, it did improve on its placement rate in comparison to its incumbency percentage.

**Prior Year AAP – Placement Goals – Limited Opportunity Placement (LOP)**

<b>Job Group</b>	<b>Category</b>	<b>Placement Rate Goal (%)</b>	<b>Total Placements</b>	<b>Placement #</b>	<b>Actual Placement Rate (%)</b>	<b>Goal Achieved?</b>
Technicians	Female	36.20%	1	0	0.00%	LOP*
Rangers	Female	36.80%	2	0	0.00%	LOP*
Engineering Technicians	Female	17.60%	5	0	0.00%	LOP*
Pipeline Maintenance Lead/ Supervisors	Female	4.70%	8	0	0.00%	LOP*

\*The number of job opportunities, i.e., placements, when multiplied by the goal percentage would result in less than a whole person and accordingly was not a feasible goal for the year.

The District did not meet its female placement goals for the job groups set forth in the above table. However this is not because of a lack of good faith efforts on behalf of the District. The placement rate goal for these job groups when multiplied by the number of placements made for the job group for the year was equal to less than a whole person. Accordingly, the goal was infeasible based on the limited number of actual job opportunities for that job group. The only way to meet the goal was to hire at a rate/percentage well in excess of the placement rate goal, which is not in keeping with the AAP goal to reflect availability.

**Prior Year AAP – Placement Goals Not Met**

<b>Job Group</b>	<b>Category</b>	<b>Placement Rate Goal (%)</b>	<b>Total Placements</b>	<b>Placement #</b>	<b>Actual Placement Rate (%)</b>	<b>Goal Achieved?</b>
Analysts	Female	72.10%	4	2	50.00%	No
Science Professionals	Female	49.00%	3	1	33.33%	No
Laboratory and Quality Control Technicians	Minority	54.30%	4	0	0.00%	No
Supervising Engineers	Minority	46.15%	4	1	25.00%	No
Pipeline Maintenance	Minority	58.40%	21	9	42.86%	No
Heavy Equipment/ Truck Operators	Minority	67.30%	8	2	25.00%	No
Service Maintenance	Minority	74.00%	11	6	54.55%	No

The District did not make any progress on its minority placement goal for the Laboratory and Quality Control Technicians job group. The job group had three recruitments between July 1, 2013 and June 30, 2014. One recruitment was under availability for minority applicants<sup>2</sup>. Only 14.29% of the persons that passed the minimum qualifications (MQs) review were minorities. For another recruitment, the minority representation through to the certification list was above availability, but unfortunately a minority candidate was not hired. For the third recruitment, the passage rate for minorities on the written test was at a rate of 42.86% - below availability.

While the District did not meet its female placement goals for Analysts and Science Professionals, and did not meet its minority placement goals for Supervising Engineering, it was not for a lack of good faith efforts on behalf of the District of the kind set forth in subpart C, Action-Oriented Programs. The District only made 3 placements for Science Professionals and 4 placements for Analysts and Supervising Engineers between July 1, 2013 and June 30, 2014. Therefore the difference between achieving the goal or not was a difference of only one person. The District continues to have minority placement goals for the balance of job groups set forth in the above table for the 2015 AAP and therefore the analysis of the problem areas for those job groups will be discussed below.

**Accordingly, due to limited opportunity, only 21 of the 25 placement goals for the 2014 AAP were reasonably measurable. The District met 11 out of the 21 placement goals from last year and made progress on two additional ones. This is an achievement rate of 52.38% and a progress rate of 61.90%.**

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<sup>2</sup> The District defines an applicant as a person who applies for a specific, open, posted position during the designated timeframe and is within the allowable number of applications who meets the following: is eligible to work in the U.S., is willing to perform the requirements of the job, e.g., work a swing shift if required, and meets the minimum qualifications of the job.

## 2015 AAP Goals:

In addition to changing the utilization analysis, the District made another change to its AAP during this year's reporting period that significantly affects the identification and discussion of problem areas. When incumbency was less than availability for a particular job group, the determination of whether the difference was less than reasonable was determined by a statistical analysis approach, specifically the Exact Binomial Test<sup>3</sup>, rather than by the *any difference rule* or *any difference rule with whole person modification*, as had been used in the past. The changes were made to provide more accurate information regarding the District problem areas and allow the District the ability to focus on the material issues.

As a result of applying the Exact Binomial Test, a number of placement goals that were set last year were not set as placement goals this year. This is because the Exact Binomial Test eliminated any goals that were not statistically significant. Or, put another way, no goals were set where the difference between incumbency and availability was due to chance. The placement goals that fit in this category are set forth below:

- Analysts – Females
- Science Professionals – Females
- Technicians – Females
- Supervising Engineers – Minorities
- Engineering Technicians – Females
- Pipeline Maintenance Lead/Supervisors – Females
- Mechanical Maintenance – Females

In addition, the Female placement goal for Rangers was eliminated as the availability percentage dropped from 36.80% to 13.20%.

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<sup>3</sup>Under the Exact Binomial Test, when comparing the incumbency to availability, if a job groups displays a probability value of .05 or lower then the result is considered significant and the result is listed with the respective goal.



In accordance with 41 C.F.R. § 60-2.17(b)(1), an analysis of minority and female utilization within each job group was accomplished by a thorough investigation of comparison of incumbency to availability set forth in Exhibit 5, Placement Goals Analysis. The specific Placement Goals for 2015 are set forth below:

**2015 Placement Goal Summary**

JOB GROUP	PLACEMENT GOAL*	
	MINORITY	FEMALE
Plant Operators Lead/Supervisors	46.20%	
Laboratory and Quality Control Technicians		59.00%
Rangers	65.80%	
Pipeline Maintenance	61.50%	
Heavy Equipment/Truck Operators	68.30%	
Electrical/Structural Maintenance	53.10%	15.00%
Mechanical Maintenance	46.00%	
Service Maintenance	73.40%	

\*Placement goals are established within each of the job groups at no less than the current availability data for the job group.

While the District met its minority placement goal for Rangers for 2014 AAP, the District has a minority placement goal for Rangers for 2015 AAP. This is because availability increased from 42.30% to 65.80% for the 2015 AAP. Likewise, while the District met its female placement goal for Laboratory and Quality Control Technicians, the District has a female placement goal for Laboratory and Quality Control Technicians for the 2015 AAP. This is because availability increased from 50.80% to 59.00% for the 2015 AAP. Finally, while the District met its minority placement goal for Plant Operators Lead/Supervisors for the 2014 AAP, the District has a minority placement goal for Plant Operator Lead/Supervisors for 2015 AAP. This is because availability increased from 38.50% to 46.20% for the 2015 AAP. In addition, the District has placement goals for a new job group – Electrical/Structural Maintenance – Female. This is because female availability for Electrical/Structural Maintenance increased from 3.60% to 15.00%.

A review of the minority applicant flow for Plant Operators Lead/Supervisors, Rangers and Electrical/Structural Maintenance, and Service/Maintenance<sup>4</sup> job groups, and the female applicant flow for Electrical/Structural Maintenance and Laboratory and Quality Control Technicians job groups showed the applicant pool percentages below the calculated availability and therefore

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<sup>4</sup> The applicant pools were under availability for minorities for three out of four of the recruitments for the relevant period. On the fourth recruitment, the applicant pool was well above availability and there were 14 eligible minorities on the certification list. However, there were no hires off that list.

appear to be contributing to the utilization problems for these job groups. Plant Operators Lead/Supervisors minority availability is at 46.20%, while the applicant pool rate is at 36.44%. Rangers minority availability is at 65.80% availability while the applicant pool rate is at 18.57%. Electrical/Structural Maintenance female availability is at 15.00% while the applicant pool is at a 1.50% rate and the minority availability is at 53.10%, while the applicant pool is at a 44.39% rate. Laboratory and Quality Control Technicians female availability is at 58.80%, while the applicant pool rate is only at 42.02%.

A review of minority applicant flow for Heavy Equipment/Truck Operators showed not only that the applicant pools are below calculated availability but that there is an insufficient number of contender applicants<sup>5</sup>. Heavy Equipment/Truck Operators minority availability is at 68.30% while the applicant pool rate is at 54.38%. In addition, candidates fall out upon screening of driving experience and record. For example, the minority applicant pool rate for the Heavy Transport Operator position was under availability at 55.38%. For the Truck Driver II position, the minority applicant pool rate was also under availability at 56.25%. In addition, a review of candidate's driving record and experience eliminated all but 14.81% of all the candidates; 7.41% of which were minorities. The primary issue was that most candidates had long-haul driving experience rather than construction driving experience.

A review of the minority applicant flow for the Pipeline Maintenance and Mechanical Maintenance job groups show that the applicant pools are at or above availability for these job groups. These job groups, however, have insufficient minority contender candidates. For example, for Water Distribution Plumber I, 951 people applied in the Fall 2013; 607 were minorities. Only 629 applicants (403 minorities) attended the orientation. Only 508 applicants showed up for and took the written test. Only 9.82% of the minority applicants passed the exam. The passage rate for all applicants was only 23.59%. Accordingly, staff developed internship programs for both these job groups to increase the minority contender candidate pool and the District has changed the exam for Water Distribution Plumber Is. Although, the Electrical/Structural Maintenance job group minority applicant pool was below calculated availability, staff also developed an internship program for this job group in hopes of improving the visibility of the position and increasing the diversity of the applicant pool.

These internship programs have been successful in that they have attracted diverse candidates and resulted in limited-term internships provided to diverse candidates. The last Water Distribution Plumber Internship Program was from June 17, 2013 through August 9, 2013 and had five interns. Two were Asian and one was Black/African American. The last Instrument Worker Internship Program (for the Electrical/Structural Maintenance job group) was from May 27 through August 1, 2014, and had five interns. There were three Black/African American males and two White females. The last Industrial Maintenance Internship Program (Mechanical Maintenance job group) was in the Fall 2012. There were two Asians, one Black/African American and two Whites.

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<sup>5</sup> Contender applicants are applicants that have sufficient qualifications above and beyond MQs to compete and win selection.

The Industrial Maintenance Internship Program was successful. It resulted in two out of five interns being hired – a White male and an Asian male. Another minority intern was promising but unfortunately was eliminated from the candidate pool due to a driving record issue. One out of five of the interns from the Instrument Worker Internship Program made it to the certification list – a Black/African American male. As to the Water Distribution Plumber I Internship Program, no interns passed the Water Distribution Plumber I civil service exam.<sup>6</sup> See subpart C, Action-Oriented Programs, for the District’s plans to address the background and exam issues.

In addition to comparing incumbency to availability within job groups, the District has conducted studies to identify problem areas in each of its selection procedures (i.e., hires, promotions, and terminations). The District will continue to monitor and update these studies during each AAP year. In each case where potential problem areas have been identified, affirmative actions, as appropriate, will be taken consistent with any of the action-oriented programs described in subpart C of this AAP.

#### **41 C.F.R. § 60-2.17(b)(1): Workforce by Organizational Unit**

An analysis of minority and female distribution within each organizational unit was accomplished by a thorough investigation of *Exhibit 1, Organization Display*. No impediments to EEO were found.

#### **41 C.F.R. § 60-2.17(b)(2): Personnel Activity**

Applicant flow, hires, promotions, and terminations were analyzed by job group. An analysis of selection disparities in personnel activity between men/women and whites/minorities was accomplished by a thorough examination of transaction data and/or cohort analysis. Higher rates of terminations were found for females for the Heavy Equipment/Truck Operators job group. However, this was due to a lower total number of women in the job group (7) coupled with the retirement of two women of seven total retirements (28.57%). Higher rates of terminations were also found for minorities for the Directors/Managers job group. This was due to the retirement of four minorities out of total of five retirements during the reporting period. The *Summary of Personnel Transactions Report* for each job group is retained by the Affirmative Action Office.

#### **41 C.F.R. § 60-2.17(b)(3): Compensation Systems**

Compensation analyses were conducted by comparing the salaries for men v. women, and whites v. minorities in each job title/job group/pay grade. No impediments to EEO were found. The *Compensation Analysis* is retained by the Affirmative Action Office.

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<sup>6</sup>As an aside, one of the Water Distribution Plumber I interns, a woman, sat for the Carpenter examination, passed and was hired. The Carpenter title is in the Electrical/Structural Maintenance job group for which the District has a female placement goal for the 2015 AAP.

### **C. *Development and Execution of Action-Oriented Programs***

41 C.F.R. § 60-2.17(c)

The District tailors its action-oriented programs each year to ensure they are specific to the problems identified. The action-oriented programs designed to address the problem areas are listed below. These action-oriented programs will be carried out throughout the AAP year. The Manager of HR, the AA Officer, the Manager of Recruitment and Classification, and managers and supervisors are responsible for ensuring that the following are implemented.

The District will need to increase minority representation in the applicant pools for the Plant Operators Lead/Supervisors, Rangers, Electrical/Structural Maintenance, and Service/Maintenance job groups and female representation in the applicant pools for the Laboratory and Quality Control Technicians and Electrical/Structural Maintenance job groups. The Affirmative Action Office is currently researching all high schools with trade programs; community colleges with trade and science programs; women, minority, veteran and disability groups; and other community-based groups in the District's local recruitment area. These are organizations that the District could potentially do targeted outreach to and obtain referrals from. In addition, the District hopes to partner with some of these organizations regarding training and/or test preparation for civil service exams, particularly for job groups for which it has placement goals.

For the Pipeline Maintenance job group, the District will continue the Water Distribution Plumber I Internship Program to increase the pool of qualified diverse candidates. As discussed in subpart B, Identification of Problem Areas, while the internships themselves have been successful, the interns have not fared well on the civil service exam for the Water Distribution Plumber I (WDPI) job. Accordingly, we have made some adjustments in an attempt to address this problem. First, the Manager of Recruitment and Classification, in partnership with management, has developed a new multiple choice written exam in lieu of the old video format. Second, the AA Office is partnering with both Laney College and Swords to Plowshares (STP) for this internship. The District has increased the requirements for the interns in terms of mathematical, reading comprehension and mechanical spatial abilities. In addition, the program will require the interns to work with STP to prepare for the WDPI exam. The WDPI Internship will host up to 5 interns and will run between February and May 2015. The WDPI exam will be held in April 2015.

In addition, as discussed in subpart B, Identification of Problem Areas, the District had to eliminate a promising minority intern from the Industrial Maintenance Internship Program from the candidate pool for the Machine/Plant Maintenance job due to a driving record issue. Accordingly, the District is now screening all intern candidates as if they are applying for the actual job in question to avoid disqualification at civil service exam/ application stage.

The District also plans to continue the Industrial Maintenance Internship Program and Instrument Worker Internship Programs for the Mechanical Maintenance and Electrical/Structural Workers job groups to increase minority contender candidates. Assuming the test preparation model used for the WDPI Internship is successful, it will be replicated for these internships.

As discussed in subpart B, Identification of Problem Areas, minority candidates were eliminated

at screening for Heavy Equipment/Truck Operators due to not meeting the minimum qualifications, unsuitable driving experience and/or poor driving records. Accordingly for this job group, the district is reviewing minimum qualifications and appropriate outreach to increase the contender applicant pool.

The District will continue to engage in the following action-oriented programs, particularly for those job groups where it has a placement goal.

**Recruitment:**

1. The District will continue to contact minority and women's organizations for referrals including the following:
  - Tradeswomen, Inc.
  - National Association of Women in Construction
  - The CA Women's Ventures Project
  - The Unity Council, A Latino Community Development Corporation
  - Cypress/Mandela Training Center, Inc.
  - Lao Family Community Development, Inc.
2. The District holds formal briefing sessions on company premises with representatives of recruiting sources. These sessions include presentations by minority and female employees, and provide clear and concise explanations of current and future job openings, as well as of the District's selection process. The District has made classification descriptions, worker specifications and recruiting literature available to these representatives by email or on-line. The District has also made formal arrangements with some of these recruiting sources for referral of applicants.
3. The District actively encourages minority and female employees to refer applicants.
4. The District includes minorities and women on its Employee Relations and Recruitment staff.
5. The District encourages minority and female employees to participate in Career Days, Youth Motivation Programs, and related outreach activities in the community, to represent EBMUD's diversity, including but not limited to the following:
  - a. Serving as judges in Richmond High School's Robotics competition.
  - b. Serving as mentors for high school engineering students in several Alameda and Contra Costa County schools.
  - c. Supporting Mathematics, Engineering, Science Achievement (MESA) and the Minority Engineering Program (MEP).
6. The District advertises on a regular basis in Employment/Career Center/Jobs sections of minority and women's interest media.

7. District advertisements always carry the EEO clause.
8. The District participates in job fairs if there are sufficient numbers of job openings to warrant participation.
9. The District continues to recruit at several local colleges and universities. The District targets community colleges and universities based in part on the high-level of diversity of their student body.
10. The District includes minority and female members of the workforce in recruiting brochures which pictorially present work situations.

**Job Specifications/Selection Process:**

1. The District will continue to develop classification descriptions that accurately reflect classification functions, and are consistent for the same classification from one location to another.
2. The District will continue to develop classification or worker specifications that contain academic, experience, and skill requirements that do not constitute inadvertent discrimination. The District will continue to develop specifications that are free from bias with regard to age, race, color, religion, national origin, disability or veteran status.
3. Approved classification specifications and worker specifications will continue to be made available to all members of management involved in the recruiting, screening, selection, and promotion process. Copies may also be made available to recruiting sources.
4. The District will continue to use only worker specifications that include job-related criteria.

**Job Advancement:**

1. The District will continue to post or announce promotional opportunities in accordance with civil service rules.
2. The District will continue to offer the LEAD Academy, for employees interested in first line supervisory positions and the Pathways Academy, for first line supervisors interested in mid-level management positions. These programs provide employees with tools to assess their current academic, skill, and experience level and provide training for promotional opportunities.
3. The District continues to provide career counseling programs including coaching on communication skills, managing conflict, and career development and education; job rotation programs; coaching/mentoring programs; and similar programs.

4. The District will continue to use the Performance Plan and Appraisal Procedure for the annual performance review of all employees.
5. Hiring managers will continue to prepare and submit to HR written justifications for all promotions and hires, including hires/promotions where they do not upgrade seemingly qualified minority or female employees.
6. Employees can choose training courses through the Training Schedule and include them in their career development plan.
7. The Tuition Refund Program is offered to all employees who wish to improve their job skills and performance, and to pursue promotions. The current maximum amount approved this fiscal year is \$3,500 per employee.

**Welfare:**

1. The District will continue to actively encourage all employees to participate in facilities and District-sponsored social and recreational activities.
2. The District will continue to encourage the design of various programs, such as training and mentorship programs, to improve employment opportunities for minorities and females.

***D. Design and Implementation of Internal Audit and Reporting Systems***

41 C.F.R. § 60-2.17(d)

As stated previously, the AA Officer is responsible for implementing the auditing and reporting system. The District's auditing and reporting system measures the effectiveness of its total AAP. Together with the Manager of HR, the Manager of Recruitment and Classification, the AA Officer periodically monitors this system. The reporting and auditing system provides for:

1. Accurate and up-to-date records on all referrals, applicants, hires, promotions, transfers and terminations by race and sex to ensure that all employees are treated on a fair and equitable basis.
2. Regular reports to HR from hiring managers on all hires and promotions.
3. Recruitment reports on a scheduled basis reflecting the degree to which EEO and organizational objectives are attained.
4. Review of selections, promotions and training to ensure that they are nondiscriminatory.
5. Review of report results with management, advising top management of program effectiveness and submitting recommendations to improve unsatisfactory performance.

### **E. Organizational Profile**

41 C.F.R. § 60-2.11

Pursuant to 41 C.F.R. § 60-2.11, we have provided an Organizational Display of the District. Specifically, the Organizational Display shows four fields of information in each organizational box displaying an organizational unit:

1. Name of each organizational unit being displayed;
2. The job title, gender, race, and ethnicity of the unit supervisor;
3. Total number of employees in each organizational unit; and
4. Total number of employees in each organizational unit displayed by race/ethnicity and gender.

See the *Organizational Display* at Exhibit 1.

### **F. Job Group Analysis: Job Titles and Placement of Incumbent in Job Groups**

41 C.F.R. §§ 60-2.12-2.13

#### **Disclaimer**

**The grouping of job titles into given job groups does not suggest that the District believes the jobs so grouped are of comparable worth.**

Pursuant to 41 C.F.R. § 60-2.12, we have supplied a listing of all job groups at this establishment listing each job title in each job group. Specifically, we have grouped those jobs having similar job content, wage rates and promotional opportunities. As a result, we have grouped 1773 employees as of June 30, 2014, into 22 job groups. See *Job Group Analysis* at Exhibit 2. Pursuant to 41 C.F.R. § 60-2.13, we have placed all 1773 employees into the job groups by race and gender to determine the percentage of females and minorities per job group. See *Job Group Summary* at Exhibit 3.



## **G. Availability Analysis**

41 C.F.R. § 60-2.14

### **Disclaimer**

**The comparison of incumbency to availability contained within this AAP is required by government regulations to be based on certain statistical comparisons. Geographic areas and sources of statistics used herein for these comparisons were used in compliance with government regulations, as interpreted by government representatives. The use of certain geographic areas and sources of statistics does not indicate the District's agreement that the geographic areas are appropriate in all instances of use or that the sources of statistics are the most relevant. The use of such geographic areas and statistics may have no significance outside the context of this AAP. Such statistics and geographic areas will be used, however, in total good faith with respect to this AAP.**

"Availability" is an estimate of the proportion of each sex and race/ethnic group available and qualified for employment at the District for a given job group in the relevant labor market during the life of the AAP. Availability indicates the approximate level at which each race/ethnic and sex group could reasonably be expected to be represented in a job group if the District's employment decisions are being made without regard to gender, race, or ethnic origin. Availability estimates, therefore, are a way of translating EEO into concrete numerical terms. Correct comparisons of incumbency to availability, worthwhile and attainable goals, and real increases in employment for problem groups depend on competent and accurate availability analyses. With valid availability data, we can compare the percentages of those who could reasonably be expected to be employed versus our current employment (from Exhibit 3, Job Group Summary), identify problem areas or areas of deficiency, and establish goals to correct the problems.

### Steps in Comparison of Incumbency to Availability

#### **I. Identify Availability Factors**

The following availability factors are required of federal government contractors for consideration when developing availability estimates for each job group:

A. External Factor: The external requisite skills data comes from the 2010 5-year EEO Tabulation, which is based on the 2006 – 2010 American Community Survey from the U.S. Census Bureau.

1. Local Labor Area: The District's Local Labor Area is 50% Alameda County and 50% Contra Costa County.

2. Reasonable Labor Area: The reasonable recruitment area is defined as the geographical area from which the District usually seeks or reasonably could seek workers to fill the position in question. The reasonable recruitment area varies by job group.

B. Internal Factor: The percentage of minorities or women among those promotable, transferable, and trainable within the District. Trainable refers to those employees within the District who could, with appropriate training which the District is reasonably able to provide, become promotable or transferable during the AAP year. The internal factors are based on feeder job groups and vary by job group.

## II. Identify Final Availability

A. Assign Internal and External Factor Weights: Weights were assigned to each factor for each job group. A combination of historical data and experience were used to determine the weights; specifically, internal and external job posting trends were used. Weights are never assigned in an effort to hide or reduce problem areas.

B. Identify Final Availability: Weights were multiplied by the component-specific data to produce weighted data for each component. Weighted data for each component was summed. This produced a final availability estimate for each gender and race/ethnic group, as well as for minorities in the aggregate.<sup>7</sup>

See the *Availability Analysis* at Exhibit 4 for the availability breakdown for each job group.

## H. **Placement Goal Analysis**

41 C.F.R. §§ 60-2.15-2.16

Once final availability estimates were made for each job group, the District compared the percentage of incumbents in each job group to their corresponding availability. A comparison was made between the percentage employed as of June 30, 2014, and that group's final availability.

### Disclaimer

*The establishment of a placement goal does not amount to an admission of impermissible conduct. It is neither a finding of discrimination nor a finding of a lack of good faith affirmative action efforts. Rather, the establishment of a placement goal is designed to be a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase in the future the percentage employment of minorities and women in a workforce.*

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<sup>7</sup> In most cases, the final availability report (and most other technical reports in this AAP) only includes data/information for females and minorities in the aggregate.

The District has established an annual percentage placement goal whenever it found that minority or female representation within a job group was less than would reasonably be expected given their availability. The District used the Exact Binomial Test to determine placement goals. In each case, the goal was set at the availability figure derived for women and/or minorities, as appropriate for that job group. Goals are not rigid inflexible quotas which must be met, but are instead targets reasonably attainable by means of applying good faith efforts to make the entire AAP work. These goals will be reached primarily through recruiting and advertising to increase the pool of qualified minority and female applicants and through implementation of our action-oriented programs. Selections will occur only from among qualified applicants. Goals do not require the hiring of a person when there are no vacancies or the hiring of a person who is less likely to do well on the job ("less qualified") over a person more likely to do well on the job ("better qualified"), under valid selection procedures. Goals do not require that the District hire a specified number of minorities or women.

See *Placement Goals Analysis* at Exhibit 5 for each job group.

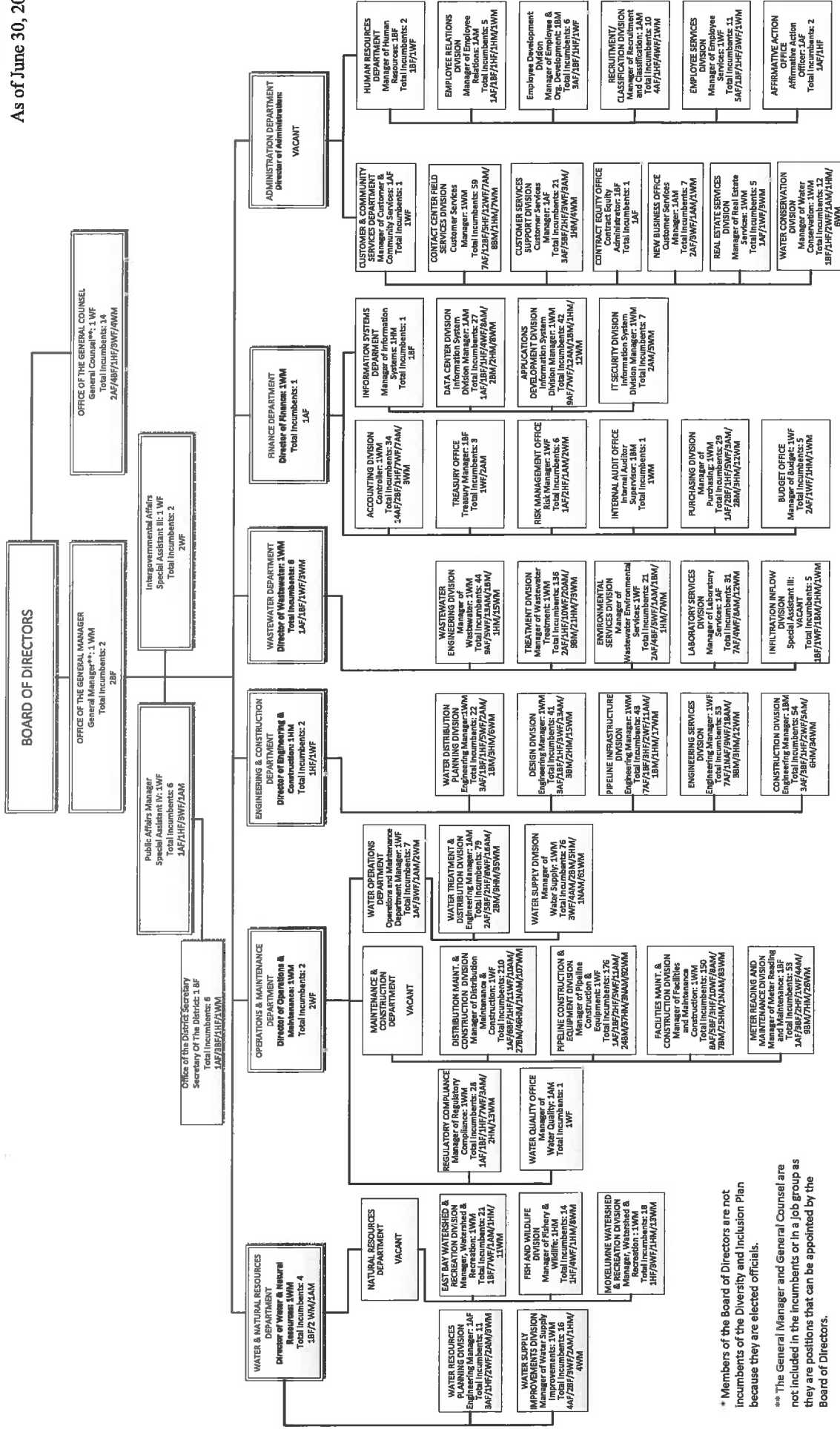


# EXHIBITS



# Organizational Display

Exhibit 1  
As of June 30, 2014



\* Members of the Board of Directors are not incumbents of the Diversity and Inclusion Plan because they are elected officials.

\*\* The General Manager and General Counsel are not included in the incumbents or in a job group as they are positions that can be appointed by the Board of Directors.

**Directors/Managers**

Assistant General Counsel	Manager of Employee Relations	Manager of Source Control
Chief Trial Attorney	Manager of Employee Services	Manager of Wastewater Engineering
Controller	Manager of Environmental Compliance	Manager of Wastewater Environmental Svcs.
Customer Services Manager	Manager of Facilities Maint. & Construction	Manager of Wastewater Treatment
Director of Administration	Manager of Fishery & Wildlife	Manager of Water Conservation
Director of Engineering & Construction	Manager of Fleet & Construction Support	Manager of Water Meters
Director of Finance	Manager of Human Resources	Manager of Water Quality
Director of Operations & Maintenance	Manager of Information Systems	Manager of Water Supply
Director, Wastewater	Manager of Laboratory Services	Manager of Water Supply Improvements
Director, Water & Natural Resources	Manager of Meter Reading and Maintenance	Manager of Water System
Engineering Manager	Manager of Natural Resources	Manager of Water Treatment
Environmental Affairs Officer	Manager of Operations/Maintenance Planning	Manager of Watershed & Recreation
Information Systems Division Manager	Manager of Pipeline Construction	Manager of Workplace Health and Safety
Manager of Budget	Manager of Purchasing	Operations and Maint. Department Manager
Manager of Business Continuity	Manager of Real Estate Services	Risk Manager
Manager of Customer & Community Services	Manager of Recruitment & Classification	Secretary of the District
Manager of Customer Services	Manager of Regulatory Compliance	Special Assistant I-V
Manager of Distribution Maintenance & Const.	Manager of Regulatory Planning and Analysis	Treasury Manager
Manager of Employee & Organizational Development	Manager of Security and Emergency Preparedness	

**Programmers**

Information Services Supervisor
Information Systems Administrator I-II
Information Systems Support Analyst I-II
Network Analyst I-III
Principal Information Systems Analyst
Programmer Analyst I-II
Senior Programmer Analyst
Supervising Systems Programmer
Systems Programmer I-II

**Analysts**

Affirmative Action Officer	Senior Community Affairs Representative
Classification and Pay Administrator	Senior HRIS Analyst
Community Affairs Representative I-II	Senior Human Resources Analyst
Contract Equity Administrator	Senior Public Information Representative
HRIS Analyst I-II	Technical Trainer
Human Resources Analyst I-II	Technical Training & Writing Administrator
Management Analyst I-III	Workers' Comp. Manager & Risk Specialist
Principal Management Analyst	



**Other Professionals**

Accountant I-III	Internal Auditor	Real Estate Representative I-II
Accounting & Financial Systems Analyst	Internal Auditor Supervisor	Security & Emergency Preparedness Spec.
Accounting Systems Supervisor	Junior Water Resources Specialist	Senior Acctg. & Financial Systems Analyst
Assistant Capital Projects Coordinator	Law Clerk	Senior Real Estate Representative
Assistant Planner	Purchasing Contract Supervisor	Supervising Accountant
Assistant Water Resources Specialist	Building Tenant Services Supervisor	Supervisor of Water Conservation
Associate Architect	Buyer I-II	Water Conservation Administrator/Supv.
Associate Planner	Cost Estimator	Water Conservation Representative
Associate Water Resources Specialist	Industrial Water Conservation Representative	Water System Planning Analyst
Attorney I-III		

**Science Professionals**

Chemist I-II	Quality Assurance Officer	Senior Environmental Health/Safety Spec.
Environmental Health/Safety Specialist I-II	Research Chemist	Senior Microbiologist
Fisheries/Wildlife Biologist I-II	Research Microbiologist	Supervising Microbiologist
Laboratory Supervisor	Senior Chemist	Supervising Fisheries/Wildlife Biologist
Microbiologist I-II		

**General Clerical**

Account Clerk I-III	Messenger-Mail Clerk	Senior Word Processing Specialist
Administrative Clerk	Senior Administrative Clerk.	Telephone/Radio Operator
Administrative Clerk, Confidential	Senior Administrative Confidential	Word Processing Specialist II
Dispatch/Contact Center Rep.	Senior Messenger-Mail Clerk	

**Administrative Assistants**

Accounting Technician	Executive Assistant I-II	Paralegal
Administrative Assistant	Human Resources Technician	Public Affairs Specialist
Administrative Secretary I-II	Legal Secretary I-II	Risk Management Assistant
Administrative Secretary I-II, Confidential	Litigation Secretary	Senior Legal Secretary
Administrative Services Supervisor	Office Assistant, General Manager's Office	Supervising Legal Secretary
Assistant To The General Manager		

**Customer Services**

Customer Services Representative I-III	Meter Reader I-II	Senior Field Services Representative
Customer Services Supervisor	Meter Reading Foreman	Senior New Business Representative
Dispatch/Contact Center Representative	New Business Representative I-II	Water Conservation Technician
Field Services Representative I-II	Senior Customer Services Representative	

**Technicians**

Computer Operations Supervisor	Fisheries/Wildlife Technician	Printing Technician I-II
Computer Operations Technician	Information Systems Specialist I-III	Senior Facility Technician
Corrosion Control Technician	Materials Inspector	Senior Printing Technician
Electronic Technician	Materials Testing Supervisor	Supervising Information Syst. Supp. Spec.
Fisheries/Wildlife Aide	Materials Testing Technician I-II	

**Plant Operators Lead/Supervisors**

Assistant Superintendent Aqueduct/Pardee	Power Treatment Plant Maintenance Supt.	Wastewater Operations Coordinator
Assistant Supt., Water Treatment & Dist	Power Plant Supervisor	Wastewater Shift Supervisor
Assistant Wastewater Shift Supervisor	Superintendent of Aqueduct Section	Wastewater Treatment Superintendent
Hydroelectric Power Plant Supervisor	Superintendent of Pardee Section	Water Distribution Supervisor
Pardee Water/Wastewater Supervisor	Superintendent of Water Trtmnt. & Distribution	Water Treatment Supervisor

**Plant Operators**

Hydroelectric Power Plant Mechanic	Senior Water Treatment Operator	Water Distribution Operator
Hydroelectric Power Plant Operator I-II	Treatment Plant Specialist	Water Treatment Operator
Power Plant Mechanic/Operator	Wastewater Plant Operator I-II	Water Trtmnt/Dist. Operator Trainee
Senior Water Distribution Operator	Wastewater Plant Operator Trainee	

**Laboratory and Quality Control Technicians**

Laboratory Technician I-III	Supervising Wastewater Control Representative	Wastewater Control Representative
Senior Wastewater Control Inspector	Wastewater Control Inspector I-II	Water Sampler
Supervising Wastewater Control Inspector	Wastewater Control Operator	Water Systems Inspector I-II

**Engineers**

Assistant Civil Engineer	Associate Civil Engineer	Associate Electrical Engineer
Assistant Electrical Engineer	Associate Control Systems Engineer	Associate Mechanical Engineer
Assistant Mechanical Engineer	Associate Corrosion Control Specialist	Junior Engineer

**Supervising Engineers**

Senior Civil Engineer	Senior Electrical Engineer	Senior Mechanical Engineer
Senior Control Systems Engineer	Senior Engineering Planner	Supervising Administrative Engineer
Senior Corrosion Control Engineer		

**Engineering Technicians**

Assistant Surveying Supervisor	Graphic Designer I-II	Senior Pipeline Designer
Chief of Party	Hydrographer I-III	Supervising Construction Inspector
Construction Inspector	Pipeline Designer I-II	Supervising Hydrographer
Drafter I-III	Senior Construction Inspector	Supervising Plant Inspector
Drafting Supervisor	Senior Drafter	Survey Technician I-II
Graphic Design Supervisor	Senior Graphic Designer	Surveying Supervisor

**Mechanical Maintenance**

Automotive Maintenance Worker I-III	Maintenance Specialist I-III	Meter Mechanic/Backflow Tester
Automotive Mechanic A&B	Maintenance Superintendent	Meter Repair and Testing Supervisor
Equipment Superintendent	Maintenance Supervisor	Plant Maintenance Mechanic
Equipment Supervisor	Mechanical Maintenance Worker I-III	Plant Maintenance Superintendent
General Equipment Mechanic	Mechanical Supervisor	Plant Maintenance Supervisor
Heavy Equipment Maintenance Worker I-III	Meter Mechanic I-II	Plant Maintenance Worker I-III
Heavy Equipment Mechanic	Meter Reader/Mechanic	Plant Mechanical Maintenance Supervisor
Machining Maintenance Worker I-III	Meter Reader/Mechanic Foreman	Senior Mechanic
Maintenance Machinist	Meter Reader & Maintenance Supervisor	Senior Meter Mechanic/Backflow Tester

**Pipeline Maintenance Lead/Supervisors**

Truck Driver II  
 Truck Driver II Trainee  
 Assistant C& M Superintendent  
 Construction & Maintenance Scheduler  
 Construction & Maintenance Superintendent  
 General Pipe Supervisor  
 Maintenance Shift Supervisor  
 Paving Crew Foreman  
 Pipeline Welding Supervisor  
 Senior Supervisor of Maint. Shift Ops.  
 Water Distribution Crew Foreman

**Pipeline Maintenance**

Concrete Finisher I-II  
 Paving Raker A-B  
 Pipeline Welder I-III  
 Water Distribution Plumber I-IV  
 Utility Laborer

**Electrical/Structural Maintenance**

Carpenter  
 Carpenter Supervisor  
 Carpentry Worker I-III  
 Electrical Supervisor  
 Electrical Technician  
 Electrical Worker I-III  
 Facility Foreman  
 Facility Specialist I-II  
 Facility Supervisor  
 Facility Technician  
 Instrument Maintenance Supervisor  
 Instrument Supervisor  
 Instrument Technician  
 Instrument Worker I-III  
 Maintenance Superintendent  
 Painter  
 Painter Foreman  
 Painting Worker I-III  
 Plant Electrical Maintenance Supervisor  
 Plant Structures Maintenance Supervisor  
 Security Shift Supervisor

**Service Maintenance**

Automotive Services Attendant I-II  
 Gardener I-II  
 Gardener Foreman  
 Housekeeper  
 Janitor  
 Janitor Foreman  
 Janitor Supervisor  
 Materials Specialist  
 Materials Storage Foreman  
 Materials Storage Supervisor  
 Recreation Area Attendant  
 Storekeeper I-II  
 Stores Supervisor

**Heavy Equipment/Truck Operators**

Crane Operator  
 Dispatcher  
 Heavy Equipment Operator  
 Heavy Forklift Operator  
 Heavy Transport Operator

**Rangers**

Ranger Supervisor  
 Ranger/Naturalist I-II  
 Senior Ranger/Naturalist

## Job Group Summary

Exhibit 3

As of June 30, 2014

Job Group	Total Number Incumbents	Total Number Females	Total Number Minorities	Total Percentage Females	Total Percentage Minorities
Directors/Managers	62	24	19	38.71%	30.65%
Programmers	89	31	53	34.83%	59.55%
Analysts	41	26	19	63.41%	46.34%
Other Professionals	49	23	25	46.94%	51.02%
Science Professionals	39	17	12	43.59%	30.77%
Administrative Assistants	54	51	36	94.44%	66.67%
General Clerical	104	90	63	86.54%	60.58%
Customer Services	94	49	54	52.13%	57.45%
Technicians	23	5	8	21.74%	34.78%
Plant Operators	116	9	46	7.76%	39.66%
Plant Operators Lead/Supervisors	37	5	10	13.51%	27.03%
Laboratory & Quality Control Techs	8	19	20	39.58%	41.67%
Rangers	33	7	4	21.21%	12.12%
Engineers	148	42	83	28.38%	56.08%
Supervising Engineers	36	7	18	19.44%	50.00%
Engineering Technicians	88	12	36	13.64%	40.91%
Pipeline Maintenance	181	3	89	1.66%	49.17%
Heavy Equipment/Truck Operators	84	3	26	3.57%	30.95%
Pipeline Maintenance Lead/Superv.	68	2	33	2.94%	48.53%
Electrical/Structural Maintenance	100	4	22	4.00%	22.00%
Mechanical Maintenance	144	3	47	2.08%	32.64%
Service Maintenance	68	15	41	22.06%	60.29%
<b>Totals</b>	<b>1706</b>	<b>447</b>	<b>764</b>		

Availability Analysis

Exhibit 4

Job Group: Directors/Managers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	40.2	42.8	30.00	12.1	12.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	36.9	22.2	20.0	7.4	4.4	National
Internal Factors:						
Feeders	31.1	46.9	50.00	15.5	23.5	Analysts, Professional, Plant Operators Lead/ Supervisors and Supervising Engineers
<b>Final Availability %</b>			<b>100.00</b>	<b>35.0</b>	<b>40.7</b>	

Job Group: Programmers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	26.7	50.5	44.30	11.8	22.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	23.5	46.5	29.60	6.9	13.8	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	60.9	54.4	26.10	15.9	14.2	Administrative Assistants, General Clerical, Technicians, Laboratory & Quality Control Technicians, Engineering
<b>Final Availability %</b>			<b>100.00</b>	<b>34.6</b>	<b>50.3</b>	

Availability Analysis

Exhibit 4

Job Group: Analysts

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	61.4	47.3	53.40	32.8	25.3	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	60.8	42.5	13.30	8.1	5.7	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	91.8	64.6	33.30	30.6	21.5	Administrative Assistants, General Clerical
<b>Final Availability %</b>			<b>100.00</b>	<b>71.5</b>	<b>52.4</b>	

Job Group: Other Professionals

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	54.5	46.8	55.00	30.0	25.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	56.9	46.0	23.60	13.4	10.9	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	55.7	58.0	21.40	11.9	12.4	General Clerical, Customer Service, Engineering
<b>Final Availability %</b>			<b>100.00</b>	<b>55.3</b>	<b>49.0</b>	

Availability Analysis

Exhibit 4

Job Group: Science Professionals

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	47.4	36.1	53.80	25.5	19.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	42.7	21.3	23.10	9.9	4.9	Arizona - 20 %, California - 20 %, Nevada - 20 %, Oregon - 20 %, Washington - 20 %
Internal Factors:						
Feeders	55.2	48.0	23.10	12.8	11.1	General Clerical, Laboratory & Quality Control Technicians
<b>Final Availability %</b>			<b>100.00</b>	<b>48.2</b>	<b>35.4</b>	

Job Group: Administrative Assistants

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	86.7	49.0	30.00	26.0	14.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	83.6	47.9	20.00	16.7	9.6	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	86.5	60.6	50.00	43.3	30.3	General Clerical
<b>Final Availability %</b>			<b>100.00</b>	<b>86.0</b>	<b>54.6</b>	



Availability Analysis

Exhibit 4

Job Group: General Clerical

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	91.0	49.2	60.0	54.6	29.5	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	89.3	48.7	40.00	35.7	19.5	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	0	0	0	0	0	
<b>Final Availability %</b>			<b>100.00</b>	<b>90.3</b>	<b>49.0</b>	

Job Group: Customer Services

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	56.4	61.5	53.20	30.0	32.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	53.8	59.4	22.80	12.3	13.5	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	72.4	58.7	24.00	17.4	14.1	General Clerical, Water Distribution Plumber & Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>59.6</b>	<b>60.3</b>	

Availability Analysis

Exhibit 4

Job Group: Technicians

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	35.5	52.8	53.30	18.9	28.1	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	39.1	55.6	35.60	13.9	19.8	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	52.1	57.4	11.10	5.8	6.4	Customer Service
<b>Final Availability %</b>			<b>100.00</b>	<b>38.6</b>	<b>54.3</b>	

Job Group: Plant Operators

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	5.2	32.8	53.80	2.8	17.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.9	23.4	23.10	1.1	5.4	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	25.4	50.1	23.10	5.9	11.6	Customer Service, Mechanical Maintenance, Service Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>9.8</b>	<b>34.6</b>	

Availability Analysis

Exhibit 4

Job Group: Plant Operators Lead/Supervisors

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	22.3	52.0	65.00	14.5	33.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	18.0	34.8	30.00	5.4	10.4	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	11.3	39.9	5.0	0.6	2.0	Plant Operators, Laboratory & Quality Control Technicians
<b>Final Availability %</b>			<b>100.00</b>	<b>20.4</b>	<b>46.2</b>	

Job Group: Laboratory & Quality Control Technicians

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	60.1	49.1	70.00	42.1	34.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	56.3	50.7	30.00	16.9	15.2	San Francisco-Oakland-Fremont, CA Metro Area - 100 %
Internal Factors:						
Feeders	0	0	0	0	0	
<b>Final Availability %</b>			<b>100.00</b>	<b>59.0</b>	<b>49.6</b>	

**Availability Analysis**

**Exhibit 4**

Job Group: Rangers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	8.5	78.6	60.00	5.1	47.1	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	20.6	46.6	40.00	8.2	18.6	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	0	0	0	0	0	
<b>Final Availability %</b>			<b>100.00</b>	<b>13.3</b>	<b>65.8</b>	

Job Group: Engineers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	14.6	52.6	63.20	9.2	33.3	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	14.1	45.0	34.10	4.8	15.3	California - 100%
Internal Factors:						
Feeders	13.6	40.9	2.70	0.4	1.1	Engineering Technicians
<b>Final Availability %</b>			<b>100.00</b>	<b>14.4</b>	<b>49.7</b>	

**Availability Analysis**

**Exhibit 4**

**Job Group: Supervising Engineers**

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	15.4	54.5	25.00	3.9	13.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	11.9	22.4	15.0	1.8	3.4	National
Internal Factors:						
Feeders	28.4	56.1	60.00	17.0	33.6	Engineering
<b>Final Availability %</b>			<b>100.00</b>	<b>22.7</b>	<b>50.6</b>	

**Job Group: Engineering Technicians**

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	17.1	42.9	51.40	8.8	22.0	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	17.3	22.3	34.30	5.9	7.7	Arizona - 20 %, California - 20 %, Nevada - 20 %, Oregon - 20 %, Washington - 20 %
Internal Factors:						
Feeders	1.7	49.2	14.3	0.2	7.0	Water Distribution Plumbers & Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>15.0</b>	<b>36.7</b>	

**Availability Analysis**

**Exhibit 4**

Job Group: Pipeline Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	0.9	62.3	63.10	0.6	39.3	San Francisco-Oakland-Fremont, CA Metro Area - 100 %
Reasonable	1.5	60.0	34.00	0.5	20.4	California - 100%
Internal Factors:						
Feeders	22.1	60.3	2.90	0.6	1.7	Service Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>1.7</b>	<b>61.5</b>	

Job Group: Heavy Equipment/Truck Operators

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	6.8	76.1	48.50	3.3	36.9	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.9	78.7	20.80	1.0	16.4	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	1.7	49.2	30.70	0.5	15.1	Water Distribution Plumbers & Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>4.8</b>	<b>68.3</b>	

**Availability Analysis**

**Exhibit 4**

Job Group: Pipeline Maintenance Lead/Supervisors

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	5.6	44.1	8.20	0.5	3.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	6.0	43.4	3.50	0.2	1.5	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	4.8	48.1	88.30	4.1	42.5	Professionals, Water Distribution Plumbers & Maintenance, Heavy Equipment/Truck Operators
<b>Final Availability %</b>			<b>100.00</b>	<b>4.9</b>	<b>47.6</b>	

Job Group: Electrical/Structural Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	13.8	54.0	57.30	7.9	30.9	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	16.2	53.9	38.20	6.2	20.6	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	21.7	34.8	4.50	1.0	1.6	Technicians
<b>Final Availability %</b>			<b>100.00</b>	<b>15.4</b>	<b>53.2</b>	

Availability Analysis

Exhibit 4

Job Group: Mechanical Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	4.3	50.1	59.30	2.5	29.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.3	44.8	32.00	1.4	14.4	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	4.0	22.0	8.70	0.3	1.9	Electrical/Structural Workers
<b>Final Availability %</b>			<b>100.00</b>	<b>4.4</b>	<b>46.0</b>	

Job Group: Service Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	29.0	73.8	62.60	18.2	46.2	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	29.6	75.2	33.70	10.0	25.3	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	1.7	49.2	3.70	0.1	1.8	Water Distribution Plumbers & Maintenance
<b>Final Availability %</b>			<b>100.00</b>	<b>28.2</b>	<b>73.4</b>	



**Placement Goal Analysis**

**Exhibit 5**

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Directors/Managers	62	30.65%	40.70%	38.71%	35.00%	NO	NO
Programmers	89	59.55%	50.30%	34.83%	34.60%	NO	NO
Analysts	41	46.34%	52.40%	63.41%	71.50%	NO	NO
Other Professionals	49	51.02%	49.00%	46.94%	55.30%	NO	NO
Science Professionals	39	30.77%	35.40%	43.59%	48.20%	NO	NO
Administrative Assistants	54	66.67%	54.60%	94.44%	86.00%	NO	NO
General Clerical	104	60.58%	49.00%	86.54%	90.30%	NO	NO
Customer Services	94	57.45%	60.30%	52.13%	59.60%	NO	NO

\* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

**Placement Goal Analysis**

**Exhibit 5**

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Technicians	23	34.78%	54.30%	21.74%	38.60%	NO	NO
Plant Operators	116	39.66%	34.60%	7.76%	9.80%	NO	NO
Plant Operators Lead/Supervisors	37	27.03%	46.20%	13.51%	20.40%	YES	NO
Laboratory & Quality Control	48	41.67%	49.60%	39.58%	59.00%	NO	YES
Rangers	33	12.12%	65.80%	21.21%	13.30%	YES	NO
Engineers	148	56.08%	49.70%	28.38%	14.40%	NO	NO
Supervising Engineers	36	50.00%	50.60%	19.44%	22.70%	NO	NO
Engineering Technicians	88	40.91%	36.70%	13.64%	15.00%	NO	NO

\* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

**Placement Goal Analysis**

**Exhibit 5**

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Pipeline Maintenance	181	49.17%	61.50%	1.66%	1.70%	YES	NO
Heavy Equipment / Truck Operators	84	30.95%	68.30%	3.57%	4.80%	YES	NO
Pipeline Maint. Lead/Supervisors	68	48.53%	47.60%	2.94%	4.90%	NO	NO
Electrical/Structural Maintenance	100	22.00%	53.10%	4.00%	15.00%	YES	YES
Mechanical Maintenance	144	32.64%	46.00%	2.08%	4.30%	YES	NO
Service Maintenance	68	60.29%	73.40%	22.06%	28.20%	YES	NO

\* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

**VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT AND SECTION  
503 OF THE REHABILITATION ACT AFFIRMATIVE ACTION PROGRAM FOR  
PROTECTED VETERANS AND INDIVIDUALS WITH DISABILITIES**

**EAST BAY MUNICIPAL UTILITY DISTRICT (DISTRICT or EBMUD)**  
375 11th Street  
Oakland, CA 94607

**July 1, 2014 – June 30, 2015**

**Contractor Facility**

**Dun's # for Water:** 05-190-4423

**EIN (tax) #:** 94-6000590

**EEO-4 #:** 06505230

**NAICS:** 2213 Water, Sewage and Other Systems

**MSA:** 41860 San Francisco-Oakland-Fremont, CA

**AA/EEO Contact:** Dorian West Blair  
Affirmative Action Officer  
East Bay Municipal Utility District  
PO Box 24055  
Oakland, CA 94623-9979  
Attn: Affirmative Action Office/MS 601  
(510) 287-0710

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## **A. Policy Statement**

41 C.F.R. §§ 60-300.44(a); 60-741.44(a)

It is the policy of the District that equal employment opportunity (EEO) be provided in the employment and advancement for all persons regardless of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, domestic partnership status, gender, genetic information, gender identity, gender expression, sexual orientation, military or veteran status, or family or medical leave status, at all levels of employment, including the executive level. The District does not and will not discriminate against any applicant or employee regardless of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, domestic partnership status, gender, genetic information, gender identity, gender expression, sexual orientation, military or veteran status, or family or medical leave status, status to any position for which the applicant or employee is qualified.

In addition, the District is committed to a policy of taking affirmative action to employ and advance in employment qualified protected veteran (Protected Veteran) employees and individuals with disability (IWDs). Such affirmative action shall apply to all employment practices, including, but not limited to hiring, promotion, upgrading, demotion or transfer, recruitment, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship and on-the-job training. Decisions related to personnel policies and practices shall be made on the basis of an individual's capacity to perform a particular job and the feasibility of any necessary job accommodation. The District will make every effort to provide reasonable accommodations to any physical and mental limitations of IWDs and to disabled Protected Veterans.

Employees and applicants shall not be subjected to harassment, intimidation, threats, coercion or discrimination because they have engaged in or may engage in any activity protected by state, federal or local anti-discrimination laws including the following activities:

- (1) Filing a complaint;
- (2) Assisting or participating in an investigation, compliance evaluation, hearing, or any other activity related to the administration of the affirmative action provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (VEVRAA) or any other Federal, state or local law requiring equal opportunity for disabled veterans, recently separated veterans, active wartime or campaign badge veterans, or Armed Forces service medal veterans (Protected Veterans) or Section 503 of the Rehabilitation Act of 1973, as amended (Section 503) or any other federal, state or local law requiring equal opportunity for disabled persons;
- (3) Opposing any act or practice made unlawful by VEVRAA or its implementing regulations or any other federal, state or local law requiring equal opportunity for Protected Veterans or section 503 or its implementing regulations or any other federal, state or local law requiring equal opportunity for disabled persons; or

(4) Exercising any other right protected by VEVRAA or Section 503 or their implementing regulations.

District obligations in this area stem from not only adherence to various state and federal regulations, but also from our commitment as an employer in this community to provide job opportunities to all persons regardless of race, religion, color, national origin, sex, age, status as a protected veteran or an individual with disability. The District's EEO policy and affirmative action (AA) obligations include the full support from General Manager, Alexander R. Coate and are set forth in Policy 2.02, Accommodations for Individuals with Disabilities in the Workplace and Policy 2.25, Equal Employment Opportunity and Policy 2.26, Prevention of Sexual Harassment in the Workplace.

The District will also continually design and implement audit and reporting systems that will measure the effectiveness and the compliance of the VEVRAA and Section 503 AA Program (AAP), identify the need for remedial actions, determine if objectives were attained, and determine if opportunities to participate in District-sponsored activities were extended to all employees and applicants.

If you have any questions regarding our EEO, harassment policies or the complaint procedure, you may contact the AA Office. The AAP may be reviewed by making an appointment with the AA Office.

### ***B. Review of Personnel Processes***

41 C.F.R. §§ 60-300.44(b); 60-741.44(b)

To ensure that all personnel activities are conducted in a job-related manner which provides and promotes EEO for all known Protected Veterans and employees and applicants with disabilities, reviews are periodically made of the District's examination and selection methods to identify barriers to employment, training, and promotion.

1. The District reviews its recruitment processes before it announces an examination to establish an open and/or internal eligible list for a classification. It ensures there are no barriers to the consideration of Protected Veterans and IWDs. In order to determine whether an individual is qualified for a particular job, a close examination of the content of the job is made, as well as a review of the job qualifications of known Protected Veterans and IWDs, both applicants and employees. In determining the qualifications of a Protected Veteran, consideration is given only to that portion of the military record, including discharge papers, relevant to the job qualifications for which the veteran is being considered.
2. The District ensures that its personnel processes do not stereotype IWDs or Protected Veterans in a manner which limits their access to jobs for which they are qualified.
3. The District ensures that applicants and employees with disabilities have equal access to



its personnel processes, including those implemented through information and communication technologies. The District uses an online application system to accept applications for employment and potential applicants with disabilities either can use the system or can submit an application in a timely manner through alternative means such as paper application.

4. The District provides reasonable accommodations to applicants and employees with disabilities to ensure that EEO is extended in the operation of its personnel processes, unless such accommodations will cause undue hardship to the District.

### ***C. Physical and Mental Qualifications***

41 C.F.R. §§ 60-300.44(c); 60-741.44(c)

To ensure that all physical and mental qualifications and requirements of job classifications are job-related and promote EEO for all known Protected Veterans and employees and applicants with qualified disabilities, the District reviews the physical and mental qualifications of a job classification before it announces an examination to establish an open and/or internal eligible list for a classification.

The District's physical and mental job classification requirements are reviewed by the Manager of Recruitment of Classification, the hiring manager and the unions to determine whether or not they are job-related and consistent with business necessity and safe performance on the job.

Schedule for Review: Any previously reviewed classification will be reviewed again if there is a change in working conditions which affects the job's physical or mental requirements (e.g., new requirements, new equipment, etc.) or if a class study is requested.

### ***D. Reasonable Accommodation to Physical and Mental Limitations***

41 C.F.R. §§ 60-300.44(d); 60-741.44(d)

The District will make every effort to provide reasonable accommodations to physical and mental limitations of applicants and employees with disabilities, or who are disabled veterans. Such reasonable accommodations are explained and documented in District's Procedure 201. The District ensures that qualified applicants and employees with disabilities, who are unable to fully utilize the on-line job application system, are provided equal opportunities to apply and be considered for all jobs.

The District will confidentially review issues of employees to determine whether a reasonable accommodation is needed when: 1) the employee is having significant difficulty with job performance, and 3) it is reasonable to conclude that the problem is related to the known disability.

Employees may also contact the following person at any time to formally request an accommodation:

Name: Roger Wapner  
Title: HR Regulatory Coordinator  
Phone: (510) 287-0380  
Email: rwapner@ebmud.com

***E. Harassment***

41 C.F.R. §§ 60-300.44(e); 60-741.44(e)

The District has developed and implemented a set of procedures to ensure that its employees with disabilities and Protected Veterans are not harassed due to those conditions. The District's Policy 2.25 on EEO includes a section prohibiting harassment of IWDs or Protected Veterans, and is available for distribution to new as well as to existing employees. The Districts' Procedure 227 on EEO Discrimination/Harassment Complaints outlines the complaint and investigation process.

***F. External Dissemination of Policy, Outreach, and Positive Recruitment***

41 C.F.R. §§ 60-300.44(f); 60-741.44(f)

Based upon the District's review of its personnel policies as described in subpart B, the following activities will be implemented or continued to further enhance our AA efforts. All activities are the responsibility of the Affirmative Action Officer, Manager of Recruitment and Classification, and the Contract Equity Administrator.

1. The District will initiate and maintain communication with organizations having special interests in the recruitment of and job accommodations for Protected Veterans and IWDs.
2. The District provides information emphasizing job opportunities for Protected Veterans and IWDs to local educational institutions, public and private.
3. The District informs all recruiting sources of the District's AA policy for Protected Veterans and IWDs.
4. The District lists with the California State Employment Development Department (EDD) all suitable job openings.

The exemptions for posting jobs are when positions are:

- (1) executive and top management positions,
- (2) positions that will be filled from within the contractor's organization,
- (3) and positions lasting three days or less.

This is an on-going activity. A listing of job opportunities reported to the local State

Employment Service Delivery System is kept current.

5. The District sends written notification of the District's AA policy to all subcontractors, vendors, and suppliers requesting appropriate action on their part.
6. The District conducts formal briefing sessions with representatives from recruiting sources. Included as part of the briefing sessions are clear and concise explanations of current and future job openings, position descriptions, worker specifications, explanations of the District's selection process, and recruiting literature. The District arranges for referral of applicants.
7. The District participates in veterans "job fairs."
8. The District grants leaves of absence to employees who participate in honor guards for the funeral of veterans.

### ***G. Internal Dissemination of Policy***

41 C.F.R. §§ 60-300.44(g); 60-741.44(g)

In order to gain positive support and understanding for the AAP for Protected Veterans and IWDs the District will implement or continue to implement the following internal dissemination procedures, all of which are the responsibility of the AA Officer and Manager of Employee Relations. The following policies and procedures are designed to foster support and understanding from District's executive staff, management, supervisors, and other employees in an effort to encourage all employees to take the necessary actions to aid the District in meeting its obligations.

1. Discuss Policies 2.02, 2.25, and 2.26 and the AAP in both employee orientation and management training programs.
2. Inform union officials of Policies 2.02, 2.25, and 2.26 and the AAP, and request their cooperation.
3. Include non-discrimination clauses in all union agreements, and review all contractual provisions to ensure they are non-discriminatory.
4. Post Policies 2.02, 2.25, and 2.26 and the AAP policy on District bulletin boards, along with the District's harassment policy which includes protection from harassment on the basis of disability.

### ***H. Audit and Reporting System***

41 C.F.R. §§ 60-300.44(h); 60-741.44(h)

The District has developed and currently implements an audit and reporting system that addresses the following:

1. Measures the effectiveness of the District's overall AAP and whether the District is in compliance with specific obligations.
2. Indicates the need for remedial action. Any corrective actions will be the responsibility of the subject matter manager with oversight by the AA Officer and the Manager of HR.
3. Measures the degree to which the District's objectives are being met.
4. Considers whether there are any undue hurdles for Protected Veterans and IWDs regarding District sponsored educational, training, recreational, and social activities. This will also include, but not be limited, to the review of the on-line and electronic application system to determine its accessibility and ensure that procedures to request accommodations are displayed and that individuals with disabilities can readily obtain the reasonable accommodation.

### ***I. Responsibility for Implementation***

41 C.F.R. §§ 60-300.44(i); 60-741.44(i)

As part of its efforts to ensure EEO to Protected Veterans and IWDs, the District has designated specific responsibilities to various staff to ensure the AAP focuses on all components of the employment system. To that end, the General Manager, Manager of HR, Affirmative Action Officer, HR Regulatory Coordinator, Risk Manager, and those employed as supervisors and managers have undertaken the responsibilities described below.

#### **Board of Directors (Board)**

The seven-member Board, publicly elected pursuant to the MUD Act, is the legislative body of the District and determines all questions of policy. The Board is also responsible for fair and equal treatment at the District. Specifically, Board Members promote diversity and equality in personnel matters consistent with state and federal laws and assist in achieving the equal opportunity objectives of EBMUD. (District Policy 6.04, Ethics Policy of the EBMUD Board of Directors) The Board adopts the VEVRAA and Section 503 AAP annually and EEO policies, Policies 2.02 and 2.25, are updated and presented for adoption by the Board on a prescribed schedule.

#### **General Manager (GM)**

The Board appoints a GM to conduct the business affairs of the District, including the administration of the Civil Service System of the District. Accordingly, the District's GM has the overall responsibility to implement the District EEO policy and AAP. The GM has delegated the Civil Service System responsibilities, including the direct responsibility to implement and administer the EEO policy and AAP to the Manager of Human Resources. The Manager of Human Resources has the full support of and access to senior management officials.

#### **Manager of Human Resources (Manager of HR)**

The Manager of HR is responsible for overall supervision of the AAP and EEO programs. The Manager of HR has delegated the EEO and AA programs to the Affirmative Action

Officer. The Manager of HR ensures, through the AA Officer and department managers and supervisors, that all relevant policies and procedures are adhered to. Successful implementation of the AAP and EEO Policy is one of the elements considered in evaluating the Manager of HR's effective work performance.

#### *Affirmative Action Officer (AA Officer)*

The AA Officer provides leadership and direction in the development, implementation, and evaluation of an effective AA and EEO programs. The AA Officer has the full support of and access to senior management officials. Successful implementation of the AAP and EEO programs are a basis for evaluating the AA Officer's effective work performance. The AA Officer's responsibilities include, but are not limited to, the following:

- Develop and revise EEO policy, procedures, and work rules to enhance EEO and in accordance with federal and state laws. Prepare annual AAP and present findings and recommendations to the Board.
- Identify problem areas and barriers to EEO, and develop strategies and programs with management to address these problems.
- Develop, implement, and maintain audit and reporting systems to measure effectiveness of EEO programs, including those that will indicate the need for remedial action and determine the degree to which goals and objectives have been obtained.
- Conduct periodic audits to ensure that all required posters and the EEO policies and AAP are displayed properly. Conduct audits to ensure that the Invitation to Self-Identify (pre and post offer) for Protected Veterans and IWDs, the District's EEO, and AAP policies are being utilized appropriately and thoroughly communicated.
- Ensure that employees are re-surveyed regarding their disability status every five (5) years and send out reminders to employees, at least once during the five (5) year intervals, that they may voluntarily update their disability status at any time.
- Serve as a liaison between the District and enforcement agencies.
- Keep managers informed of the latest developments in the equal opportunity area.

#### *Human Resources Regulatory Coordinator and Risk Manager*

The HR Regulatory Coordinator (HRRC) acts as the District's ADA/AA Compliance Officer. The HRRC responds to requests for reasonable accommodation of physical or mental disabilities covered under ADA/AA and FEHA. The Risk Manager responds to requests for reasonable accommodations of physical or mental disabilities covered under ADA/AA and FEHA when a claim originates with a worker compensation injury.

#### *Managers and Supervisors*

Supervisors at all levels act on behalf of the District.

Accordingly, all managers and supervisors have the following AA and EEO program responsibilities:

- Monitor his or her work unit for discriminatory or harassing behavior and take appropriate steps to stop and correct behavior that violates District EEO policy.
- Enforce District EEO policy as well as adhere to it.

- Familiarize himself or herself with the District's policies on discrimination and harassment (Policies 2.25 and 2.26), to incorporate them into his or her own behavior, and to inform employees in the work unit to do the same.
- Be familiar with the EEO Discrimination/ Harassment Complaint Procedure and be ready to assist employees (including those who do not report directly to them) who raised EEO-related complaints.
- Regard all complaints of EEO discrimination or harassment seriously. Managers/supervisors should not ignore or minimize such complaints or otherwise discourage employees from reporting them.
- Participate in and support staff's involvement with AA, EEO and diversity programs and recruitment activities.
- Work with the AA Officer to enhance the effectiveness of the AA and EEO programs and make good faith efforts by considering alternate methods to fill vacant positions in order to create a diverse and qualified candidate pool.
- Consider all qualified candidates for promotion/hire and ensure that all selections are made for valid job-related reasons and without discrimination.

All District Employees

Employees at all levels are responsible for supporting to the District's AA and EEO programs, as may be appropriate in the performance of their official duties, by assuring equal treatment, and equal access to service for all persons with whom they deal.

All District employees are required to adhere to the District's EEO policies and encouraged to make positive contributions to creating an inclusive work environment.

**J. Training**

41 C.F.R. §§ 60-300.44(j); 60-741.44(j)

The District trains all employees involved in any way with the recruitment, selection, promotion, training, and related processes regarding IWDs or Protected Veterans to ensure commitment to the District's stated AA goals.

**K. Data Collection Analysis**

41 C.F.R. §§ 60-300.44(k); 60-741.44(k)

The District has adopted the current national percentage of veterans in the civilian labor force of 7.2% as its hiring benchmark for protected veterans. The District will update its hiring benchmark as new data is published and updated via the OFCCP's website. The 7.2% hiring benchmark is applied to each job group within the District.

The District also adopted the current national utilization goal of 7.0% for qualified individuals with disabilities. The District will update its utilization goal as new data becomes available, updated and published. The 7.0% utilization goal is applied to each job group within the District.

Goals and/or benchmarks do not require that the District hire, promote, train, and/or retain a specified number of IWDs and/or Protected Veterans. These goals/benchmarks are not rigid and inflexible quotas which must be met, but are instead targets.

The District is collecting the required data and conducting studies to identify areas of opportunities in the employment of Protected Veterans and IWDs. The District will continue to monitor and update these studies periodically during each AAP year. This year, the District is piloting a veterans' cohort internship for the Water Distribution Plumber I (WDPI) Internship Program. The District believes that veterans have the transferable skills for the WDPI position and is optimistic that they will be successful in the internship and on the exam. The District is looking into other possible employment programs for Protected Veterans and for IWDs.

In each case where the hiring benchmark for Protected Veterans and/or the utilization goal for IWDs are not met, affirmative actions, as appropriate, will be taken consistent with the activities mentioned in subpart F (External Dissemination of Policy and Outreach and Positive Recruitment) and measures described in subpart H (Internal Audit and Reporting) of this AAP.

The VEVRAA Hiring Benchmark Analysis and the 503 Utilization Goals Analysis per job group will be available in next year's AAP.





**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: February 5, 2015

MEMO TO: Board of Directors

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

SUBJECT: Legislative Report No. 01-15

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

**RECOMMENDED ACTION**

Approve positions on the following bills: 1) Sponsor Legislation by Senator Hancock to Eliminate the 2015 Sunset Date on EBMUD's Lien Authority for Delinquent Water and Wastewater Charges, 2) Support AB 1 (Brown) Drought: Local Government: Fines, 3) Support AB 149 (Chavez) Urban Water Management Plans, 4) Support SB 20 (Pavley) Wells: Reports: Public Availability, 5) Support S. 176 (Boxer) Water in the 21<sup>st</sup> Century Act, and 6) Support H.R. 291 (Napolitano) Water in the 21<sup>st</sup> Century Act.

**STATE LEGISLATION**

**RECOMMENDED  
POSITION**

**BILL NO. TBD  
(Hancock)**

**LEGISLATION TO ELIMINATE THE  
2015 SUNSET DATE ON EBMUD'S LIEN  
AUTHORITY FOR DELINQUENT WATER  
AND WASTEWATER CHARGES**

**SPONSOR**

Consistent with the State Legislative Initiatives for the 2015 Legislative Year, approved by the Board on November 12, 2014, EBMUD is sponsoring legislation to eliminate the statutory 2015 sunset date on EBMUD's lien authority for delinquent water and wastewater charges. Staff has secured an author, Senator Loni Hancock, for the measure and the measure will be introduced in the coming weeks.

In 2010, EBMUD co-sponsored SB 1035 (Hancock) with Alameda County to provide EBMUD with the authority to impose a lien on properties for delinquent water and wastewater service charges and to collect delinquent charges through county property tax rolls. At the time, EBMUD had a specific barrier in its enabling law (the Municipal Utility District Act) that precluded it from recording a lien on a property for delinquent charges. No other utility is known to have had this specific and controlling barrier in its enabling law.

SB 1035 was enacted into law (Chapter 485 of 2010), however, the lien authority provided by SB 1035 included a sunset date and is effective only until January 1, 2016. The lien authority will be repealed unless a new statute is enacted to delete or extend the sunset date.

The proposed bill will be specific to EBMUD and would amend the Municipal Utility District Act to remove the sunset date in existing law, allowing EBMUD to continue recording a lien on a property for non-payment of water and wastewater charges and collecting delinquent charges through the county property tax rolls.

EBMUD's Lien Program, adopted following the enactment of SB 1035, has improved EBMUD's ability to collect unpaid delinquent charges and compels payment while allowing water service to continue in multi-family buildings. Continuance of the Lien Program serves in the best interest of the customer and EBMUD as a viable alternative to terminating water service to tenants when the property owners or customer of record is unable to pay the delinquent charges and EBMUD recovers the delinquent charges.

Though the measure has not yet been introduced, in order to express EBMUD's sponsorship and support for the bill immediately upon the bill's introduction, staff recommends that the Board adopt a "sponsor" position on the proposed legislation.

There are currently no other entities listed in support or opposition to this legislation.

<b>AB 1 (Brown)</b>	<b>DROUGHT: LOCAL GOVERNMENT: FINES</b>	<b>SUPPORT</b>
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Existing law regarding water conservation includes various provisions and allows local governments to adopt ordinances restricting watering during times of drought. In addition, the Davis-Stirling Common Interest Development Act governs the regulation of common interest developments (CIDs) and prohibits a CID from imposing a fine or assessment for reducing or eliminating watering of plants or lawns if the governor or local government has declared a drought emergency.

AB 1, as introduced on December 1, 2014, would facilitate conservation during a governor-declared drought emergency by prohibiting a city, county, or city and county from imposing fines on residents for failing to water a lawn or for having a brown lawn.

In January 2014, Governor Brown declared a state of emergency due to drought and called on Californians to reduce their water use by 20 percent. Since that time, California has continued to experience dry conditions, with January 2015 being one of the driest months on record. According to the Association of California Water Agencies, more than 50 percent of residential water use takes place outdoors. One way to conserve water is to reduce outdoor watering.

While current law allows local governments to restrict watering and prohibits a CID from fining a homeowner who chooses to conserve water by reducing his or her watering of their plants or lawns during a state or locally declared drought emergency, Californians who reduce their outdoor water use in an effort to comply with the governor's call to conserve water could be penalized if their lawns are not maintained in accordance with city, county or city and county ordinances. According to the author's office, since the governor's drought declaration residents in multiple cities have reported being fined or having received warnings from their cities for failing to maintain their lawn by not watering it or allowing it to turn brown.

AB 1, if enacted, would help ensure Californians could comply with the governor's request to conserve water as well as any local water provider's water use restrictions without being penalized by a city, county, or city and county for not maintaining their landscaping. With regard to EBMUD, the Board declared a water shortage emergency on August 12, 2014 and is currently asking customers to voluntarily cut back water use by 15 percent. AB 1's objective is consistent with EBMUD's efforts to increase water conservation in its service area and to provide residents and homeowners with options to reduce their water use.

In 2014, EBMUD supported five measures, AB 1636 (Brown), AB 2100 (Campos), AB 2104 (Gonzalez), SB 992 (Nielsen), and SB 1144 (Galgiani), to facilitate outdoor water conservation. AB 1636, which was similar to AB 1, failed to advance out of the legislature. AB 2100 prohibited a CID from penalizing homeowners for reducing or eliminating watering of plants or lawns during a governor or locally declared state of emergency and was signed into law (Chapter 164). AB 2104 precluded a CID from prohibiting the replacement of existing turf with low water-using plants and was signed into law (Chapter 421). SB 992 was similar to AB 2100 and, among other things, prohibited CIDs from imposing a fine or assessment for reducing or eliminating watering of plants and lawns if the governor has declared a drought emergency. SB 992 was signed into law (Chapter 434). SB 1144 would have prohibited CIDs from imposing a fine or assessment for yard maintenance issues related to under-watered plants and lawns if the governor has declared a drought emergency. SB 1144 failed to advance out of the legislature.

There are currently no entities listed in support or opposition to AB 1.

**AB 149  
(Chavez)**

**URBAN WATER MANAGEMENT  
PLANS**

**SUPPORT**

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan (UWMP) and to update its UWMP at least once every five years on or before December 31 in years ending in zero and five. UWMPs include, among other things, a description of the supplier's service area, the identity and quantity of water resources, and water use projections. Urban water suppliers must submit copies of these plans to the Department of Water Resources (DWR) and DWR is required to submit to the legislature, on

or before December 31 in the years ending in one and six, a report summarizing the status of UWMPs.

AB 149 (Chavez) as introduced on January 15, 2015, would permanently change the adoption dates for UWMPs to December 31 of years ending in one and six, rather than years ending in zero and five. The bill would also change the dates that DWR must submit its report to the Legislature to years ending in two and seven, rather than one and six.

As part of the 2015 UWMP, urban water suppliers are required to provide an interim report on their progress in reducing their per capita water use by 20 percent by the year 2020. However, with a December 31, 2015 submittal due date, it would not be possible for urban water suppliers to include water usage data for the entirety of 2015 in the UWMP. To ensure that the interim water use target reporting could be fully included in the 2015 UWMP, AB 2067 (Weber), which EBMUD supported, was passed in 2014, to, among other things, delay the due date for the 2015 UWMPs from December 31, 2015 to July 1, 2016 to allow water suppliers more time to gather and process data for inclusion.

However, AB 2067 did not change the due dates for subsequent UWMPs and there will be a similar issue with providing complete water use target reporting data in the 2020 UWMP, and possibly future UWMPs, unless the deadline is changed. In addition, as the decennial U.S. Census is conducted in years ending in zero, the current deadline for adoption of UWMPs in years ending in zero will not allow adequate opportunity to include comprehensive census data in those UWMPs.

As part of its long range planning, and in accordance with state law, EBMUD prepares and adopts UWMPs. The last UWMP was adopted by the Board on June 28, 2011. EBMUD staff is in the process of preparing the 2015 UWMP in order to meet the July 1, 2016 submittal date requirement. By changing the submittal dates for future UWMPs, AB 149 would assist urban water suppliers, including EBMUD, whose customers are ahead of schedule in meeting the 20 percent reduction goal in per capita water use by 2020, in reporting on interim progress towards meeting water use efficiency goals by 2020 and including comprehensive census data in their UWMPs.

EBMUD has previously supported legislation intended to promote urban water conservation and facilitate reporting of water conservation measures in UWMPs. In 2014, EBMUD supported three measures to implement recommendations from the DWR Independent Technical Panel on Demand Management Measures. AB 2067 (Weber), which delayed the 2015 UWMP submittal deadline and updated the demand management measurement requirements, was signed into law (Chapter 463). SB 1036 (Pavley) authorized the optional inclusion of energy-related information in UWMPs. SB 1036 was signed into law (Chapter 485). SB 1420 (Wolk), which required reporting of distribution system water loss and allowed reporting of projected future water savings from compliance with local codes and standards, was also signed into law (Chapter 490).

There are currently no entities listed in support or opposition to AB 149.

**SB 20            WELLS: REPORTS: PUBLIC AVAILABILITY            SUPPORT**  
**(Pavley)**

Existing law requires a person who installs a water well, cathodic protection well, or a monitoring well, or abandons, destroys, deepens, or re-perforates a well, to file a report of completion with the Department of Water Resources (DWR). Existing law prohibits these well completion reports from being made available to the public, except under certain circumstances.

SB 20 (Pavley) would require DWR to make well completion reports available to the public upon request and would require DWR to provide specified disclaimers when providing the reports.

Well completion reports include information on the well location, depth of the well, geology of the surrounding soils, and depth of the groundwater table. This information is useful to groundwater managers, consulting hydrologists, academics, and others interested in and conducting studies on the geologic, hydrologic, and water quality characteristics of groundwater basins, earthquake risk assessments, and other geologic hazards.

Well completion reports can also be used to construct detailed underground aquifer maps used to determine possible locations for efficient and effective groundwater banking, to identify key recharge areas, and to better protect and improve groundwater quality. This information is central to developing and implementing groundwater management plans.

Local groundwater resources are a key component of EBMUD's future supplemental water supply strategy. EBMUD led the effort to develop the South East Bay Plain Basin Groundwater Management Plan to safeguard this valuable basin that underlies a portion of EBMUD's service territory. Within the South East Bay Plain Basin, EBMUD has constructed the first phase of the Bayside Groundwater Project which will provide much needed drought supplies to EBMUD customers by storing wet year water underground for use in dry years.

SB 20's requirement that well completion reports be made available to the public would benefit EBMUD and others involved in groundwater management planning by reducing costs associated with groundwater management planning. The detailed information in existing well completion reports would enable groundwater management planners to focus their exploration efforts on those areas where data is lacking and reduce the cost to obtain groundwater-related information for those areas with pre-existing wells. SB 20's objective to increase transparency is consistent with EBMUD's current practices of making its well completion information public by including it in the relevant environmental impact reports and providing the information to interested parties upon request.

EBMUD has previously supported measures to facilitate groundwater management. EBMUD's Board previously adopted a "support" position on a substantially similar measure, SB 1146 (Pavley) in 2012. SB 1146 failed to advance out of the legislature. In 2014, EBMUD supported AB 1739 (Dickinson) and SB 1168 (Pavley), companion measures to enact the Sustainable Groundwater Management Act to require local management of groundwater resources and allow for state intervention where local management is deemed to be inadequate. Both measures were signed into law (Chapter 347 and Chapter 346, respectively).

There are currently no entities listed in support or opposition to SB 20.

### **FEDERAL LEGISLATION**

**S. 176**                      **WATER IN THE 21<sup>ST</sup> CENTURY ACT**                      **SUPPORT**  
**(Boxer)**  
**H.R. 291**  
**(Napolitano)**

In 2006, the U.S. Environmental Protection Agency (EPA) initiated a "WaterSense" voluntary labeling program to recognize water-using products that are 20 percent more water-efficient and perform as well or better than standard products. According to the WaterSense website, the program's goal is to decrease indoor and outdoor nonagricultural water use through more efficient products, equipment and programs. Since the program's inception, WaterSense product recognition has been awarded to high-efficiency toilets, urinals, bathroom sink faucets, showerheads, landscape irrigation controllers, and new homes.

S. 176 (Boxer) and H.R. 291 (Napolitano) are substantially similar to S. 2771 (Boxer) and H.R. 5363 (Napolitano), which the Board adopted "support" positions on in 2014, and are identical companion measures known as the Water in the 21<sup>st</sup> Century Act (Act). The Act would primarily do five things: (1) strengthen the WaterSense program by providing funding for the program; (2) create a new competitive grant program within EPA to assist water and wastewater systems with climate change mitigation efforts such as projects to conserve water, increase water efficiency or reuse, and modify or move infrastructure; (3) provide loans, loan guarantees, and grants to help support projects on a regional scale such as projects related to water recycling, groundwater management, water storage and water conveyance infrastructure; (4) support water-use efficiency and desalination research by reauthorizing the Water Resources Research Act and the Water Desalination Act through 2020; and (5) authorize funding for water research institutes.

The WaterSense funding is of particular interest to EBMUD. Similar to S. 2771 and H.R. 5363 from 2014, which EBMUD supported and which would have provided funding and institutional recognition for the WaterSense program, the Act contains authorizations for the WaterSense program of \$100 million, \$150 million, \$200 million, \$150 million, and \$100 million for the years 2015, 2016, 2017, 2018, and 2019, respectively. This funding would be provided to cover

up to 50 percent of the costs of state and local programs that provide financial incentives for consumer purchases and installation of water-efficient products, buildings, or landscapes. Entities that would be eligible to receive this funding are the state government, local or county governments, tribal governments, wastewater or sewage utilities, municipal water authorities, energy utilities, water utilities, or nonprofit organizations. Under the provisions of this measure, EBMUD would be considered an eligible entity for this funding.

EBMUD provides incentives to its residential customers for the installation of water saving devices such as high-efficiency toilets and water-efficient clothes washers. The Act would promote water conservation by providing federal support for water conservation incentive programs, such as the ones operated by EBMUD.

In addition, the Act seeks to provide additional funding support for climate change mitigation projects, such as water conservation, water-use efficiency, and water recycling projects through a new competitive grant program, though authorized funding levels are not specified. The Act would also provide funding support for local investments in regional projects, such as water recycling, desalination, and groundwater management, through a loan and loan guarantee program as well as a grant program. The Act would authorize \$500 million for the loan and loan guarantee program, \$100 million annually from fiscal year 2015 through fiscal year 2019, and would authorize \$700 million, an increase from \$150 million in S. 2771 and H.R. 5363, for the grant program. EBMUD would potentially be eligible to compete for funding under these provisions.

Support of S. 176 and H.R. 291 is consistent with EBMUD's support for S. 2771 and H.R. 5363 in 2014, as well as EBMUD's efforts to encourage water conservation and water recycling and EBMUD's 2015 federal initiatives to seek federal funding opportunities. Both S. 2771 and H.R. 5363 failed to advance out of congress. EBMUD also supported three prior measures, which were identical to each other, which would have provided funding for the WaterSense program, H.R. 123 (Holt, Miller) in 2013, H.R. 1967 (Holt, Miller) in 2011 and H.R.2368 (Holt, Miller) in 2009. Each of these measures failed to advance out of congress.

A current list of support and opposition to S. 176 and H.R. 291 is not available.

ARC:MD:JF



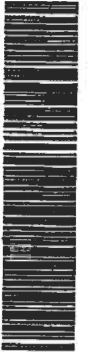


# AUTHOR'S COPY

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An act to amend and repeal Section 12811.1 of the Public Utilities Code,  
relating to utility charges.



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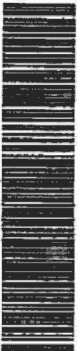
THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 12811.1 of the Public Utilities Code, as amended by Section 1 of Chapter 485 of the Statutes of 2010, is amended to read:

12811.1. (a) Except when prohibited by Section 12822.6, a district may, by resolution or ordinance, require the owner of record of real property within the district to pay the fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, and those fees, tolls, rates, rentals, and other charges that have become delinquent, together with interest and penalties thereon, are a lien on the property when a certificate is filed in the office of the county recorder pursuant to subdivision (b) and the lien has the force, effect, and priority of a judgment lien. No lien may be created under this section on any publicly owned property.

(b) A lien under this section attaches when the district files for recordation in the office of the county recorder a certificate specifying the amount of the delinquent fees, tolls, rates, rentals, or other charges together with interest and penalties thereon; the name of the owner of record of the property to which services were rendered by the district; and the legal description of the property. Within 30 days of receipt of payment of all amounts due, including recordation fees paid by the district, the district shall file for recordation a release of the lien.

(c) A district may, by resolution or ordinance, provide that any delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, may be collected on the tax roll in the same manner as property taxes. Before any entity may collect any delinquent fees, tolls, rates, rentals,

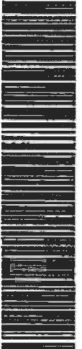


or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant on the tax roll, the district shall prepare a report, provide notice, conduct a public hearing, and file a certificate in the office of the county recorder, as follows:

(1) The general manager shall prepare and file with the district board of directors a report that describes each affected parcel of real property and the amount of the delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant for each affected parcel for the year. The general manager shall give notice of the filing of the report and of the time, date, and place for a public hearing by publishing the notice pursuant to Section 6066 of the Government Code in a newspaper of general circulation, and by mailing the notice to the owner of each affected parcel at least 14 days prior to the date of the hearing.

(2) At the public hearing, the board of directors shall hear and consider any objections or protests to the report. At the conclusion of the public hearing, the board of directors may adopt or revise the delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant. The board of directors shall make its determination on each affected parcel and its determinations shall be final.

(3) On or before August 10 of each year following these determinations, the general manager shall file with the county auditor a copy of the final report adopted by the board of directors. The county auditor shall enter the amount of the delinquent



fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, against each of the affected parcels of real property as they appear on the current assessment roll. The county tax collector shall include the amount of the delinquent fees, tolls, rates, rentals, or charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, on the tax bills for each affected parcel of real property and collect the delinquent fees, tolls, rates, rentals, or charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, in the same manner as property taxes.

(4) The district may recover any delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, by recording in the office of the county recorder of the county in which the affected parcel is located, a certificate declaring the amount of the delinquent fees, tolls, rates, rentals, or charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, due, and the name and last known address of the person liable therefore. From the time of recordation of the certificate, the amount of the delinquent fees, tolls, rates, rentals, or charges, together with interest and penalties thereon, including any delinquent fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, constitutes a lien against the affected real



property of the delinquent property owner in that county. This lien shall have the force, effect, and priority of a judgment lien. Within 30 days of receipt of payment of all amounts due, including recordation fees paid by the district, the district shall file for recordation a release of the lien.

(5) The district shall not recover on the tax roll any delinquent fees, tolls, rates, rentals, or other charges for services for commercial use to a commercial tenant under an account established by the commercial tenant, from any subsequent tenant or the property owner, due to nonpayment of charges by a previous commercial tenant. For this purpose, the term "subsequent commercial tenant" shall not include an entity or adult person that was located at the same address during the period the charges or penalties accrued. This paragraph does not apply to master-metered accounts.

(d) Notwithstanding Sections 6103 and 27383 of the Government Code, in filing any instrument, paper, or notice pursuant to this section, the district shall pay all applicable recording fees prescribed by law.

(e) A district shall reimburse the county for the reasonable expenses incurred by the county pursuant to this section.

~~(f) Any district that places a lien on a property for water or sewer service pursuant to this section on or before December 31, 2014, shall submit to the Assembly and Senate Committees on Judiciary and to the Assembly and Senate Committees on Local Government, on or before January 1, 2015, a report containing the following information:~~

~~(1) The total number of liens created under this section for water or sewer service and the total dollar amount of those liens.~~



~~(2) The overall effectiveness of the liens and any problems associated with the use of those liens:~~

~~(g)~~

~~(f) The remedies in this section are cumulative and in addition to any other remedy provided by law. The district may pursue remedies alternatively or consecutively.~~

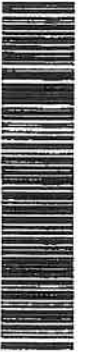
~~(h)~~

~~(g) This section does not apply to delinquent fees or charges for the furnishing of electrical service.~~

~~(i) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.~~

SEC. 2. Section 12811.1 of the Public Utilities Code, as added by Section 2 of Chapter 485 of the Statutes of 2010, is repealed.

~~12811.1. (a) A district, by resolution or ordinance, may require the owner of record of real property within the district to pay the fees, tolls, rates, rentals, or other charges for services rendered to a lessee, tenant, or subtenant, and those fees, tolls, rates, rentals, and other charges that have become delinquent, together with interest and penalties thereon, are a lien on the property when a certificate is filed in the office of the county recorder pursuant to subdivision (b) and the lien has the force, effect, and priority of a judgment lien. A lien shall not be created under this section on any publicly owned property.~~



~~(b) A lien under this section attaches when the district files for recordation in the office of the county recorder a certificate specifying the amount of the delinquent fees, tolls, rates, rentals, or other charges together with interest and penalties thereon; the name of the owner of record of the property to which services were rendered by the district, and the legal description of the property. Within 30 days of receipt of payment of all amounts due, including recordation fees paid by the district, the district shall file for recordation a release of the lien.~~

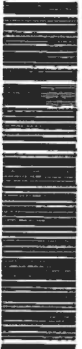
~~(c) Notwithstanding Sections 6103 and 27383 of the Government Code, in filing any instrument, paper, or notice pursuant to this section, the district shall pay all applicable recording fees prescribed by law.~~

~~(d) The remedies in this section are in addition to any other remedy provided by law.~~

~~(e) This section does not apply to delinquent fees or charges for the furnishing of water or sewer service to residential property or electrical service.~~

~~(f) This section shall become operative on January 1, 2016.~~

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.







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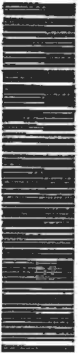
## LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, Hancock.

General Subject: Municipal utility district: utility charges: delinquencies.

(1) The existing Municipal Utility District Act authorizes the formation of a municipal utility district. The act authorizes a district to acquire, construct, own, operate, control, or use works for supplying the inhabitants of the district and public agencies with light, water, power, heat, transportation, telephone service, or other means of communication, or means for the collection, treatment, or disposition of garbage, sewage, or refuse matter. The act authorizes a municipal utility district, by resolution or ordinance, to require the owner of record of privately owned real property within the district to pay the fees, tolls, rates, rentals, or other charges for certain utility services rendered to a lessee, tenant, or subtenant, and provides that those charges that have become delinquent, together with interest and penalties, are a lien on the property when a certificate is filed by the district in the office of the county recorder and that the lien has the force, effect, and priority of a judgment lien.



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The act, in addition to the above-described methods, establishes procedures, until January 1, 2016, for a municipal utility district to collect delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, for services rendered to a lessee, tenant, or subtenant, through the tax roll, in the same manner as property taxes. The act, until January 1, 2016, authorizes a municipal utility district to collect delinquent fees, tolls, rates, rentals, or other charges, together with interest and penalties thereon, for services rendered to a lessee, tenant, or subtenant, by recording in the office of the county recorder of the county in which the affected parcel is located, a certificate declaring the amount of the delinquent charges, together with interest and penalties thereon, which would then constitute a lien against the affected real property of the delinquent property owner in that county and have the force, effect, and priority of a judgment lien. The act, until January 1, 2016, requires a municipal utility district that exercises these collection measures to reimburse the county for the reasonable expenses incurred by the county.

This bill would extend the operation of these provisions indefinitely. By requiring county auditors and recorders to undertake certain actions in response to the exercise of collection measures by a municipal utility district, the bill would impose a state-mandated local program.

(2) The act prohibits a municipal utility district from collecting delinquent fees or charges using the above-described collection measures for the furnishing of electrical services and, beginning January 1, 2016, for the furnishing of water or sewer service to residential property.



This bill would permanently authorize a municipal utility district to collect delinquent fees or charges using the above-described collection measures for the furnishing of water or sewer service to residential property.

(3) The act requires any district that places a lien on a property for water or sewer service on or before December 31, 2014, pursuant to the above-described collection measures, to submit a report containing certain information to the Assembly and Senate Committees on Judiciary and to the Assembly and Senate Committees on Local Government on or before January 1, 2015.

This bill would delete this provision.

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

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

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





**ASSEMBLY BILL**

**No. 1**

---

**Introduced by Assembly Member Brown**

December 1, 2014

---

An act to add Section 8627.7 to the Government Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1, as introduced, Brown. Drought: local governments: fines.

The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. Existing law, the California Emergency Services Act, sets forth the emergency powers of the Governor under its provisions and empowers the Governor to proclaim a state of emergency for certain conditions, including drought.

This bill would prohibit a city, county, or city and county from imposing a fine under any local maintenance ordinance or other relevant ordinance for a failure to water a lawn or having a brown lawn during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

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

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

- 1 SECTION 1. The Legislature finds and declares that this act
- 2 is in furtherance of the policy contained in Section 2 of Article X
- 3 of the California Constitution and is a matter of statewide concern.

1 SEC. 2. Section 8627.7 is added to the Government Code, to  
2 read:

3 8627.7. (a) During a period for which the Governor has issued  
4 a proclamation of a state of emergency under this chapter based  
5 on drought conditions, a city, county, or city and county shall not  
6 impose a fine under any local maintenance ordinance or other  
7 relevant ordinance for a failure to water a lawn or for having a  
8 brown lawn.

9 (b) A violation of this section is not subject to the criminal  
10 penalties set forth in Section 8665.

**ASSEMBLY BILL**

**No. 149**

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**Introduced by Assembly Member Chávez**

January 15, 2015

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An act to amend Section 10644 of, and to amend, repeal, and add Section 10621 of, the Water Code, relating to water management.

LEGISLATIVE COUNSEL'S DIGEST

AB 149, as introduced, Chávez. Urban water management plans.

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. The act requires an urban water supplier to submit to the Department of Water Resources a copy of its plan and requires the department to prepare and submit to the Legislature, on or before December 31, in the years ending in 6 and 1, a report summarizing the status of plans adopted pursuant to the act.

This bill, commencing January 1, 2017, would instead require an urban water supplier to update its plan at least once every 5 years on or before December 31 in years ending in 6 and one. The bill would instead require the department to submit its report to the Legislature, on or before December 31, in years ending in 7 and two.

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

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

1 SECTION 1. Section 10621 of the Water Code is amended to  
2 read:

3 10621. (a) Each urban water supplier shall update its plan at  
4 least once every five years on or before December 31, in years  
5 ending in five and zero, except as provided in subdivision (d).

6 (b) Every urban water supplier required to prepare a plan  
7 pursuant to this part shall, at least 60 days before the public hearing  
8 on the plan required by Section 10642, notify any city or county  
9 within which the supplier provides water supplies that the urban  
10 water supplier will be reviewing the plan and considering  
11 amendments or changes to the plan. The urban water supplier may  
12 consult with, and obtain comments from, any city or county that  
13 receives notice pursuant to this subdivision.

14 (c) The amendments to, or changes in, the plan shall be adopted  
15 and filed in the manner set forth in Article 3 (commencing with  
16 Section 10640).

17 (d) Each urban water supplier shall update and submit its 2015  
18 plan to the department by July 1, 2016.

19 *(e) This section shall remain in effect only until December 31,*  
20 *2016 and as of that date is repealed.*

21 SEC. 2. Section 10621 is added to the Water Code, to read:

22 10621. (a) Each urban water supplier shall update its plan at  
23 least once every five years on or before December 31, in years  
24 ending in six and one.

25 (b) Every urban water supplier required to prepare a plan  
26 pursuant to this part shall, at least 60 days before the public hearing  
27 on the plan required by Section 10642, notify any city or county  
28 within which the supplier provides water supplies that the urban  
29 water supplier will be reviewing the plan and considering  
30 amendments or changes to the plan. The urban water supplier may  
31 consult with, and obtain comments from, any city or county that  
32 receives notice pursuant to this subdivision.

33 (c) The amendments to, or changes in, the plan shall be adopted  
34 and filed in the manner set forth in Article 3 (commencing with  
35 Section 10640).

36 (d) This section shall become operative on January 1, 2017.

37 SEC. 3. Section 10644 of the Water Code is amended to read:



1 10644. (a) (1) An urban water supplier shall submit to the  
2 department, the California State Library, and any city or county  
3 within which the supplier provides water supplies a copy of its  
4 plan no later than 30 days after adoption. Copies of amendments  
5 or changes to the plans shall be submitted to the department, the  
6 California State Library, and any city or county within which the  
7 supplier provides water supplies within 30 days after adoption.

8 (2) The plan, or amendments to the plan, submitted to the  
9 department pursuant to paragraph (1) shall be submitted  
10 electronically and shall include any standardized forms, tables, or  
11 displays specified by the department.

12 (b) (1) Notwithstanding Section 10231.5 of the Government  
13 Code, the department shall prepare and submit to the Legislature,  
14 on or before December 31, in the years ending in ~~six~~ *seven* and  
15 ~~one~~ *two*, a report summarizing the status of the plans adopted  
16 pursuant to this part. The report prepared by the department shall  
17 identify the exemplary elements of the individual plans. The  
18 department shall provide a copy of the report to each urban water  
19 supplier that has submitted its plan to the department. The  
20 department shall also prepare reports and provide data for any  
21 legislative hearings designed to consider the effectiveness of plans  
22 submitted pursuant to this part.

23 (2) A report to be submitted pursuant to paragraph (1) shall be  
24 submitted in compliance with Section 9795 of the Government  
25 Code.

26 (c) (1) For the purpose of identifying the exemplary elements  
27 of the individual plans, the department shall identify in the report  
28 water demand management measures adopted and implemented  
29 by specific urban water suppliers, and identified pursuant to Section  
30 10631, that achieve water savings significantly above the levels  
31 established by the department to meet the requirements of Section  
32 10631.5.

33 (2) The department shall distribute to the panel convened  
34 pursuant to Section 10631.7 the results achieved by the  
35 implementation of those water demand management measures  
36 described in paragraph (1).

- 1 (3) The department shall make available to the public the
- 2 standard the department will use to identify exemplary water
- 3 demand management measures.

O

**Introduced by Senator Pavley**December 1, 2014

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An act to repeal and add Section 13752 of the Water Code, relating to water.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 20, as introduced, Pavley. Wells: reports: public availability.

Existing law requires a person who digs, bores, or drills a water well, cathodic protection well, or a monitoring well, or abandons or destroys a well, or deepens or re-perforates a well, to file a report of completion with the Department of Water Resources. Existing law prohibits those reports from being made available to the public, except under certain circumstances.

This bill would instead require the department to, upon request, make the reports available to the public. The bill would require the department to provide specified disclaimers when providing the reports to the public. The bill would authorize the department to charge a fee for the provision of a report to recover the department's costs, that does not exceed the reasonable costs to the department of providing the report. The bill would require the release of a report to comply with the Information Practices Act of 1977 and would require the department to redact from the report specified information pertaining to the well owner. The bill would require a person who requests a report to provide his or her name, address, identification number from a government-issued source, as provided, and reason for making the request.

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

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

1 SECTION 1. Section 13752 of the Water Code is repealed.

2 ~~13752. Reports made in accordance with paragraph (1) of~~  
3 ~~subdivision (b) of Section 13751 shall not be made available for~~  
4 ~~inspection by the public, but shall be made available to~~  
5 ~~governmental agencies for use in making studies, or to any person~~  
6 ~~who obtains a written authorization from the owner of the well.~~  
7 ~~However, a report associated with a well located within two miles~~  
8 ~~of an area affected or potentially affected by a known unauthorized~~  
9 ~~release of a contaminant shall be made available to any person~~  
10 ~~performing an environmental cleanup study associated with the~~  
11 ~~unauthorized release, if the study is conducted under the order of~~  
12 ~~a regulatory agency. A report released to a person conducting an~~  
13 ~~environmental cleanup study shall not be used for any purpose~~  
14 ~~other than for the purpose of conducting the study.~~

15 SEC. 2. Section 13752 is added to the Water Code, to read:

16 13752. (a) Upon request, the department shall make available  
17 to the public a report made in accordance with paragraph (1) of  
18 subdivision (b) of Section 13751.

19 (b) When providing a report to the public pursuant to subdivision  
20 (a), the department shall also provide a statement that includes all  
21 of the following:

22 (1) The information provided in a report varies in accuracy,  
23 scale, origin, and completeness.

24 (2) The information is provided without warranty of the  
25 suitability of the information for any particular purpose.

26 (3) Use of the information in the report may require professional  
27 interpretation or judgment.

28 (4) Any use of the information provided in a report is at the  
29 user's own risk.

30 (c) (1) The department may charge a fee for the provision of a  
31 report to recover the department's costs, that does not exceed the  
32 reasonable costs to the department of providing the report pursuant  
33 to this section. These costs may include the costs of promulgating  
34 regulations to implement this section.

35 (2) The release of a report in possession of the department shall  
36 comply with the Information Practices Act of 1977 (Chapter 1  
37 (commencing with Section 1798) of Title 1.8 of Part 4 of Division  
38 3 of the Civil Code).

1 (3) Prior to releasing a report pursuant to this section, the  
2 department shall redact from the report the name and address of  
3 the well owner.

4 (d) (1) A person making a request pursuant to subdivision (a)  
5 shall, on a form provided by the department, provide his or her  
6 name, address, identification number from an identification card  
7 issued pursuant to Section 13000 of the Vehicle Code, driver's  
8 license, or passport, and reason for making the request.

9 (2) The department shall maintain copies of the forms submitted  
10 pursuant to paragraph (1) for five years.



114TH CONGRESS  
1ST SESSION

# S. 176

To advance integrated water management and development through innovation, resiliency, conservation, and efficiency in the 21st century, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

JANUARY 13, 2015

Mrs. BOXER introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To advance integrated water management and development through innovation, resiliency, conservation, and efficiency in the 21st century, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Water in the 21st Century Act” or “W21”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definition of Administrator.

TITLE I—CONSERVATION AND EFFICIENCY

Sec. 101. Water efficiency, conservation, and adaptation.

TITLE II—RECYCLING, STORAGE, AND INTEGRATED WATER  
MANAGEMENT

Sec. 201. Definitions.

Subtitle A—Innovative Financing

- Sec. 211. Purposes.
- Sec. 212. Authority to provide assistance.
- Sec. 213. Applications.
- Sec. 214. Eligibility for assistance.
- Sec. 215. Determination of eligibility and project selection.
- Sec. 216. Secured loans.
- Sec. 217. Program administration.
- Sec. 218. State and local permits.
- Sec. 219. Regulations.
- Sec. 220. Funding.
- Sec. 221. Report to Congress.

Subtitle B—Integrated Regional Water Management, Reclamation, and  
Recycling Projects

- Sec. 231. Water storage projects.
- Sec. 232. Authorization of appropriations.

Subtitle C—Title Transfers

- Sec. 241. Authorization to transfer title.

TITLE III—INNOVATION THROUGH RESEARCH, DATA, AND  
TECHNOLOGY

- Sec. 301. Open water data system.
- Sec. 302. Water Resources Research Act amendments.
- Sec. 303. Reauthorization of Water Desalination Act of 1996.
- Sec. 304. Review of reservoir operations.

TITLE IV—DROUGHT PREPAREDNESS AND RESILIENCE

- Sec. 401. National drought resilience guidelines.
- Sec. 402. Drought preparedness for fisheries.

**1 SEC. 2. DEFINITION OF ADMINISTRATOR.**

**2** In this Act, the term “Administrator” means the Ad-  
**3** ministrator of the Environmental Protection Agency.



1 **TITLE I—CONSERVATION AND**  
2 **EFFICIENCY**

3 **SEC. 101. WATER EFFICIENCY, CONSERVATION, AND ADAP-**  
4 **TATION.**

5 (a) WATERSENSE.—

6 (1) IN GENERAL.—There is established within  
7 the Environmental Protection Agency a WaterSense  
8 program to identify and promote water efficient  
9 products, buildings, landscapes, facilities, processes,  
10 and services so as—

11 (A) to reduce water use;

12 (B) to reduce the strain on water, waste-  
13 water, and stormwater infrastructure;

14 (C) to conserve energy used to pump, heat,  
15 transport, and treat water; and

16 (D) to preserve water resources for future  
17 generations, through voluntary labeling of, or  
18 other forms of communications about, products,  
19 buildings, landscapes, facilities, processes, and  
20 services that meet the highest water efficiency  
21 and performance criteria.

22 (2) DUTIES.—The Administrator shall—

23 (A) establish—

24 (i) a WaterSense label to be used for  
25 certain items; and

1                   (ii) the procedure by which an item  
2                   may be certified to display the WaterSense  
3                   label;

4                   (B) promote WaterSense-labeled products,  
5                   buildings, landscapes, facilities, processes, and  
6                   services in the marketplace as the preferred  
7                   technologies and services for—

8                   (i) reducing water use; and

9                   (ii) ensuring product and service per-  
10                  formance;

11                  (C) work to enhance public awareness of  
12                  the WaterSense label through public outreach,  
13                  education, and other means;

14                  (D) preserve the integrity of the  
15                  WaterSense label by—

16                  (i) establishing and maintaining per-  
17                  formance criteria so that products, build-  
18                  ings, landscapes, facilities, processes, and  
19                  services labeled with the WaterSense label  
20                  perform as well or better than less water-  
21                  efficient counterparts;

22                  (ii) overseeing WaterSense certifi-  
23                  cations made by third parties;

24                  (iii) conducting reviews of the use of  
25                  the WaterSense label in the marketplace

1           and taking corrective action in any case in  
2           which misuse of the label is identified; and

3                   (iv) carrying out such other measures  
4           as the Administrator determines to be ap-  
5           propriate;

6           (E) regularly review and, if appropriate,  
7           update WaterSense criteria for categories of  
8           products, buildings, landscapes, facilities, proc-  
9           esses, and services, at least once every 6 years;

10           (F) to the maximum extent practicable,  
11           regularly estimate and make available to the  
12           public the production and relative market  
13           shares of, and the savings of water, energy, and  
14           capital costs of water, wastewater, and storm-  
15           water infrastructure attributable to the use of  
16           WaterSense-labeled products, buildings, land-  
17           scapes, facilities, processes, and services, at  
18           least annually;

19           (G) solicit comments from interested par-  
20           ties and the public prior to establishing or re-  
21           vising a WaterSense category, specification, in-  
22           stallation criterion, or other criterion;

23           (H) provide reasonable notice to interested  
24           parties and the public of any changes (including  
25           effective dates), on the adoption of a new or re-

1           vised category, specification, installation cri-  
2           terion, or other criterion, along with—

3                   (i) an explanation of the changes; and

4                   (ii) as appropriate, responses to com-  
5                   ments submitted by interested parties and  
6                   the public;

7                   (I) provide appropriate lead time (as deter-  
8                   mined by the Administrator) prior to the appli-  
9                   cable effective date for a new or significant revi-  
10                  sion to a category, specification, installation cri-  
11                  terion, or other criterion, taking into account  
12                  the timing requirements of the manufacturing,  
13                  marketing, training, and distribution process  
14                  for the specific product, building and landscape,  
15                  or service category addressed;

16                  (J) identify and, if appropriate, implement  
17                  other voluntary approaches in commercial, insti-  
18                  tutional, residential, industrial, and municipal  
19                  sectors to encourage recycling and reuse tech-  
20                  nologies to improve water efficiency or lower  
21                  water use; and

22                  (K) if appropriate, authorize the Water-  
23                  Sense label for use on products that are labeled  
24                  by the Energy Star program implemented by  
25                  the Administrator and the Secretary of Energy.

1 (3) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated to carry out  
3 this section—

4 (A) \$5,000,000 for fiscal year 2015;

5 (B) \$10,000,000 for fiscal year 2016;

6 (C) \$15,000,000 for fiscal year 2017;

7 (D) \$20,000,000 for fiscal year 2018; and

8 (E) for each subsequent fiscal year, the ap-  
9 plicable amount for the preceding fiscal year, as  
10 adjusted to reflect changes for the 12-month  
11 period ending the preceding November 30 in  
12 the Consumer Price Index for All Urban Con-  
13 sumers published by the Bureau of Labor Sta-  
14 tistics of the Department of Labor.

15 (b) STATE WATER EFFICIENCY AND CONSERVATION  
16 INCENTIVES PROGRAM.—

17 (1) DEFINITIONS.—In this subsection:

18 (A) ELIGIBLE ENTITY.—The term “eligible  
19 entity” means a State government, local or  
20 county government, tribal government, waste-  
21 water or sewerage utility, municipal water au-  
22 thority, energy utility, water utility, or non-  
23 profit organization that meets the requirements  
24 of paragraph (2).

1 (B) INCENTIVE PROGRAM.—The term “in-  
2 centive program” means a program for admin-  
3 istering financial incentives for consumer pur-  
4 chase and installation of water-efficient prod-  
5 ucts, buildings (including new water-efficient  
6 homes), landscapes, processes, or services de-  
7 scribed in paragraph (2)(A).

8 (C) WATER-EFFICIENT PRODUCT, BUILD-  
9 ING, LANDSCAPE, PROCESS, OR SERVICE.—

10 (i) IN GENERAL.—The term “water-  
11 efficient product, building, landscape, proc-  
12 ess, or service” means a product, building,  
13 landscape, process, or service for a resi-  
14 dence or a commercial or institutional  
15 building, or the landscape of a residence or  
16 commercial or institutional building, that  
17 is rated for water efficiency and perform-  
18 ance—

19 (I) by the WaterSense program;

20 or

21 (II) if a WaterSense specification  
22 does not exist, by the Energy Star  
23 program or an incentive program ap-  
24 proved by the Administrator.

1 (ii) INCLUSIONS.—The term “water-  
2 efficient product, building, landscape, proc-  
3 ess, or service” includes—

4 (I) faucets;

5 (II) irrigation technologies and  
6 services;

7 (III) point-of-use water treat-  
8 ment devices;

9 (IV) reuse and recycling tech-  
10 nologies;

11 (V) toilets;

12 (VI) clothes washers;

13 (VII) dishwashers;

14 (VIII) showerheads;

15 (IX) xeriscaping and other land-  
16 scape conversions that replace irri-  
17 gated turf;

18 (X) new water efficient homes  
19 certified under the WaterSense pro-  
20 gram;

21 (XI) green stormwater installa-  
22 tions such as permeable pavement,  
23 rain gardens, rain barrels, and green  
24 roofs;

1 (XII) composting solutions com-  
2 plementary to water use and water  
3 quality; and

4 (XIII) other water-efficient prod-  
5 ucts, services, processes, or behavioral  
6 water efficiency solutions that address  
7 the objectives of the WaterSense pro-  
8 gram.

9 (D) WATERSENSE PROGRAM.—The term  
10 “WaterSense program” means the program es-  
11 tablished by subsection (a).

12 (2) ELIGIBLE ENTITIES.—An entity shall be eli-  
13 gible to receive an allocation under paragraph (3) if  
14 the entity—

15 (A) establishes (or has established) an in-  
16 centive program to provide financial incentives  
17 to residential, commercial, and institutional  
18 consumers for the purchase of water-efficient  
19 products, buildings, landscapes, processes, or  
20 services;

21 (B) submits an application for the alloca-  
22 tion at such time, in such form, and containing  
23 such information as the Administrator may re-  
24 quire; and



1 (C) provides assurances satisfactory to the  
2 Administrator that the entity will use the allo-  
3 cation to supplement, but not supplant, non-  
4 Federal funds made available to carry out the  
5 incentive program.

6 (3) AMOUNT OF ALLOCATIONS.—For each fiscal  
7 year, the Administrator shall determine the amount  
8 to allocate to each eligible entity to carry out para-  
9 graph (4), taking into consideration—

10 (A) the population served by the eligible  
11 entity during the most recent calendar year for  
12 which data are available;

13 (B) the targeted population of the incen-  
14 tive program of the eligible entity, such as gen-  
15 eral households, low-income households, or first-  
16 time homeowners, and the probable effective-  
17 ness of the incentive program for that popu-  
18 lation;

19 (C) for existing programs, the effectiveness  
20 of the program in encouraging the adoption of  
21 water-efficient products, buildings, landscapes,  
22 facilities, processes, and services;

23 (D) any allocation to the eligible entity for  
24 a preceding fiscal year that remains unused;  
25 and

1           (E) the per capita water demand of the  
2           population served by the eligible entity during  
3           the most recent calendar year for which data  
4           are available and the availability or reliability of  
5           water supplies to the eligible entity.

6           (4) USE OF ALLOCATED FUNDS.—Funds allo-  
7           cated to an eligible entity under paragraph (3) may  
8           be used to pay up to 50 percent of the cost of estab-  
9           lishing and carrying out an incentive program.

10          (5) ISSUANCE OF INCENTIVES.—

11           (A) IN GENERAL.—Financial incentives  
12           may be provided to residential, commercial, and  
13           institutional consumers that meet the require-  
14           ments of the applicable incentive program.

15           (B) MANNER OF ISSUANCE.—An eligible  
16           entity may—

17           (i) issue all financial incentives di-  
18           rectly to residential, commercial, and insti-  
19           tutional consumers; or

20           (ii) with approval of the Adminis-  
21           trator, delegate all or part of financial in-  
22           centive administration to other organiza-  
23           tions, including local governments, munic-  
24           ipal water authorities, water utilities, and  
25           nonprofit organizations.

1 (C) AMOUNT.—The amount of a financial  
2 incentive shall be determined by the eligible en-  
3 tity, taking into consideration—

4 (i) the amount of any Federal or  
5 State tax incentive available for the pur-  
6 chase of the water-efficient product or  
7 service;

8 (ii) the amount necessary to change  
9 consumer behavior to purchase water-effi-  
10 cient products and services; and

11 (iii) the consumer expenditures for on-  
12 site preparation, assembly, and original in-  
13 stallation of the product.

14 (6) AUTHORIZATION OF APPROPRIATIONS.—

15 There are authorized to be appropriated to the Ad-  
16 ministrator to carry out this subsection—

17 (A) \$100,000,000 for fiscal year 2015;

18 (B) \$150,000,000 for fiscal year 2016;

19 (C) \$200,000,000 for fiscal year 2017;

20 (D) \$150,000,000 for fiscal year 2018;

21 (E) \$100,000,000 for fiscal year 2019; and

22 (F) for each subsequent fiscal year, the ap-  
23 plicable amount for the preceding fiscal year, as  
24 adjusted to reflect changes for the 12-month  
25 period ending the preceding November 30 in

1 the Consumer Price Index for All Urban Con-  
2 sumers published by the Bureau of Labor Sta-  
3 tistics of the Department of Labor.

4 (c) WATER SYSTEM MITIGATION AND ADAPTATION  
5 GRANTS.—

6 (1) DEFINITIONS.—In this subsection:

7 (A) OWNER OR OPERATOR.—

8 (i) IN GENERAL.—The term “owner  
9 or operator” means a person (including a  
10 regional, State, local, municipal, or private  
11 entity) that owns or operates a water sys-  
12 tem.

13 (ii) INCLUSION.—The term “owner or  
14 operator” includes a non-Federal entity  
15 that has operational responsibilities for a  
16 federally owned water system.

17 (B) WATER SYSTEM.—The term “water  
18 system” means—

19 (i) a community water system (as de-  
20 fined in section 1401 of the Safe Drinking  
21 Water Act (42 U.S.C. 300f));

22 (ii) a publicly owned treatment works  
23 (as defined in section 212 of the Federal  
24 Water Pollution Control Act (33 U.S.C.

1                   1292)), including a municipal separate  
2                   storm sewer system;

3                   (iii) a decentralized wastewater treat-  
4                   ment system for domestic sewage;

5                   (iv) a groundwater storage and re-  
6                   plenishment system; or

7                   (v) a system for transport and deliv-  
8                   ery of water for irrigation or conservation.

9                   (2) GRANTS.—Beginning in fiscal year 2015,  
10                  the Administrator shall make grants to owners or  
11                  operators of water systems to address any ongoing  
12                  or forecasted (based on the best available research  
13                  and data) climate-related impact on the water qual-  
14                  ity or quantity of a region of the United States, for  
15                  the purposes of mitigating or adapting to the im-  
16                  pacts of climate change.

17                  (3) ELIGIBLE USES.—In carrying out this sub-  
18                  section, the Administrator shall make grants to as-  
19                  sist in the planning, design, construction, implemen-  
20                  tation, or maintenance of any program or project to  
21                  increase the resilience of a water system to climate  
22                  change by—

23                         (A) conserving water or enhancing water  
24                         use efficiency, including through the use of

1 water metering to measure the effectiveness of  
2 a water efficiency program;

3 (B) modifying or relocating existing water  
4 system infrastructure made or projected to be  
5 made inoperable by climate change impacts;

6 (C) preserving or improving water quality,  
7 including through measures to manage, reduce,  
8 treat, or reuse municipal stormwater, waste-  
9 water, or drinking water;

10 (D) investigating, designing, or con-  
11 structing groundwater remediation, recycled  
12 water, or desalination facilities or systems;

13 (E) enhancing water management by in-  
14 creasing watershed preservation and protection,  
15 such as through the use of natural or engi-  
16 neered green infrastructure in the management,  
17 conveyance, or treatment of water, wastewater,  
18 or stormwater;

19 (F) enhancing energy efficiency or the use  
20 and generation of renewable energy in the man-  
21 agement, conveyance, or treatment of water,  
22 wastewater, or stormwater;

23 (G) supporting the adoption and use of ad-  
24 vanced water treatment, water supply manage-  
25 ment (such as reservoir reoperation), or water

1 demand management technologies, projects, or  
2 processes (such as water reuse and recycling or  
3 adaptive conservation pricing) that maintain or  
4 increase water supply or improve water quality;

5 (H) modifying or replacing existing sys-  
6 tems or constructing new systems for existing  
7 communities or land currently in agricultural  
8 production to improve water availability, stor-  
9 age, or conveyance in a manner that—

10 (i) promotes more efficient use of  
11 available water supplies; and

12 (ii) does not further exacerbate  
13 stresses on ecosystems;

14 (I) supporting practices and projects, such  
15 as improved irrigation systems, water banking  
16 and other forms of water transactions, ground-  
17 water recharge, stormwater capture, and reuse  
18 or recycling of drainage water, to improve water  
19 quality or promote more efficient water use, in-  
20 cluding on land currently in agricultural pro-  
21 duction;

22 (J) conducting and completing studies or  
23 assessments to project how climate change may  
24 impact the future operations and sustainability  
25 of water systems;

1 (K) developing and implementing mitiga-  
2 tion measures to rapidly address impacts on  
3 water systems most susceptible to abrupt cli-  
4 mate change, including those in the Colorado  
5 River Basin and coastal regions at risk from  
6 rising sea levels; or

7 (L) funding of transactions costs and cred-  
8 it enhancement for pay-for-performance-based  
9 public-private initiatives intended to advance  
10 the eligible uses of the program or project.

11 (4) APPLICATION.—To be eligible to receive a  
12 grant from the Administrator under paragraph (2),  
13 the owner or operator of a water system shall submit  
14 to the Administrator an application that—

15 (A) includes a proposal of the program,  
16 strategy, or infrastructure improvement to be  
17 planned, designed, constructed, implemented, or  
18 maintained by the water system;

19 (B) cites the best available research or  
20 data that demonstrates—

21 (i) the risk to the water resources or  
22 infrastructure of the water system as a re-  
23 sult of ongoing or forecasted changes to  
24 the hydrological system brought about by  
25 factors arising from climate change, in-



1 cluding rising sea levels and changes in  
2 precipitation levels; and

3 (ii) how the proposed program, strat-  
4 egy, or infrastructure improvement would  
5 perform under the anticipated climate con-  
6 ditions;

7 (C) explains how the proposed program,  
8 strategy, or infrastructure improvement is ex-  
9 pected to enhance the resiliency of the water  
10 system, including source water protection for  
11 community water systems, to these risks or re-  
12 duce the direct or indirect greenhouse gas emis-  
13 sions of the water system; and

14 (D) demonstrates that the program, strat-  
15 egy, or infrastructure improvement is—

16 (i) consistent with any approved State  
17 and tribal climate adaptation plan; and

18 (ii) not inconsistent with any ap-  
19 proved natural resources plan.

20 (5) COMPETITIVE PROCESS.—

21 (A) IN GENERAL.—Each calendar year, the  
22 Administrator shall conduct a competitive proc-  
23 ess to select and fund applications under this  
24 subsection.

1 (B) PRIORITY REQUIREMENTS AND  
2 WEIGHTING.—In carrying out the process, the  
3 Administrator shall—

4 (i) prioritize funding of applications  
5 that are submitted by the owners or opera-  
6 tors of water systems that are, based on  
7 the best available research and data, at the  
8 greatest and most immediate risk of facing  
9 significant climate-related negative impacts  
10 on water quality or quantity;

11 (ii) in selecting among the priority ap-  
12 plications determined under clause (i), en-  
13 sure that the final list of applications fund-  
14 ed for each year includes a substantial  
15 number that, to the maximum extent prac-  
16 ticable, includes each eligible use described  
17 in paragraph (3);

18 (iii) solicit applications from water  
19 systems that are—

20 (I) located in all regions of the  
21 United States; and

22 (II) facing varying risks as a re-  
23 sult of climate change; and

24 (iv) provide for solicitation and con-  
25 sideration of public input in the develop-

1           ment of criteria used in evaluating applica-  
2           tions.

3           (6) COST SHARING.—

4           (A) FEDERAL SHARE.—The Federal share  
5           of the cost of any program, strategy, or infra-  
6           structure improvement that is the subject of a  
7           grant awarded by the Administrator to a water  
8           system under paragraph (2) shall not exceed 50  
9           percent of the cost of the program, strategy,  
10          and infrastructure improvement.

11          (B) CALCULATION OF NON-FEDERAL  
12          SHARE.—In calculating the non-Federal share  
13          of the cost of a program, strategy, or infra-  
14          structure improvement proposed by a water sys-  
15          tem through an application submitted by the  
16          water system under paragraph (4), the Admin-  
17          istrator shall—

18                 (i) include the value of any in-kind  
19                 services that are integral to the completion  
20                 of the program, strategy, or infrastructure  
21                 improvement, as determined by the Admin-  
22                 istrator; and

23                 (ii) not include any other amount that  
24                 the water system receives from a Federal  
25                 agency.

## 1 (7) LABOR STANDARDS.—

2 (A) IN GENERAL.—All laborers and me-  
3 chanics employed on infrastructure improve-  
4 ments funded directly by or assisted in whole or  
5 in part by this subsection shall be paid wages  
6 at rates not less than those prevailing for the  
7 same type of work on similar construction in  
8 the immediate locality, as determined by the  
9 Secretary of Labor in accordance with sub-  
10 chapter IV of chapter 31 of part A of subtitle  
11 II of title 40, United States Code.

12 (B) AUTHORITY AND FUNCTIONS.—With  
13 respect to the labor standards in this para-  
14 graph, the Secretary of Labor shall have the  
15 authority and functions set forth in Reorganiza-  
16 tion Plan Numbered 14 of 1950 (64 Stat.  
17 1267; 5 U.S.C. App.) and section 3145 of title  
18 40, United States Code.

## 19 (8) LOCAL HIRING.—

20 (A) IN GENERAL.—The recipient of assist-  
21 ance may advertise and award a contract for  
22 construction containing requirements for the  
23 employment of individuals residing in or adja-  
24 cent to any of the areas in which the work is  
25 to be performed under the contract, if—

1 (i) all or part of the construction work  
2 performed under the contract occurs in an  
3 area that has—

4 (I) a per capita income of 80 per-  
5 cent or less of the national average  
6 per capita income; or

7 (II) an unemployment rate that  
8 is, for the most recent 24-month pe-  
9 riod for which data are available, at  
10 least 1 percent greater than the na-  
11 tional average unemployment rate;

12 (ii) the estimated cost of the project  
13 of which the contract is a part is greater  
14 than \$1,000,000; and

15 (iii) the recipient does not hire indi-  
16 viduals who do not have the necessary  
17 skills to perform work in the applicable  
18 craft or trade, except for individuals who  
19 are subject to an apprenticeship program  
20 or other training program meeting, as de-  
21 termined by the Secretary.

22 (B) ADVERTISEMENT.—In advertising and  
23 awarding a contract under this subsection, the  
24 Secretary or recipient of assistance shall ensure

1 that the requirements contained in the adver-  
2 tisement would not—

3 (i) compromise the quality of the  
4 project;

5 (ii) unreasonably delay the completion  
6 of the project; or

7 (iii) unreasonably increase the cost of  
8 the project.

9 (9) EFFICIENT, INTEGRATED PROCUREMENT  
10 FOR PROGRAMS JOINTLY FUNDED WITH THE DE-  
11 PARTMENT OF HOUSING AND URBAN DEVELOP-  
12 MENT.—

13 (A) DEFINITION OF ELIGIBLE PROJECT.—

14 In this paragraph, the term “eligible project”  
15 means a project for which the amount of fund-  
16 ing provided by the Department of Housing and  
17 Urban Development is 10 percent or more of  
18 the amount of funding provided under this sub-  
19 section.

20 (B) PREFERENCES.—Notwithstanding the  
21 competitive bidding requirements of this section  
22 (including regulations), in the case of an eligible  
23 project funded jointly with funding provided by  
24 the Department of Housing and Urban Devel-  
25 opment that is covered by section 3 of the

1           Housing and Urban Development Act of 1968  
2           (82 Stat. 846; 12 U.S.C. 1701u), a contracting  
3           agency may apply the preferences required for  
4           the funding by the Department of Housing and  
5           Urban Development under section 3 of that Act  
6           (including regulations) with respect to the fund-  
7           ing, to the elements of the project funded in  
8           any part under this subsection.

9           (C) PERMISSIBLE RESTRICTIONS.—A State  
10          or local law governing contracting practices that  
11          prohibits the awarding of contracts to busi-  
12          nesses that have solicited or made contributions  
13          to political candidates, political parties, and  
14          holders of public office shall not be considered  
15          a violation of this section.

16          (10) REGULATIONS.—

17          (A) IN GENERAL.—Not later than 1 year  
18          after the date of enactment of this Act, the Ad-  
19          ministrator shall promulgate final regulations to  
20          carry out this subsection.

21          (B) SPECIAL RULE FOR THE CONSTRUC-  
22          TION OF TREATMENT WORKS.—In carrying out  
23          this paragraph, the Administrator shall incor-  
24          porate all relevant and appropriate require-  
25          ments of title VI of the Federal Water Pollution

1 Control Act (33 U.S.C. 1381 et seq.) applicable  
 2 to the construction of treatment works that are  
 3 carried out under this subsection.

4 (11) REPORT TO CONGRESS.—Not later than 3  
 5 years after the date of enactment of this Act, and  
 6 every 3 years thereafter, the Administrator shall  
 7 submit to Congress a report on progress in imple-  
 8 menting this subsection, including information on  
 9 project applications received and funded annually.

10 (12) AUTHORIZATION OF APPROPRIATIONS.—  
 11 There are authorized to be appropriated to carry out  
 12 this subsection such sums as are necessary.

13 **TITLE II—RECYCLING, STORAGE,**  
 14 **AND INTEGRATED WATER**  
 15 **MANAGEMENT**

16 **SEC. 201. DEFINITIONS.**

17 In this title:

18 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
 19 ty” means—

20 (A) a corporation;

21 (B) a partnership;

22 (C) a joint venture;

23 (D) a trust;

24 (E) a Federal, State, or local governmental  
 25 entity, agency, or instrumentality; and



1 (F) a conservancy district, irrigation dis-  
2 trict, canal company, mutual water company,  
3 water users' association, Indian tribe, agency  
4 created by interstate compact, or any other en-  
5 tity that has the capacity to contract with the  
6 United States under Federal reclamation law.

7 (2) FEDERAL CREDIT INSTRUMENT.—The term  
8 “Federal credit instrument” means a secured loan,  
9 loan guarantee, or other credit enhancement author-  
10 ized to be made available under this title with re-  
11 spect to a project.

12 (3) INVESTMENT-GRADE RATING.—The term  
13 “investment-grade rating” means a rating of BBB  
14 minus, Baa3, bbb minus, BBB (low), or higher as  
15 assigned by a rating agency to project obligations.

16 (4) LENDER.—

17 (A) IN GENERAL.—The term “lender”  
18 means any non-Federal qualified institutional  
19 buyer (as defined in section 230.144A(a) of  
20 title 17, Code of Federal Regulations (or a suc-  
21 cessor regulation) (commonly known as “Rule  
22 144A(a) of the Securities and Exchange Com-  
23 mission” and issued under the Securities Act of  
24 1933 (15 U.S.C. 77a et seq.))).

1 (B) INCLUSIONS.—The term “lender” in-  
2 cludes—

3 (i) a qualified retirement plan (as de-  
4 fined in section 4974 of the Internal Rev-  
5 enue Code of 1986) that is a qualified in-  
6 stitutional buyer; and

7 (ii) a governmental plan (as defined in  
8 section 414 of the Internal Revenue Code  
9 of 1986) that is a qualified institutional  
10 buyer.

11 (5) LOAN GUARANTEE.—The term “loan guar-  
12 antee” means any guarantee or other pledge by the  
13 Secretary to pay all or part of the principal of, and  
14 interest on, a loan or other debt obligation issued by  
15 an obligor and funded by a lender.

16 (6) OBLIGOR.—The term “obligor” means an  
17 eligible entity that is primarily liable for payment of  
18 the principal of, or interest on, a Federal credit in-  
19 strument.

20 (7) PROJECT OBLIGATION.—

21 (A) IN GENERAL.—The term “project obli-  
22 gation” means any note, bond, debenture, or  
23 other debt obligation issued by an obligor in  
24 connection with the financing of a project.

1 (B) EXCLUSION.—The term “project obli-  
2 gation” does not include a Federal credit in-  
3 strument.

4 (8) RATING AGENCY.—The term “rating agen-  
5 cy” means a credit rating agency registered with the  
6 Securities and Exchange Commission as a nationally  
7 recognized statistical rating organization (as defined  
8 in section 3(a) of the Securities Exchange Act of  
9 1934 (15 U.S.C. 78c(a)).

10 (9) RECLAMATION STATE.—The term “Rec-  
11 lamation State” means any of the States of—

- 12 (A) Arizona;
- 13 (B) California;
- 14 (C) Colorado;
- 15 (D) Idaho;
- 16 (E) Kansas;
- 17 (F) Montana;
- 18 (G) Nebraska;
- 19 (H) Nevada;
- 20 (I) New Mexico;
- 21 (J) North Dakota;
- 22 (K) Oklahoma;
- 23 (L) Oregon;
- 24 (M) South Dakota;
- 25 (N) Texas;

1 (O) Utah;

2 (P) Washington; and

3 (Q) Wyoming.

4 (10) SECRETARY.—The term “Secretary”  
5 means the Secretary of the Interior.

6 (11) SECURED LOAN.—The term “secured  
7 loan” means a direct loan or other debt obligation  
8 issued by an obligor and funded by the Secretary in  
9 connection with the financing of a project under sub-  
10 title A.

11 (12) SUBSIDY AMOUNT.—The term “subsidy  
12 amount” means the amount of budget authority suf-  
13 ficient to cover the estimated long-term cost to the  
14 Federal Government of a Federal credit instrument,  
15 as calculated on a net present value basis, excluding  
16 administrative costs and any incidental effects on  
17 Governmental receipts or outlays in accordance with  
18 the Federal Credit Reform Act of 1990 (2 U.S.C.  
19 661 et seq.).

20 (13) SUBSTANTIAL COMPLETION.—The term  
21 “substantial completion”, with respect to a project,  
22 means the earliest date on which a project is consid-  
23 ered to perform the functions for which the project  
24 is designed.

## 1 **Subtitle A—Innovative Financing**

### 2 **SEC. 211. PURPOSES.**

3 The purposes of this subtitle are—

4 (1) to promote increased development of critical  
5 water resources infrastructure by establishing addi-  
6 tional opportunities for financing water resources  
7 projects;

8 (2) to attract new investment capital to infra-  
9 structure projects that are capable of generating rev-  
10 enue streams through user fees or other dedicated  
11 funding sources;

12 (3) to complement existing Federal funding  
13 sources and address budgetary constraints on Bu-  
14 reau of Reclamation programs; and

15 (4) to leverage private investment in water re-  
16 sources infrastructure.

### 17 **SEC. 212. AUTHORITY TO PROVIDE ASSISTANCE.**

18 (a) **IN GENERAL.**—The Secretary may provide finan-  
19 cial assistance under this subtitle to carry out projects  
20 within—

21 (1) any Reclamation State;

22 (2) any other State in which the Bureau of  
23 Reclamation is authorized to provide project assist-  
24 ance; and

25 (3) the States of Alaska and Hawaii.

1 (b) SELECTION.—In selecting projects to receive fi-  
2 nancial assistance under subsection (a), the Secretary  
3 shall ensure diversity with respect to—

4 (1) project types; and

5 (2) geographical locations.

6 **SEC. 213. APPLICATIONS.**

7 To be eligible to receive assistance under this subtitle,  
8 an eligible entity shall submit to the Secretary an applica-  
9 tion at such time, in such manner, and containing such  
10 information as the Secretary may require.

11 **SEC. 214. ELIGIBILITY FOR ASSISTANCE.**

12 (a) ELIGIBLE PROJECTS.—The following projects  
13 may be carried out using assistance made available under  
14 this subtitle:

15 (1) A project for the reclamation and reuse of  
16 municipal, industrial, domestic, and agricultural  
17 wastewater, and naturally impaired ground and sur-  
18 face waters, which the Secretary, acting through the  
19 Commissioner of Reclamation, is authorized to un-  
20 dertake.

21 (2) Any water infrastructure project not specifi-  
22 cally authorized by law that—

23 (A) the Secretary determines, through the  
24 completion of an appraisal investigation and  
25 feasibility study, would contribute to a safe,

1 adequate water supply for domestic, agricul-  
2 tural, environmental, or municipal and indus-  
3 trial use; and

4 (B) is otherwise eligible for assistance  
5 under this title.

6 (3) A new water infrastructure facility project,  
7 including a water conduit, pipeline, canal, pumping,  
8 power, and associated facilities.

9 (4) A project for enhanced energy efficiency in  
10 the operation of a water system.

11 (5) A project for accelerated repair and replace-  
12 ment of an aging water distribution facility.

13 (6) A brackish or sea water desalination  
14 project.

15 (7) Acquisition of real property or an interest  
16 in real property for water storage, reclaimed or recy-  
17 cled water, or wastewater, if the acquisition is inte-  
18 gral to a project described in paragraphs (1)  
19 through (6).

20 (8) A combination of projects, each of which is  
21 eligible under paragraphs (1) through (7), for which  
22 an eligible entity submits a single application.

23 (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—For  
24 purposes of this subtitle, an eligible activity with respect

1 to an eligible project under subsection (a) includes the cost  
2 of—

3 (1) development-phase activities, including plan-  
4 ning, feasibility analysis, revenue forecasting, envi-  
5 ronmental review, permitting, transaction costs, pre-  
6 liminary engineering and design work, and other  
7 preconstruction activities;

8 (2) construction, reconstruction, rehabilitation,  
9 and replacement activities;

10 (3) the acquisition of real property (including  
11 water rights, land relating to the project, and im-  
12 provements to land), environmental mitigation, con-  
13 struction contingencies, and acquisition of equip-  
14 ment;

15 (4) capitalized interest necessary to meet mar-  
16 ket requirements, reasonably required reserve funds,  
17 capital issuance expenses, and other carrying costs  
18 during construction;

19 (5) refinancing interim construction funding,  
20 long-term project obligations, or a secured loan, loan  
21 guarantee, or other credit enhancement made under  
22 this subtitle;

23 (6) reimbursement or success payments to any  
24 public or private entity that achieves predetermined



1 outcomes on a pay-for-performance or pay-for-suc-  
2 cess basis; and

3 (7) grants, loans, or credit enhancement for  
4 community development financial institutions, green  
5 banks, and other financial intermediaries providing  
6 ongoing finance for projects that meet the purposes  
7 of this subtitle.

8 **SEC. 215. DETERMINATION OF ELIGIBILITY AND PROJECT**  
9 **SELECTION.**

10 (a) **ELIGIBILITY REQUIREMENTS.**—To be eligible to  
11 receive financial assistance under this subtitle, a project  
12 shall meet the following criteria, as determined by the Sec-  
13 retary:

14 (1) **CREDITWORTHINESS.**—

15 (A) **IN GENERAL.**—Subject to subpara-  
16 graph (B), the project shall be creditworthy, as  
17 determined by the Secretary, who shall ensure  
18 that any financing for the project has appro-  
19 priate security features, such as a rate cov-  
20 enant, to ensure repayment.

21 (B) **PRELIMINARY RATING OPINION LET-**  
22 **TER.**—The Secretary shall require each appli-  
23 cant to provide a preliminary rating opinion let-  
24 ter from at least 1 rating agency indicating that  
25 the senior obligations of the project (which may

1           be the Federal credit instrument) have the po-  
2           tential to achieve an investment-grade rating.

3           (2) ELIGIBLE PROJECT COSTS.—The eligible  
4           project costs of a project and other projects in a wa-  
5           tershed shall be reasonably anticipated to be not less  
6           than \$10,000,000.

7           (3) DEDICATED REVENUE SOURCES.—The Fed-  
8           eral credit instrument for the project shall be repay-  
9           able, in whole or in part, from dedicated revenue  
10          sources that also secure the project obligations.

11          (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-  
12          TIES.—In the case of a project carried out by an en-  
13          tity that is not a State or local government or an  
14          agency or instrumentality of a State or local govern-  
15          ment, the project shall be publicly sponsored.

16          (b) SELECTION CRITERIA.—

17           (1) ESTABLISHMENT.—The Secretary shall es-  
18           tablish criteria for the selection of projects that meet  
19           the eligibility requirements of subsection (a), in ac-  
20           cordance with paragraph (2).

21           (2) CRITERIA.—The selection criteria shall in-  
22           clude the following:

23           (A) The extent to which the project is na-  
24           tionally or regionally significant.

1           (B) The extent to which assistance under  
2 this section would foster innovative public-pri-  
3 vate partnerships and attract private debt or  
4 equity investment.

5           (C) The likelihood that assistance under  
6 this section would enable the project to proceed  
7 at an earlier date than the project would other-  
8 wise be able to proceed.

9           (D) The extent to which the project uses  
10 new or innovative approaches.

11           (E) The extent to which projects track evi-  
12 dence about the effectiveness of the 1 or more  
13 projects financed and the availability of the evi-  
14 dence and project information to the public to  
15 facilitate replication.

16           (F) The amount of budget authority re-  
17 quired to fund the Federal credit instrument  
18 made available under this subtitle.

19           (G) The extent to which the project helps  
20 maintain or protect the environment.

21           (H) The extent to which the project sup-  
22 ports the local economy and provides local jobs.

23       (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-  
24 ceipt of a Federal grant or contract or other Federal fund-  
25 ing to support an eligible project shall not preclude the

1 project from being eligible for assistance under this sub-  
2 title.

3 (d) FEDERAL REQUIREMENTS.—

4 (1) EFFECT OF SECTION.—Nothing in this sec-  
5 tion supersedes the applicability of other require-  
6 ments of Federal law (including regulations).

7 (2) NEPA.—A Federal action carried out re-  
8 garding a loan or loan guarantee provided under this  
9 subtitle shall not be considered to be a Federal ac-  
10 tion for purposes of the National Environmental  
11 Policy Act of 1969 (42 U.S.C. 4321 et seq.).

12 **SEC. 216. SECURED LOANS.**

13 (a) AGREEMENTS.—

14 (1) IN GENERAL.—Subject to paragraphs (2)  
15 through (4), the Secretary may enter into agree-  
16 ments with 1 or more obligors to make secured  
17 loans, the proceeds of which shall be used—

18 (A) to finance eligible project costs of any  
19 project selected under section 206;

20 (B) to refinance interim construction fi-  
21 nancing of eligible project costs of any project  
22 selected under section 206; or

23 (C) to refinance long-term project obliga-  
24 tions or Federal credit instruments, if that refi-  
25 nancing provides additional funding capacity for

1           the completion, enhancement, or expansion of  
2           any project that—

3                   (i) is selected under section 206; or

4                   (ii) otherwise meets the requirements  
5                   of section 206.

6           (2) LIMITATION ON REFINANCING OF INTERIM  
7           CONSTRUCTION FINANCING.—A secured loan under  
8           paragraph (1) shall not be used to refinance interim  
9           construction financing under paragraph (1)(B) later  
10          than 1 year after the date of substantial completion  
11          of the applicable project.

12          (3) RISK ASSESSMENT.—Before entering into  
13          an agreement under this subsection for a secured  
14          loan, the Secretary, in consultation with the Director  
15          of the Office of Management and Budget and each  
16          rating agency providing a preliminary rating opinion  
17          letter under section 206(a)(1)(B), shall determine an  
18          appropriate capital reserve subsidy amount for the  
19          secured loan, taking into account each such prelimi-  
20          nary rating opinion letter.

21          (4) INVESTMENT-GRADE RATING REQUIRE-  
22          MENT.—The execution of a secured loan under this  
23          section shall be contingent on receipt by the senior  
24          obligations of the project of an investment-grade rat-  
25          ing.

## 1 (b) TERMS AND LIMITATIONS.—

2 (1) IN GENERAL.—A secured loan provided for  
3 a project under this section shall be subject to such  
4 terms and conditions, and contain such covenants,  
5 representations, warranties, and requirements (in-  
6 cluding requirements for audits), as the Secretary  
7 determines to be appropriate.

8 (2) MAXIMUM AMOUNT.—The amount of a se-  
9 cured loan under this section shall not exceed the  
10 lesser of—

11 (A) an amount equal to 100 percent of the  
12 reasonably anticipated eligible project costs; and

13 (B) if the secured loan does not receive an  
14 investment-grade rating, the amount of the sen-  
15 ior project obligations of the project.

16 (3) PAYMENT.—A secured loan under this sec-  
17 tion—

18 (A) shall be payable, in whole or in part,  
19 from State or local taxes, user fees, or other  
20 dedicated revenue sources that also secure the  
21 senior project obligations of the relevant  
22 project;

23 (B) shall include a rate covenant, coverage  
24 requirement, or similar security feature sup-  
25 porting the project obligations; and

1 (C) may have a lien on revenues described  
2 in subparagraph (A), subject to any lien secur-  
3 ing project obligations.

4 (4) INTEREST RATE.—The interest rate on a  
5 secured loan under this section shall be not more  
6 than the yield on United States Treasury securities  
7 of a similar maturity to the maturity of the secured  
8 loan on the date of execution of the loan agreement,  
9 as determined by the Secretary.

10 (5) MATURITY DATE.—The final maturity date  
11 of a secured loan under this section shall be not  
12 later than 35 years after the date of substantial  
13 completion of the relevant project.

14 (6) NONSUBORDINATION.—A secured loan  
15 under this section shall not be subordinated to the  
16 claims of any holder of project obligations in the  
17 event of bankruptcy, insolvency, or liquidation of the  
18 obligor of the project.

19 (7) FEES.—The Secretary may establish fees at  
20 a level sufficient to cover all or a portion of the costs  
21 to the Federal Government of making a secured loan  
22 under this section.

23 (8) NON-FEDERAL SHARE.—The proceeds of a  
24 secured loan under this section may be used to pay

1 any non-Federal share of project costs required if  
2 the loan is repayable from non-Federal funds.

3 (c) REPAYMENT.—

4 (1) SCHEDULE.—The Secretary shall establish  
5 a repayment schedule for each secured loan provided  
6 under this section, based on the projected cash flow  
7 from project revenues and other repayment sources.

8 (2) COMMENCEMENT.—Scheduled loan repay-  
9 ment of principal or interest on a secured loan under  
10 this section shall commence not later than 5 years  
11 after the date of substantial completion of the  
12 project.

13 (3) DEFERRED PAYMENTS.—

14 (A) AUTHORIZATION.—If, at any time  
15 after the date of substantial completion of a  
16 project for which a secured loan is provided  
17 under this section, the project is unable to gen-  
18 erate sufficient revenues to pay the scheduled  
19 loan repayments of principal and interest on the  
20 secured loan, the Secretary may allow the obli-  
21 gor, subject to subparagraph (C), to add unpaid  
22 principal and interest to the outstanding bal-  
23 ance of the secured loan.

24 (B) INTEREST.—Any payment deferred  
25 under subparagraph (A) shall—



1 (i) continue to accrue interest in ac-  
2 cordance with subsection (b)(4) until fully  
3 repaid; and

4 (ii) be scheduled to be amortized over  
5 the remaining term of the secured loan.

6 (C) CRITERIA.—

7 (i) IN GENERAL.—Any payment defer-  
8 ral under subparagraph (A) shall be con-  
9 tingent on the project meeting such cri-  
10 teria as the Secretary may establish.

11 (ii) REPAYMENT STANDARDS.—The  
12 criteria established under clause (i) shall  
13 include standards for reasonable assurance  
14 of repayment.

15 (4) PREPAYMENT.—

16 (A) USE OF EXCESS REVENUES.—Any ex-  
17 cess revenues that remain after satisfying  
18 scheduled debt service requirements on the  
19 project obligations and secured loan and all de-  
20 posit requirements under the terms of any trust  
21 agreement, bond resolution, or similar agree-  
22 ment securing project obligations may be ap-  
23 plied annually to prepay a secured loan under  
24 this section without penalty.

1                   (B) USE OF PROCEEDS OF REFI-  
2                   NANCING.—A secured loan under this section  
3                   may be prepaid at any time without penalty  
4                   from the proceeds of refinancing from non-Fed-  
5                   eral funding sources.

6                   (d) SALE OF SECURED LOANS.—

7                   (1) IN GENERAL.—Subject to paragraph (2), as  
8                   soon as practicable after the date of substantial  
9                   completion of a project and after providing a notice  
10                  to the obligor, the Secretary may sell to another en-  
11                  tity or reoffer into the capital markets a secured  
12                  loan for a project under this section, if the Secretary  
13                  determines that the sale or reoffering can be made  
14                  on favorable terms.

15                  (2) CONSENT OF OBLIGOR.—In making a sale  
16                  or reoffering under paragraph (1), the Secretary  
17                  may not change the original terms and conditions of  
18                  the secured loan without the written consent of the  
19                  obligor.

20                  (e) LOAN GUARANTEES.—

21                  (1) IN GENERAL.—The Secretary may provide a  
22                  loan guarantee to a lender in lieu of making a se-  
23                  cured loan under this section, if the Secretary deter-  
24                  mines that the budgetary cost of the loan guarantee  
25                  is substantially the same as that of a secured loan.

1           (2) **TERMS.**—The terms of a loan guarantee  
2           provided under this subsection shall be consistent  
3           with the terms established in this section for a se-  
4           cured loan, except that the rate on the guaranteed  
5           loan and any prepayment features shall be nego-  
6           tiated between the obligor and the lender, with the  
7           consent of the Secretary.

8 **SEC. 217. PROGRAM ADMINISTRATION.**

9           (a) **REQUIREMENT.**—The Secretary shall establish a  
10          uniform system to service the Federal credit instruments  
11          made available under this subtitle.

12          (b) **FEES.**—The Secretary may collect and spend  
13          fees, contingent on authority being provided in appropria-  
14          tions Acts, at a level that is sufficient to cover—

15                 (1) the costs of services of expert firms retained  
16                 pursuant to subsection (d); and

17                 (2) all or a portion of the costs to the Federal  
18                 Government of servicing the Federal credit instru-  
19                 ments provided under this subtitle.

20          (c) **SERVICER.**—

21                 (1) **IN GENERAL.**—The Secretary may appoint  
22                 a financial entity to assist the Secretary in servicing  
23                 the Federal credit instruments provided under this  
24                 subtitle.

1           (2) DUTIES.—A servicer appointed under para-  
2 graph (1) shall act as the agent for the Secretary.

3           (3) FEE.—A servicer appointed under para-  
4 graph (1) shall receive a servicing fee, subject to ap-  
5 proval by the Secretary.

6           (d) ASSISTANCE FROM EXPERTS.—The Secretary  
7 may retain the services, including counsel, of any organi-  
8 zation or entity with expertise in the field of municipal  
9 and project finance to assist in the underwriting and serv-  
10 icing of Federal credit instruments provided under this  
11 subtitle.

12           (e) LOAN COORDINATION; INTERAGENCY COOPERA-  
13 TION.—The Secretary—

14           (1) shall coordinate implementation of loan  
15 guarantees under this section with the Administrator  
16 to avoid duplication and enhance the effectiveness of  
17 implementation of the State revolving funds estab-  
18 lished under the Federal Water Pollution Control  
19 Act (33 U.S.C. 1251 et seq.) and the Safe Drinking  
20 Water Act (42 U.S.C. 300f et seq.);

21           (2) shall consult with the Secretary of Agri-  
22 culture before promulgating criteria with respect to  
23 financial appraisal functions and loan guarantee ad-  
24 ministration for activities carried out under this sub-  
25 title; and

1           (3) may enter into a memorandum of agree-  
2           ment providing for Department of Agriculture finan-  
3           cial appraisal functions and loan guarantee adminis-  
4           tration for activities carried out under this subtitle.

5 **SEC. 218. STATE AND LOCAL PERMITS.**

6           The provision of financial assistance for a project  
7 under this subtitle shall not—

8           (1) relieve any recipient of the assistance of any  
9           obligation to obtain any required State or local per-  
10          mit or approval with respect to the project;

11          (2) limit the right of any unit of State or local  
12          government to approve or regulate any rate of re-  
13          turn on private equity invested in the project; or

14          (3) otherwise supersede any State or local law  
15          (including any regulation) applicable to the construc-  
16          tion or operation of the project.

17 **SEC. 219. REGULATIONS.**

18          The Secretary may promulgate such regulations as  
19 the Secretary determines to be appropriate to carry out  
20 this subtitle.

21 **SEC. 220. FUNDING.**

22          (a) IN GENERAL.—There is authorized to be appro-  
23 priated to the Secretary to carry out this subtitle  
24 \$100,000,000 for each of fiscal years 2015 through 2019,  
25 to remain available until expended.

1 (b) ADMINISTRATIVE COSTS.—Of the funds made  
2 available to carry out this subtitle, the Secretary may use  
3 for the administration of this subtitle not more than  
4 \$2,200,000 for each of fiscal years 2015 through 2019.

5 **SEC. 221. REPORT TO CONGRESS.**

6 Not later than 2 years after the date of enactment  
7 of this Act, and every 2 years thereafter, the Secretary  
8 shall submit to the Committee on Energy and Natural Re-  
9 sources of the Senate and the Committee on Natural Re-  
10 sources of the House of Representatives a report summa-  
11 rizing the financial performance and on-the-ground out-  
12 comes of the projects that are receiving, or have received,  
13 assistance under this subtitle, including an assessment of  
14 whether the objectives of this subtitle are being met.

15 **Subtitle B—Integrated Regional**  
16 **Water Management, Reclama-**  
17 **tion, and Recycling Projects**

18 **SEC. 231. WATER STORAGE PROJECTS.**

19 (a) AGREEMENTS.—The Secretary may enter into a  
20 cost-shared financial assistance agreement with any non-  
21 Federal entity in a Reclamation State or the State of Ha-  
22 waii to carry out the planning, design, and construction  
23 of any permanent water storage and conveyance facility  
24 used solely to regulate and maximize the water supply

1 arising from a project that is eligible for assistance under  
2 this title or any other provision of law—

3 (1) to recycle wastewater, impaired surface  
4 water, and ground water; or

5 (2) to use integrated and coordinated water  
6 management on a watershed or regional scale.

7 (b) FINANCIAL ASSISTANCE.—In providing financial  
8 assistance under this section, the Secretary shall give pri-  
9 ority to storage and conveyance components that—

10 (1) ensure the efficient and beneficial use of  
11 water or reuse of the recycled water;

12 (2) make maximum use of natural systems;

13 (3) consistent with Secretarial Order No. 3297,  
14 dated February 22, 2010, support sustainable water  
15 management practices and the water sustainability  
16 objectives of 1 or more offices of the Department of  
17 the Interior or any other Federal agency;

18 (4)(A) increase the availability of usable water  
19 supplies in a watershed or region to benefit people,  
20 the economy, and the environment; and

21 (B) include adaptive measures needed to ad-  
22 dress climate change and future demands;

23 (5) where practicable—

24 (A) provide flood control or recreation ben-  
25 efits; and

1 (B) include the development of incremental  
2 hydroelectric power generation;

3 (6) include partnerships that go beyond political  
4 and institutional jurisdictions to support the effi-  
5 cient use of the limited water resources of the  
6 United States and the applicable region;

7 (7) generate environmental benefits, such as  
8 benefits to fisheries, wildlife and habitat, and water  
9 quality and water-dependent ecological systems, as  
10 well as water supply benefits to agricultural and  
11 urban water users; and

12 (8) the financing of which leverages private and  
13 other non-Federal resources.

14 (c) FEDERAL SHARE.—The Federal share of the cost  
15 of a project carried out under subsection (a) shall be—

16 (1) equal to the lesser of—

17 (A) 50 percent of total cost of the project;

18 and

19 (B) \$15,000,000, adjusted for inflation;

20 and

21 (2) nonreimbursable.

22 (d) NON-FEDERAL SHARE.—The non-Federal share  
23 of the cost of a project carried out under subsection (a)  
24 may include in-kind contributions to the planning, design,  
25 and construction of a project.



1 (e) TITLE AND COSTS.—A non-Federal entity enter-  
2 ing into a financial assistance agreement under this sec-  
3 tion shall—

4 (1) hold title to all facilities constructed under  
5 this section; and

6 (2) be solely responsible for the costs of oper-  
7 ating and maintaining those facilities.

8 **SEC. 232. AUTHORIZATION OF APPROPRIATIONS.**

9 There is authorized to be appropriated \$700,000,000  
10 to carry out this subtitle.

11 **Subtitle C—Title Transfers**

12 **SEC. 241. AUTHORIZATION TO TRANSFER TITLE.**

13 The Secretary may transfer to any non-Federal oper-  
14 ating entity title to any Reclamation project or facility,  
15 or any separable element of such a project or facility, that  
16 is authorized before the date of enactment of this Act, if—

17 (1) all previous Federal construction contract  
18 obligations or other related repayment contracts or  
19 agreements associated with the project have been  
20 paid out by a non-Federal project beneficiary;

21 (2)(A) a project facility or separable element of  
22 such a facility is in need of rehabilitation or im-  
23 provement, as determined by the Secretary; and

24 (B) the non-Federal operating entity is other-  
25 wise eligible for a loan guarantee under this title;

1 (3) the title transfer meets all applicable Fed-  
2 eral laws and regulations, as determined by the Sec-  
3 retary; and

4 (4)(A) the Secretary notifies each congressional  
5 committee of jurisdiction of the transfer by not later  
6 than 60 days before the date of the transfer; and

7 (B) no objection to the transfer is raised by any  
8 such committee.

9 **TITLE III—INNOVATION**  
10 **THROUGH RESEARCH, DATA,**  
11 **AND TECHNOLOGY**

12 **SEC. 301. OPEN WATER DATA SYSTEM.**

13 (a) DEFINITIONS.—In this section:

14 (1) EDUCATIONAL INSTITUTION.—The term  
15 “educational institution” means—

16 (A) a public or private elementary or sec-  
17 ondary school;

18 (B) an institution of vocational, profes-  
19 sional, or higher education (including a junior  
20 college or teachers’ college); and

21 (C) an association of schools or institutions  
22 described in subparagraphs (A) and (B).

23 (2) INDIAN TRIBE.—The term “Indian tribe”  
24 has the meaning given that term in section 4 of the

1 Indian Self-Determination and Education Assistance  
2 Act (25 U.S.C. 450b).

3 (3) SECRETARY.—The term “Secretary” means  
4 the Secretary of the Interior, acting through the Di-  
5 rector of the United States Geological Survey.

6 (4) STATE.—The term “State” means—

7 (A) a State;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;

10 and

11 (D) any other territory or possession of the  
12 United States.

13 (5) SYSTEM.—The term “system” means the  
14 open water data system established under subsection  
15 (b).

16 (b) SYSTEM.—The Secretary shall establish and  
17 maintain an open water data system within the United  
18 States Geological Survey to advance the availability, time-  
19 ly distribution, and widespread use of water data and in-  
20 formation for water management, education, research, as-  
21 sessment, and monitoring purposes.

22 (c) PURPOSES.—The purposes of the system are—

23 (1) to advance the quantification of the avail-  
24 ability, use of, and risks to, water resources through-  
25 out the United States;

1           (2) to increase accessibility to, and expand the  
2 use of, water data and information in a standard,  
3 easy-to-use format by Federal, State, local, and trib-  
4 al governments, communities, educational institu-  
5 tions, and the private sector; and

6           (3) to facilitate the open exchange of water in-  
7 formation particularly in the face of climate change  
8 and unprecedented drought.

9           (d) **ACTIVITIES.**—In carrying out this section, the  
10 Secretary shall—

11           (1) integrate water data and information into a  
12 interoperable, national, geospatially referenced water  
13 data framework;

14           (2) identify new water data and information  
15 needs, including data on surface and groundwater  
16 quality and quantity, sediment, erosion, transport,  
17 water chemistry, precipitation, reservoir storage,  
18 water cycle, landscape variables, hydrography, cli-  
19 mate and weather impacts, soil moisture, and human  
20 use;

21           (3) leverage existing shared databases, infra-  
22 structure, and tools to provide a platform for water  
23 data and information innovation, modeling and data  
24 sharing, and solution development;

1 (4) support water data and information shar-  
2 ing, applied research, and educational programs of  
3 State, local, and tribal governments, communities,  
4 educational institutions, and the private sector; and

5 (5) promote cooperation and sharing of exper-  
6 tise regarding water data and information among  
7 State, local, and tribal governments, communities,  
8 educational institutions, and the private sector.

9 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated to carry out this section  
11 such sums as are necessary.

12 **SEC. 302. WATER RESOURCES RESEARCH ACT AMEND-**  
13 **MENTS.**

14 (a) CONGRESSIONAL FINDINGS AND DECLARA-  
15 TIONS.—Section 102 of the Water Resources Research  
16 Act of 1984 (42 U.S.C. 10301) is amended—

17 (1) by redesignating paragraphs (7) through  
18 (9) as paragraphs (8) through (10), respectively;

19 (2) in paragraph (8) (as so redesignated), by  
20 striking “and” at the end; and

21 (3) by inserting after paragraph (6) the fol-  
22 lowing:

23 “(7) additional research is required to increase  
24 the effectiveness and efficiency of new and existing

1 treatment works through alternative approaches, in-  
2 cluding—

3 “(A) nonstructural alternatives;

4 “(B) decentralized approaches;

5 “(C) water use efficiency and conservation;

6 and

7 “(D) actions to reduce energy consumption  
8 or extract energy from wastewater;”.

9 (b) WATER RESOURCES RESEARCH AND TECH-  
10 NOLOGY INSTITUTES.—Section 104 of the Water Re-  
11 sources Research Act of 1984 (42 U.S.C. 10303) is  
12 amended—

13 (1) in subsection (b)(1)—

14 (A) in subparagraph (B)(ii), by striking  
15 “water-related phenomena” and inserting  
16 “water resources”; and

17 (B) in subparagraph (D), by striking the  
18 period at the end and inserting “; and”;

19 (2) in subsection (c)—

20 (A) by striking “From the” and inserting  
21 “(1) IN GENERAL.—From the”; and

22 (B) by adding at the end the following:

23 “(2) REPORT.—Not later than December 31 of  
24 each fiscal year, the Secretary shall submit to the  
25 Committee on Environment and Public Works of the

1 Senate, the Committee on the Budget of the Senate,  
2 the Committee on Transportation and Infrastructure  
3 of the House of Representatives, and the Committee  
4 on the Budget of the House of Representatives a re-  
5 port regarding the compliance of each funding re-  
6 cipient with this subsection for the immediately pre-  
7 ceding fiscal year.”;

8 (3) by striking subsection (e) and inserting the  
9 following:

10 “(e) EVALUATION OF WATER RESOURCES RESEARCH  
11 PROGRAM.—

12 “(1) IN GENERAL.—The Secretary shall con-  
13 duct a careful and detailed evaluation of each insti-  
14 tute at least once every 3 years to determine—

15 “(A) the quality and relevance of the water  
16 resources research of the institute;

17 “(B) the effectiveness of the institute at  
18 producing measured results and applied water  
19 supply research; and

20 “(C) whether the effectiveness of the insti-  
21 tute as an institution for planning, conducting,  
22 and arranging for research warrants continued  
23 support under this section.

24 “(2) PROHIBITION ON FURTHER SUPPORT.—If,  
25 as a result of an evaluation under paragraph (1), the

1 Secretary determines that an institute does not qual-  
2 ify for further support under this section, no further  
3 grants to the institute may be provided until the  
4 qualifications of the institute are reestablished to the  
5 satisfaction of the Secretary.”;

6 (4) in subsection (f)(1), by striking  
7 “\$12,000,000 for each of fiscal years 2007 through  
8 2011” and inserting “\$7,500,000 for each of fiscal  
9 years 2015 through 2020”; and

10 (5) in subsection (g)(1), in the first sentence,  
11 by striking “\$6,000,000 for each of fiscal years  
12 2007 through 2011” and inserting “\$1,500,000 for  
13 each of fiscal years 2015 through 2020”.

14 **SEC. 303. REAUTHORIZATION OF WATER DESALINATION**  
15 **ACT OF 1996.**

16 Section 8 of the Water Desalination Act of 1996 (42  
17 U.S.C. 10301 note; Public Law 104–298) is amended—

18 (1) in the first sentence of subsection (a)—

19 (A) by striking “\$5,000,000” and inserting  
20 “\$8,000,000”; and

21 (B) by striking “2013” and inserting  
22 “2020”; and

23 (2) in subsection (b), by striking “for each of  
24 fiscal years 2012 through 2013” and inserting “for  
25 each of fiscal years 2015 through 2020”.



1 **SEC. 304. REVIEW OF RESERVOIR OPERATIONS.**

2 (a) IN GENERAL.—Not later than 1 year after receiv-  
3 ing a request of a non-Federal sponsor of a reservoir, the  
4 Secretary of the Army, in consultation with the Adminis-  
5 trator of the National Oceanic and Atmospheric Adminis-  
6 tration, shall review the operation of the reservoir, includ-  
7 ing the water control manual and rule curves, using im-  
8 proved weather forecasts and run-off forecasting methods,  
9 including the Advanced Hydrologic Prediction System of  
10 the National Weather Service and the Hydrometeorology  
11 Testbed program of the National Oceanic and Atmos-  
12 pheric Administration.

13 (b) DESCRIPTION OF BENEFITS.—In conducting the  
14 review under subsection (a), the Secretary of the Army  
15 shall determine if a change in operations, including the  
16 use of improved weather forecasts and run-off forecasting  
17 methods, will improve 1 or more of the core functions of  
18 the Corps of Engineers, including—

19 (1) reducing risks to human life, public safety,  
20 and property;

21 (2) reducing the need for future disaster relief;

22 (3) improving local water storage capability and  
23 reliability in coordination with the non-Federal spon-  
24 sor and other water users;

1           (4) restoring, protecting, or mitigating the im-  
2           pacts of a water resources development project on  
3           the environment; and

4           (5) improving fish species habitat or population  
5           within the boundaries and downstream of a water  
6           resources project.

7           (c) RESULTS REPORTED.—Not later than 90 days  
8           after completion of a review under this section, the Sec-  
9           retary shall submit a report to Congress regarding the re-  
10          sults of the review.

11          (d) MANUAL UPDATE.—As soon as practicable, but  
12          not later than 3 years after the date on which a report  
13          under subsection (c) is submitted to Congress, pursuant  
14          to the procedures required under existing authorities, if  
15          the Secretary of the Army determines based on that report  
16          that using improved weather and run-off forecasting meth-  
17          ods improves 1 or more core functions of the Corps of  
18          Engineers at a reservoir, the Secretary of the Army  
19          shall—

20                 (1) incorporate those methods in the operation  
21                 of the reservoir; and

22                 (2) update the water control manual.

1 **TITLE IV—DROUGHT PREPARED-**  
2 **NESS AND RESILIENCE**

3 **SEC. 401. NATIONAL DROUGHT RESILIENCE GUIDELINES.**

4 (a) IN GENERAL.—The Administrator, in conjunction  
5 with the Secretary of the Interior, the Secretary of Agri-  
6 culture, the Director of the National Oceanic and Atmos-  
7 pheric Administration, and other appropriate Federal  
8 agency heads along with State and local governments,  
9 shall develop nonregulatory national drought resilience  
10 guidelines relating to drought preparedness planning and  
11 investments for communities, water utilities, and other  
12 water users and providers.

13 (b) CONSULTATION.—In developing the national  
14 drought resilience guidelines, the Administrator and other  
15 Federal agency heads referred to in subsection (a) shall  
16 consult with—

- 17 (1) State and local governments;  
18 (2) water utilities;  
19 (3) scientists;  
20 (4) institutions of higher education;  
21 (5) relevant private entities; and  
22 (6) other stakeholders.

23 (c) CONTENTS.—The national drought resilience  
24 guidelines developed under this section shall, to the max-

1 inum extent practicable, provide recommendations for a  
2 period of 10 years that—

3 (1) address a broad range of potential actions,  
4 including—

5 (A) analysis of the impacts of climate  
6 change and drought on the future effectiveness  
7 of water management tools;

8 (B) the identification of drought-related  
9 water management challenges in a broad range  
10 of fields, including—

11 (i) public health and safety;

12 (ii) municipal and industrial water  
13 supply;

14 (iii) agricultural water supply;

15 (iv) water quality;

16 (v) ecosystem health; and

17 (vi) water supply planning;

18 (C) water management tools to reduce  
19 drought-related impacts, including—

20 (i) water use efficiency through gal-  
21 lons per capita reduction goals, appliance  
22 efficiency standards, water pricing incen-  
23 tives, and other measures;

24 (ii) water recycling;

1 (iii) groundwater clean-up and stor-  
2 age;

3 (iv) new technologies, such as behav-  
4 ioral water efficiency; and

5 (v) stormwater capture and reuse;

6 (D) water-related energy and greenhouse  
7 gas reduction strategies; and

8 (E) public education and engagement; and

9 (2) include recommendations relating to the  
10 processes that Federal, State, and local governments  
11 and water utilities should consider when developing  
12 drought resilience preparedness and plans, includ-  
13 ing—

14 (A) the establishment of planning goals;

15 (B) the evaluation of institutional capacity;

16 (C) the assessment of drought-related risks  
17 and vulnerabilities, including the integration of  
18 climate-related impacts;

19 (D) the establishment of a development  
20 process, including an evaluation of the cost-ef-  
21 fectiveness of potential strategies;

22 (E) the inclusion of private entities, tech-  
23 nical advisors, and other stakeholders in the de-  
24 velopment process;

- 1 (F) implementation and financing issues;  
2 and  
3 (G) evaluation of the plan, including any  
4 updates to the plan.

5 **SEC. 402. DROUGHT PREPAREDNESS FOR FISHERIES.**

6 (a) DEFINITIONS.—In this section:

7 (1) INDIAN TRIBE.—The term “Indian tribe”  
8 has the meaning given the term in section 4 of the  
9 Indian Self-Determination and Education Assistance  
10 Act (25 U.S.C. 450b).

11 (2) QUALIFIED TRIBAL GOVERNMENT.—The  
12 term “qualified tribal government” means a govern-  
13 mental body of an Indian tribe that the Secretary of  
14 the Interior determines—

15 (A) is involved in salmon management and  
16 recovery activities under the Endangered Spe-  
17 cies Act of 1973 (16 U.S.C. 1531 et seq.); and

18 (B) has the management and organiza-  
19 tional capability to maximize the benefits of as-  
20 sistance provided under this section.

21 (b) SALMON DROUGHT PLAN.—

22 (1) IN GENERAL.—Not later than January 1,  
23 2016, the Director of the United States Fish and  
24 Wildlife Service shall, in consultation with the Direc-  
25 tor of the National Marine Fisheries Service, the

1 Commissioner of Reclamation, the Chief of Engi-  
2 neers, and the head of the California Department of  
3 Fish and Wildlife, prepare a salmon drought plan  
4 for the State of California.

5 (2) CONTENTS.—The plan developed under  
6 paragraph (1) shall—

7 (A) contribute—

8 (i) to the recovery of populations list-  
9 ed as threatened or endangered under the  
10 Endangered Species Act of 1973 (16  
11 U.S.C. 1531 et seq.); and

12 (ii) to the goals of the Central Valley  
13 Project Improvement Act (title XXXIV of  
14 Public Law 102–575; 106 Stat. 4706); and

15 (B) include options to protect salmon pop-  
16 ulations originating in the State of California,  
17 with a particular focus on actions that can be  
18 taken to aid salmon populations in the State of  
19 California during the driest 12 years, such as—

20 (i) relocating the release location and  
21 timing of hatchery fish to avoid predation  
22 and temperature impacts;

23 (ii) barging fish to improve survival  
24 and reduce straying;

1 (iii) coordinating with water users, the  
2 Commissioner of Reclamation, and the  
3 head of the California Department of  
4 Water Resources regarding voluntary  
5 water transfers to determine if water re-  
6 leased upstream to meet the needs of  
7 downstream or South-of-Delta water users  
8 can be managed in a way that provides ad-  
9 ditional benefits for salmon;

10 (iv) hatchery management modifica-  
11 tions, such as expanding hatchery produc-  
12 tion during the driest years of fish listed  
13 as endangered or threatened under the En-  
14 dangered Species Act of 1973 (16 U.S.C.  
15 1531 et seq.), if appropriate; and

16 (v) increasing rescue operations of up-  
17 stream migrating fish.

18 (c) FUNDING.—

19 (1) IN GENERAL.—Out of any funds in the  
20 Treasury not otherwise appropriated, the Secretary  
21 of the Treasury shall transfer to the Director of the  
22 United States Fish and Wildlife Service to carry out  
23 this section \$3,000,000, to remain available until ex-  
24 pended, for urgent fish, stream, and hatchery activi-  
25 ties relating to extreme drought conditions, including



1 work carried out in conjunction with the Director of  
2 the National Marine Fisheries Service, the Commis-  
3 sioner of Reclamation, the Chief of Engineers, the  
4 head of the California Department of Fish and  
5 Wildlife, or a qualified tribal government.

6 (2) RECEIPT AND ACCEPTANCE.—The Director  
7 of the United States Fish and Wildlife Service shall  
8 be entitled to receive, shall accept, and shall use to  
9 carry out this section the funds transferred under  
10 paragraph (1), without further appropriation.

○



114TH CONGRESS  
1ST SESSION

# H. R. 291

To establish a WaterSense program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2015

Mrs. NAPOLITANO (for herself, Mrs. CAPPS, Ms. CHU of California, Mr. CONYERS, Mr. DOGGETT, Ms. ESHOO, Mr. GARAMENDI, Mr. GRIJALVA, Ms. HAHN, Mr. HASTINGS, Mr. HINOJOSA, Mr. HONDA, Mr. HUFFMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. KIRKPATRICK, Ms. NORTON, Ms. LEE, Mr. LOWENTHAL, Mr. BEN RAY LUJÁN of New Mexico, Mr. PETERS, Ms. ROYBAL-ALLARD, Mr. RUIZ, Mr. SHERMAN, Ms. SLAUGHTER, Mrs. TORRES, and Mr. VARGAS) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Transportation and Infrastructure, Energy and Commerce, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a WaterSense program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Water in the 21st Century Act” or “W21”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of  
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of Administrator.

TITLE I—CONSERVATION AND EFFICIENCY

- Sec. 101. Water efficiency, conservation, and adaptation.

TITLE II—RECYCLING, STORAGE, AND INTEGRATED WATER MANAGEMENT

- Sec. 201. Definitions.

Subtitle A—Innovative Financing

- Sec. 211. Purposes.
- Sec. 212. Authority to provide assistance.
- Sec. 213. Applications.
- Sec. 214. Eligibility for assistance.
- Sec. 215. Determination of eligibility and project selection.
- Sec. 216. Secured loans.
- Sec. 217. Program administration.
- Sec. 218. State and local permits.
- Sec. 219. Regulations.
- Sec. 220. Funding.
- Sec. 221. Report to Congress.

Subtitle B—Integrated Regional Water Management, Reclamation, and Recycling Projects

- Sec. 231. Water storage projects.
- Sec. 232. Authorization of appropriations.

Subtitle C—Title Transfers

- Sec. 241. Authorization to transfer title.

TITLE III—INNOVATION THROUGH RESEARCH, DATA, AND TECHNOLOGY

- Sec. 301. Open water data system.
- Sec. 302. Water Resources Research Act amendments.
- Sec. 303. Reauthorization of Water Desalination Act of 1996.
- Sec. 304. Review of reservoir operations.

TITLE IV—DROUGHT PREPAREDNESS AND RESILIENCE

- Sec. 401. National drought resilience guidelines.
- Sec. 402. Drought preparedness for fisheries.

**1 SEC. 2. DEFINITION OF ADMINISTRATOR.**

**2** In this Act, the term “Administrator” means the Ad-  
**3** ministrator of the Environmental Protection Agency.

1     **TITLE I—CONSERVATION AND**  
2                   **EFFICIENCY**

3     **SEC. 101. WATER EFFICIENCY, CONSERVATION, AND ADAP-**  
4                   **TATION.**

5           (a) **WATERSENSE.**—

6           (1) **IN GENERAL.**—There is established within  
7     the Environmental Protection Agency a WaterSense  
8     program to identify and promote water efficient  
9     products, buildings, landscapes, facilities, processes,  
10    and services so as—

11           (A) to reduce water use;

12           (B) to reduce the strain on water, waste-  
13    water, and stormwater infrastructure;

14           (C) to conserve energy used to pump, heat,  
15    transport, and treat water; and

16           (D) to preserve water resources for future  
17    generations, through voluntary labeling of, or  
18    other forms of communications about, products,  
19    buildings, landscapes, facilities, processes, and  
20    services that meet the highest water efficiency  
21    and performance criteria.

22           (2) **DUTIES.**—The Administrator shall—

23           (A) establish—

24           (i) a WaterSense label to be used for  
25    certain items; and

1                   (ii) the procedure by which an item  
2                   may be certified to display the WaterSense  
3                   label;

4                   (B) promote WaterSense-labeled products,  
5                   buildings, landscapes, facilities, processes, and  
6                   services in the marketplace as the preferred  
7                   technologies and services for—

8                   (i) reducing water use; and

9                   (ii) ensuring product and service per-  
10                  formance;

11                  (C) work to enhance public awareness of  
12                  the WaterSense label through public outreach,  
13                  education, and other means;

14                  (D) preserve the integrity of the  
15                  WaterSense label by—

16                   (i) establishing and maintaining per-  
17                   formance criteria so that products, build-  
18                   ings, landscapes, facilities, processes, and  
19                   services labeled with the WaterSense label  
20                   perform as well or better than less water-  
21                   efficient counterparts;

22                   (ii) overseeing WaterSense certifi-  
23                   cations made by third parties;

24                   (iii) conducting reviews of the use of  
25                   the WaterSense label in the marketplace

1           and taking corrective action in any case in  
2           which misuse of the label is identified; and

3                   (iv) carrying out such other measures  
4           as the Administrator determines to be ap-  
5           propriate;

6           (E) regularly review and, if appropriate,  
7           update WaterSense criteria for categories of  
8           products, buildings, landscapes, facilities, proc-  
9           esses, and services, at least once every 6 years;

10           (F) to the maximum extent practicable,  
11           regularly estimate and make available to the  
12           public the production and relative market  
13           shares of, and the savings of water, energy, and  
14           capital costs of water, wastewater, and storm-  
15           water infrastructure attributable to the use of  
16           WaterSense-labeled products, buildings, land-  
17           scapes, facilities, processes, and services, at  
18           least annually;

19           (G) solicit comments from interested par-  
20           ties and the public prior to establishing or re-  
21           vising a WaterSense category, specification, in-  
22           stallation criterion, or other criterion;

23           (H) provide reasonable notice to interested  
24           parties and the public of any changes (including  
25           effective dates), on the adoption of a new or re-

1           vised category, specification, installation cri-  
2           terion, or other criterion, along with—

3                   (i) an explanation of the changes; and

4                   (ii) as appropriate, responses to com-  
5                   ments submitted by interested parties and  
6                   the public;

7           (I) provide appropriate lead time (as deter-  
8           mined by the Administrator) prior to the appli-  
9           cable effective date for a new or significant revi-  
10          sion to a category, specification, installation cri-  
11          terion, or other criterion, taking into account  
12          the timing requirements of the manufacturing,  
13          marketing, training, and distribution process  
14          for the specific product, building and landscape,  
15          or service category addressed;

16          (J) identify and, if appropriate, implement  
17          other voluntary approaches in commercial, insti-  
18          tutional, residential, industrial, and municipal  
19          sectors to encourage recycling and reuse tech-  
20          nologies to improve water efficiency or lower  
21          water use; and

22          (K) if appropriate, authorize the Water-  
23          Sense label for use on products that are labeled  
24          by the Energy Star program implemented by  
25          the Administrator and the Secretary of Energy.



1           (3) AUTHORIZATION OF APPROPRIATIONS.—

2           There are authorized to be appropriated to carry out  
3           this section—

4                   (A) \$5,000,000 for fiscal year 2015;

5                   (B) \$10,000,000 for fiscal year 2016;

6                   (C) \$15,000,000 for fiscal year 2017;

7                   (D) \$20,000,000 for fiscal year 2018; and

8                   (E) for each subsequent fiscal year, the ap-  
9           plicable amount for the preceding fiscal year, as  
10          adjusted to reflect changes for the 12-month  
11          period ending the preceding November 30 in  
12          the Consumer Price Index for All Urban Con-  
13          sumers published by the Bureau of Labor Sta-  
14          tistics of the Department of Labor.

15           (b) STATE WATER EFFICIENCY AND CONSERVATION  
16          INCENTIVES PROGRAM.—

17                   (1) DEFINITIONS.—In this subsection:

18                           (A) ELIGIBLE ENTITY.—The term “eligible  
19                   entity” means a State government, local or  
20                   county government, tribal government, waste-  
21                   water or sewerage utility, municipal water au-  
22                   thority, energy utility, water utility, or non-  
23                   profit organization that meets the requirements  
24                   of paragraph (2).

1 (B) INCENTIVE PROGRAM.—The term “in-  
2 centive program” means a program for admin-  
3 istering financial incentives for consumer pur-  
4 chase and installation of water-efficient prod-  
5 ucts, buildings (including new water-efficient  
6 homes), landscapes, processes, or services de-  
7 scribed in paragraph (2)(A).

8 (C) WATER-EFFICIENT PRODUCT, BUILD-  
9 ING, LANDSCAPE, PROCESS, OR SERVICE.—

10 (i) IN GENERAL.—The term “water-  
11 efficient product, building, landscape, proc-  
12 ess, or service” means a product, building,  
13 landscape, process, or service for a resi-  
14 dence or a commercial or institutional  
15 building, or the landscape of a residence or  
16 commercial or institutional building, that  
17 is rated for water efficiency and perform-  
18 ance—

19 (I) by the WaterSense program;

20 or

21 (II) if a WaterSense specification  
22 does not exist, by the Energy Star  
23 program or an incentive program ap-  
24 proved by the Administrator.

1 (ii) INCLUSIONS.—The term “water-  
2 efficient product, building, landscape, proc-  
3 ess, or service” includes—

4 (I) faucets;

5 (II) irrigation technologies and  
6 services;

7 (III) point-of-use water treat-  
8 ment devices;

9 (IV) reuse and recycling tech-  
10 nologies;

11 (V) toilets;

12 (VI) clothes washers;

13 (VII) dishwashers;

14 (VIII) showerheads;

15 (IX) xeriscaping and other land-  
16 scape conversions that replace irri-  
17 gated turf;

18 (X) new water efficient homes  
19 certified under the WaterSense pro-  
20 gram;

21 (XI) green stormwater installa-  
22 tions such as permeable pavement,  
23 rain gardens, rain barrels, and green  
24 roofs;

1 (XII) composting solutions com-  
2 plementary to water use and water  
3 quality; and

4 (XIII) other water-efficient prod-  
5 ucts, services, processes, or behavioral  
6 water efficiency solutions that address  
7 the objectives of the WaterSense pro-  
8 gram.

9 (D) WATERSENSE PROGRAM.—The term  
10 “WaterSense program” means the program es-  
11 tablished by subsection (a).

12 (2) ELIGIBLE ENTITIES.—An entity shall be eli-  
13 gible to receive an allocation under paragraph (3) if  
14 the entity—

15 (A) establishes (or has established) an in-  
16 centive program to provide financial incentives  
17 to residential, commercial, and institutional  
18 consumers for the purchase of water-efficient  
19 products, buildings, landscapes, processes, or  
20 services;

21 (B) submits an application for the alloca-  
22 tion at such time, in such form, and containing  
23 such information as the Administrator may re-  
24 quire; and

1 (C) provides assurances satisfactory to the  
2 Administrator that the entity will use the allo-  
3 cation to supplement, but not supplant, non-  
4 Federal funds made available to carry out the  
5 incentive program.

6 (3) AMOUNT OF ALLOCATIONS.—For each fiscal  
7 year, the Administrator shall determine the amount  
8 to allocate to each eligible entity to carry out para-  
9 graph (4), taking into consideration—

10 (A) the population served by the eligible  
11 entity during the most recent calendar year for  
12 which data are available;

13 (B) the targeted population of the incen-  
14 tive program of the eligible entity, such as gen-  
15 eral households, low-income households, or first-  
16 time homeowners, and the probable effective-  
17 ness of the incentive program for that popu-  
18 lation;

19 (C) for existing programs, the effectiveness  
20 of the program in encouraging the adoption of  
21 water-efficient products, buildings, landscapes,  
22 facilities, processes, and services;

23 (D) any allocation to the eligible entity for  
24 a preceding fiscal year that remains unused;  
25 and

1           (E) the per capita water demand of the  
2           population served by the eligible entity during  
3           the most recent calendar year for which data  
4           are available and the availability or reliability of  
5           water supplies to the eligible entity.

6           (4) USE OF ALLOCATED FUNDS.—Funds allo-  
7           cated to an eligible entity under paragraph (3) may  
8           be used to pay up to 50 percent of the cost of estab-  
9           lishing and carrying out an incentive program.

10          (5) ISSUANCE OF INCENTIVES.—

11           (A) IN GENERAL.—Financial incentives  
12           may be provided to residential, commercial, and  
13           institutional consumers that meet the require-  
14           ments of the applicable incentive program.

15           (B) MANNER OF ISSUANCE.—An eligible  
16           entity may—

17           (i) issue all financial incentives di-  
18           rectly to residential, commercial, and insti-  
19           tutional consumers; or

20           (ii) with approval of the Adminis-  
21           trator, delegate all or part of financial in-  
22           centive administration to other organiza-  
23           tions, including local governments, munic-  
24           ipal water authorities, water utilities, and  
25           nonprofit organizations.

1 (C) AMOUNT.—The amount of a financial  
2 incentive shall be determined by the eligible en-  
3 tity, taking into consideration—

4 (i) the amount of any Federal or  
5 State tax incentive available for the pur-  
6 chase of the water-efficient product or  
7 service;

8 (ii) the amount necessary to change  
9 consumer behavior to purchase water-effi-  
10 cient products and services; and

11 (iii) the consumer expenditures for on-  
12 site preparation, assembly, and original in-  
13 stallation of the product.

14 (6) AUTHORIZATION OF APPROPRIATIONS.—  
15 There are authorized to be appropriated to the Ad-  
16 ministrator to carry out this subsection—

17 (A) \$100,000,000 for fiscal year 2015;

18 (B) \$150,000,000 for fiscal year 2016;

19 (C) \$200,000,000 for fiscal year 2017;

20 (D) \$150,000,000 for fiscal year 2018;

21 (E) \$100,000,000 for fiscal year 2019; and

22 (F) for each subsequent fiscal year, the ap-  
23 plicable amount for the preceding fiscal year, as  
24 adjusted to reflect changes for the 12-month  
25 period ending the preceding November 30 in

1 the Consumer Price Index for All Urban Con-  
2 sumers published by the Bureau of Labor Sta-  
3 tistics of the Department of Labor.

4 (c) WATER SYSTEM MITIGATION AND ADAPTATION  
5 GRANTS.—

6 (1) DEFINITIONS.—In this subsection:

7 (A) OWNER OR OPERATOR.—

8 (i) IN GENERAL.—The term “owner  
9 or operator” means a person (including a  
10 regional, State, local, municipal, or private  
11 entity) that owns or operates a water sys-  
12 tem.

13 (ii) INCLUSION.—The term “owner or  
14 operator” includes a non-Federal entity  
15 that has operational responsibilities for a  
16 federally owned water system.

17 (B) WATER SYSTEM.—The term “water  
18 system” means—

19 (i) a community water system (as de-  
20 fined in section 1401 of the Safe Drinking  
21 Water Act (42 U.S.C. 300f));

22 (ii) a publicly owned treatment works  
23 (as defined in section 212 of the Federal  
24 Water Pollution Control Act (33 U.S.C.



1           1292)), including a municipal separate  
2           storm sewer system;

3                   (iii) a decentralized wastewater treat-  
4           ment system for domestic sewage;

5                   (iv) a groundwater storage and re-  
6           plenishment system; or

7                   (v) a system for transport and deliv-  
8           ery of water for irrigation or conservation.

9           (2) GRANTS.—Beginning in fiscal year 2015,  
10          the Administrator shall make grants to owners or  
11          operators of water systems to address any ongoing  
12          or forecasted (based on the best available research  
13          and data) climate-related impact on the water qual-  
14          ity or quantity of a region of the United States, for  
15          the purposes of mitigating or adapting to the im-  
16          pacts of climate change.

17          (3) ELIGIBLE USES.—In carrying out this sub-  
18          section, the Administrator shall make grants to as-  
19          sist in the planning, design, construction, implemen-  
20          tation, or maintenance of any program or project to  
21          increase the resilience of a water system to climate  
22          change by—

23                   (A) conserving water or enhancing water  
24          use efficiency, including through the use of

1 water metering to measure the effectiveness of  
2 a water efficiency program;

3 (B) modifying or relocating existing water  
4 system infrastructure made or projected to be  
5 made inoperable by climate change impacts;

6 (C) preserving or improving water quality,  
7 including through measures to manage, reduce,  
8 treat, or reuse municipal stormwater, waste-  
9 water, or drinking water;

10 (D) investigating, designing, or con-  
11 structing groundwater remediation, recycled  
12 water, or desalination facilities or systems;

13 (E) enhancing water management by in-  
14 creasing watershed preservation and protection,  
15 such as through the use of natural or engi-  
16 neered green infrastructure in the management,  
17 conveyance, or treatment of water, wastewater,  
18 or stormwater;

19 (F) enhancing energy efficiency or the use  
20 and generation of renewable energy in the man-  
21 agement, conveyance, or treatment of water,  
22 wastewater, or stormwater;

23 (G) supporting the adoption and use of ad-  
24 vanced water treatment, water supply manage-  
25 ment (such as reservoir reoperation), or water

1 demand management technologies, projects, or  
2 processes (such as water reuse and recycling or  
3 adaptive conservation pricing) that maintain or  
4 increase water supply or improve water quality;

5 (H) modifying or replacing existing sys-  
6 tems or constructing new systems for existing  
7 communities or land currently in agricultural  
8 production to improve water availability, stor-  
9 age, or conveyance in a manner that—

10 (i) promotes more efficient use of  
11 available water supplies; and

12 (ii) does not further exacerbate  
13 stresses on ecosystems;

14 (I) supporting practices and projects, such  
15 as improved irrigation systems, water banking  
16 and other forms of water transactions, ground-  
17 water recharge, stormwater capture, and reuse  
18 or recycling of drainage water, to improve water  
19 quality or promote more efficient water use, in-  
20 cluding on land currently in agricultural pro-  
21 duction;

22 (J) conducting and completing studies or  
23 assessments to project how climate change may  
24 impact the future operations and sustainability  
25 of water systems;

1           (K) developing and implementing mitiga-  
2           tion measures to rapidly address impacts on  
3           water systems most susceptible to abrupt cli-  
4           mate change, including those in the Colorado  
5           River Basin and coastal regions at risk from  
6           rising sea levels; or

7           (L) funding of transactions costs and cred-  
8           it enhancement for pay-for-performance-based  
9           public-private initiatives intended to advance  
10          the eligible uses of the program or project.

11          (4) APPLICATION.—To be eligible to receive a  
12          grant from the Administrator under paragraph (2),  
13          the owner or operator of a water system shall submit  
14          to the Administrator an application that—

15               (A) includes a proposal of the program,  
16               strategy, or infrastructure improvement to be  
17               planned, designed, constructed, implemented, or  
18               maintained by the water system;

19               (B) cites the best available research or  
20               data that demonstrates—

21                       (i) the risk to the water resources or  
22                       infrastructure of the water system as a re-  
23                       sult of ongoing or forecasted changes to  
24                       the hydrological system brought about by  
25                       factors arising from climate change, in-

1 cluding rising sea levels and changes in  
2 precipitation levels; and

3 (ii) how the proposed program, strat-  
4 egy, or infrastructure improvement would  
5 perform under the anticipated climate con-  
6 ditions;

7 (C) explains how the proposed program,  
8 strategy, or infrastructure improvement is ex-  
9 pected to enhance the resiliency of the water  
10 system, including source water protection for  
11 community water systems, to these risks or re-  
12 duce the direct or indirect greenhouse gas emis-  
13 sions of the water system; and

14 (D) demonstrates that the program, strat-  
15 egy, or infrastructure improvement is—

16 (i) consistent with any approved State  
17 and tribal climate adaptation plan; and

18 (ii) not inconsistent with any ap-  
19 proved natural resources plan.

20 (5) COMPETITIVE PROCESS.—

21 (A) IN GENERAL.—Each calendar year, the  
22 Administrator shall conduct a competitive proc-  
23 ess to select and fund applications under this  
24 subsection.

1 (B) PRIORITY REQUIREMENTS AND  
2 WEIGHTING.—In carrying out the process, the  
3 Administrator shall—

4 (i) prioritize funding of applications  
5 that are submitted by the owners or opera-  
6 tors of water systems that are, based on  
7 the best available research and data, at the  
8 greatest and most immediate risk of facing  
9 significant climate-related negative impacts  
10 on water quality or quantity;

11 (ii) in selecting among the priority ap-  
12 plications determined under clause (i), en-  
13 sure that the final list of applications fund-  
14 ed for each year includes a substantial  
15 number that, to the maximum extent prac-  
16 ticable, includes each eligible use described  
17 in paragraph (3);

18 (iii) solicit applications from water  
19 systems that are—

20 (I) located in all regions of the  
21 United States; and

22 (II) facing varying risks as a re-  
23 sult of climate change; and

24 (iv) provide for solicitation and con-  
25 sideration of public input in the develop-

1           ment of criteria used in evaluating applica-  
2           tions.

3           (6) COST SHARING.—

4           (A) FEDERAL SHARE.—The Federal share  
5           of the cost of any program, strategy, or infra-  
6           structure improvement that is the subject of a  
7           grant awarded by the Administrator to a water  
8           system under paragraph (2) shall not exceed 50  
9           percent of the cost of the program, strategy,  
10          and infrastructure improvement.

11          (B) CALCULATION OF NON-FEDERAL  
12          SHARE.—In calculating the non-Federal share  
13          of the cost of a program, strategy, or infra-  
14          structure improvement proposed by a water sys-  
15          tem through an application submitted by the  
16          water system under paragraph (4), the Admin-  
17          istrator shall—

18                 (i) include the value of any in-kind  
19                 services that are integral to the completion  
20                 of the program, strategy, or infrastructure  
21                 improvement, as determined by the Admin-  
22                 istrator; and

23                 (ii) not include any other amount that  
24                 the water system receives from a Federal  
25                 agency.

## 1 (7) LABOR STANDARDS.—

2 (A) IN GENERAL.—All laborers and me-  
3 chanics employed on infrastructure improve-  
4 ments funded directly by or assisted in whole or  
5 in part by this subsection shall be paid wages  
6 at rates not less than those prevailing for the  
7 same type of work on similar construction in  
8 the immediate locality, as determined by the  
9 Secretary of Labor in accordance with sub-  
10 chapter IV of chapter 31 of part A of subtitle  
11 II of title 40, United States Code.

12 (B) AUTHORITY AND FUNCTIONS.—With  
13 respect to the labor standards in this para-  
14 graph, the Secretary of Labor shall have the  
15 authority and functions set forth in Reorganiza-  
16 tion Plan Numbered 14 of 1950 (64 Stat.  
17 1267; 5 U.S.C. App.) and section 3145 of title  
18 40, United States Code.

## 19 (8) LOCAL HIRING.—

20 (A) IN GENERAL.—The recipient of assist-  
21 ance may advertise and award a contract for  
22 construction containing requirements for the  
23 employment of individuals residing in or adja-  
24 cent to any of the areas in which the work is  
25 to be performed under the contract, if—



1 (i) all or part of the construction work  
2 performed under the contract occurs in an  
3 area that has—

4 (I) a per capita income of 80 per-  
5 cent or less of the national average  
6 per capita income; or

7 (II) an unemployment rate that  
8 is, for the most recent 24-month pe-  
9 riod for which data are available, at  
10 least 1 percent greater than the na-  
11 tional average unemployment rate;

12 (ii) the estimated cost of the project  
13 of which the contract is a part is greater  
14 than \$1,000,000; and

15 (iii) the recipient does not hire indi-  
16 viduals who do not have the necessary  
17 skills to perform work in the applicable  
18 craft or trade, except for individuals who  
19 are subject to an apprenticeship program  
20 or other training program meeting, as de-  
21 termined by the Secretary.

22 (B) ADVERTISEMENT.—In advertising and  
23 awarding a contract under this subsection, the  
24 Secretary or recipient of assistance shall ensure

1 that the requirements contained in the adver-  
2 tisement would not—

3 (i) compromise the quality of the  
4 project;

5 (ii) unreasonably delay the completion  
6 of the project; or

7 (iii) unreasonably increase the cost of  
8 the project.

9 (9) EFFICIENT, INTEGRATED PROCUREMENT  
10 FOR PROGRAMS JOINTLY FUNDED WITH THE DE-  
11 PARTMENT OF HOUSING AND URBAN DEVELOP-  
12 MENT.—

13 (A) DEFINITION OF ELIGIBLE PROJECT.—

14 In this paragraph, the term “eligible project”  
15 means a project for which the amount of fund-  
16 ing provided by the Department of Housing and  
17 Urban Development is 10 percent or more of  
18 the amount of funding provided under this sub-  
19 section.

20 (B) PREFERENCES.—Notwithstanding the  
21 competitive bidding requirements of this section  
22 (including regulations), in the case of an eligible  
23 project funded jointly with funding provided by  
24 the Department of Housing and Urban Devel-  
25 opment that is covered by section 3 of the

1           Housing and Urban Development Act of 1968  
2           (82 Stat. 846; 12 U.S.C. 1701u), a contracting  
3           agency may apply the preferences required for  
4           the funding by the Department of Housing and  
5           Urban Development under section 3 of that Act  
6           (including regulations) with respect to the fund-  
7           ing, to the elements of the project funded in  
8           any part under this subsection.

9           (C) PERMISSIBLE RESTRICTIONS.—A State  
10          or local law governing contracting practices that  
11          prohibits the awarding of contracts to busi-  
12          nesses that have solicited or made contributions  
13          to political candidates, political parties, and  
14          holders of public office shall not be considered  
15          a violation of this section.

16          (10) REGULATIONS.—

17                (A) IN GENERAL.—Not later than 1 year  
18                after the date of enactment of this Act, the Ad-  
19                ministrator shall promulgate final regulations to  
20                carry out this subsection.

21                (B) SPECIAL RULE FOR THE CONSTRUC-  
22                TION OF TREATMENT WORKS.—In carrying out  
23                this paragraph, the Administrator shall incor-  
24                porate all relevant and appropriate require-  
25                ments of title VI of the Federal Water Pollution

1 Control Act (33 U.S.C. 1381 et seq.) applicable  
2 to the construction of treatment works that are  
3 carried out under this subsection.

4 (11) REPORT TO CONGRESS.—Not later than 3  
5 years after the date of enactment of this Act, and  
6 every 3 years thereafter, the Administrator shall  
7 submit to Congress a report on progress in imple-  
8 menting this subsection, including information on  
9 project applications received and funded annually.

10 (12) AUTHORIZATION OF APPROPRIATIONS.—  
11 There are authorized to be appropriated to carry out  
12 this subsection such sums as are necessary.

13 **TITLE II—RECYCLING, STORAGE,**  
14 **AND INTEGRATED WATER**  
15 **MANAGEMENT**

16 **SEC. 201. DEFINITIONS.**

17 In this title:

18 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
19 ty” means—

20 (A) a corporation;

21 (B) a partnership;

22 (C) a joint venture;

23 (D) a trust;

24 (E) a Federal, State, or local governmental  
25 entity, agency, or instrumentality; and

1 (F) a conservancy district, irrigation dis-  
2 trict, canal company, mutual water company,  
3 water users' association, Indian tribe, agency  
4 created by interstate compact, or any other en-  
5 tity that has the capacity to contract with the  
6 United States under Federal reclamation law.

7 (2) FEDERAL CREDIT INSTRUMENT.—The term  
8 “Federal credit instrument” means a secured loan,  
9 loan guarantee, or other credit enhancement author-  
10 ized to be made available under this title with re-  
11 spect to a project.

12 (3) INVESTMENT-GRADE RATING.—The term  
13 “investment-grade rating” means a rating of BBB  
14 minus, Baa3, bbb minus, BBB (low), or higher as  
15 assigned by a rating agency to project obligations.

16 (4) LENDER.—

17 (A) IN GENERAL.—The term “lender”  
18 means any non-Federal qualified institutional  
19 buyer (as defined in section 230.144A(a) of  
20 title 17, Code of Federal Regulations (or a suc-  
21 cessor regulation) (commonly known as “Rule  
22 144A(a) of the Securities and Exchange Com-  
23 mission” and issued under the Securities Act of  
24 1933 (15 U.S.C. 77a et seq.))).

1 (B) INCLUSIONS.—The term “lender” in-  
2 cludes—

3 (i) a qualified retirement plan (as de-  
4 fined in section 4974 of the Internal Rev-  
5 enue Code of 1986) that is a qualified in-  
6 stitutional buyer; and

7 (ii) a governmental plan (as defined in  
8 section 414 of the Internal Revenue Code  
9 of 1986) that is a qualified institutional  
10 buyer.

11 (5) LOAN GUARANTEE.—The term “loan guar-  
12 antee” means any guarantee or other pledge by the  
13 Secretary to pay all or part of the principal of, and  
14 interest on, a loan or other debt obligation issued by  
15 an obligor and funded by a lender.

16 (6) OBLIGOR.—The term “obligor” means an  
17 eligible entity that is primarily liable for payment of  
18 the principal of, or interest on, a Federal credit in-  
19 strument.

20 (7) PROJECT OBLIGATION.—

21 (A) IN GENERAL.—The term “project obli-  
22 gation” means any note, bond, debenture, or  
23 other debt obligation issued by an obligor in  
24 connection with the financing of a project.

1           (B) EXCLUSION.—The term “project obli-  
2           gation” does not include a Federal credit in-  
3           strument.

4           (8) RATING AGENCY.—The term “rating agen-  
5           cy” means a credit rating agency registered with the  
6           Securities and Exchange Commission as a nationally  
7           recognized statistical rating organization (as defined  
8           in section 3(a) of the Securities Exchange Act of  
9           1934 (15 U.S.C. 78c(a)).

10          (9) RECLAMATION STATE.—The term “Rec-  
11          lamation State” means any of the States of—

- 12           (A) Arizona;
- 13           (B) California;
- 14           (C) Colorado;
- 15           (D) Idaho;
- 16           (E) Kansas;
- 17           (F) Montana;
- 18           (G) Nebraska;
- 19           (H) Nevada;
- 20           (I) New Mexico;
- 21           (J) North Dakota;
- 22           (K) Oklahoma;
- 23           (L) Oregon;
- 24           (M) South Dakota;
- 25           (N) Texas;

1 (O) Utah;

2 (P) Washington; and

3 (Q) Wyoming.

4 (10) SECRETARY.—The term “Secretary”  
5 means the Secretary of the Interior.

6 (11) SECURED LOAN.—The term “secured  
7 loan” means a direct loan or other debt obligation  
8 issued by an obligor and funded by the Secretary in  
9 connection with the financing of a project under sub-  
10 title A.

11 (12) SUBSIDY AMOUNT.—The term “subsidy  
12 amount” means the amount of budget authority suf-  
13 ficient to cover the estimated long-term cost to the  
14 Federal Government of a Federal credit instrument,  
15 as calculated on a net present value basis, excluding  
16 administrative costs and any incidental effects on  
17 Governmental receipts or outlays in accordance with  
18 the Federal Credit Reform Act of 1990 (2 U.S.C.  
19 661 et seq.).

20 (13) SUBSTANTIAL COMPLETION.—The term  
21 “substantial completion”, with respect to a project,  
22 means the earliest date on which a project is consid-  
23 ered to perform the functions for which the project  
24 is designed.



## 1     **Subtitle A—Innovative Financing**

### 2     **SEC. 211. PURPOSES.**

3         The purposes of this subtitle are—

4             (1) to promote increased development of critical  
5     water resources infrastructure by establishing addi-  
6     tional opportunities for financing water resources  
7     projects;

8             (2) to attract new investment capital to infra-  
9     structure projects that are capable of generating rev-  
10    enue streams through user fees or other dedicated  
11    funding sources;

12            (3) to complement existing Federal funding  
13    sources and address budgetary constraints on Bu-  
14    reau of Reclamation programs; and

15            (4) to leverage private investment in water re-  
16    sources infrastructure.

### 17    **SEC. 212. AUTHORITY TO PROVIDE ASSISTANCE.**

18            (a) IN GENERAL.—The Secretary may provide finan-  
19    cial assistance under this subtitle to carry out projects  
20    within—

21            (1) any Reclamation State;

22            (2) any other State in which the Bureau of  
23    Reclamation is authorized to provide project assist-  
24    ance; and

25            (3) the States of Alaska and Hawaii.

1 (b) SELECTION.—In selecting projects to receive fi-  
2 nancial assistance under subsection (a), the Secretary  
3 shall ensure diversity with respect to—

4 (1) project types; and

5 (2) geographical locations.

6 **SEC. 213. APPLICATIONS.**

7 To be eligible to receive assistance under this subtitle,  
8 an eligible entity shall submit to the Secretary an applica-  
9 tion at such time, in such manner, and containing such  
10 information as the Secretary may require.

11 **SEC. 214. ELIGIBILITY FOR ASSISTANCE.**

12 (a) ELIGIBLE PROJECTS.—The following projects  
13 may be carried out using assistance made available under  
14 this subtitle:

15 (1) A project for the reclamation and reuse of  
16 municipal, industrial, domestic, and agricultural  
17 wastewater, and naturally impaired ground and sur-  
18 face waters, which the Secretary, acting through the  
19 Commissioner of Reclamation, is authorized to un-  
20 dertake.

21 (2) Any water infrastructure project not specifi-  
22 cally authorized by law that—

23 (A) the Secretary determines, through the  
24 completion of an appraisal investigation and  
25 feasibility study, would contribute to a safe,

1           adequate water supply for domestic, agricul-  
2           tural, environmental, or municipal and indus-  
3           trial use; and

4           (B) is otherwise eligible for assistance  
5           under this title.

6           (3) A new water infrastructure facility project,  
7           including a water conduit, pipeline, canal, pumping,  
8           power, and associated facilities.

9           (4) A project for enhanced energy efficiency in  
10          the operation of a water system.

11          (5) A project for accelerated repair and replace-  
12          ment of an aging water distribution facility.

13          (6) A brackish or sea water desalination  
14          project.

15          (7) Acquisition of real property or an interest  
16          in real property for water storage, reclaimed or recy-  
17          cled water, or wastewater, if the acquisition is inte-  
18          gral to a project described in paragraphs (1)  
19          through (6).

20          (8) A combination of projects, each of which is  
21          eligible under paragraphs (1) through (7), for which  
22          an eligible entity submits a single application.

23          (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—For  
24          purposes of this subtitle, an eligible activity with respect

1 to an eligible project under subsection (a) includes the cost  
2 of—

3 (1) development-phase activities, including plan-  
4 ning, feasibility analysis, revenue forecasting, envi-  
5 ronmental review, permitting, transaction costs, pre-  
6 liminary engineering and design work, and other  
7 preconstruction activities;

8 (2) construction, reconstruction, rehabilitation,  
9 and replacement activities;

10 (3) the acquisition of real property (including  
11 water rights, land relating to the project, and im-  
12 provements to land), environmental mitigation, con-  
13 struction contingencies, and acquisition of equip-  
14 ment;

15 (4) capitalized interest necessary to meet mar-  
16 ket requirements, reasonably required reserve funds,  
17 capital issuance expenses, and other carrying costs  
18 during construction;

19 (5) refinancing interim construction funding,  
20 long-term project obligations, or a secured loan, loan  
21 guarantee, or other credit enhancement made under  
22 this subtitle;

23 (6) reimbursement or success payments to any  
24 public or private entity that achieves predetermined

1 outcomes on a pay-for-performance or pay-for-suc-  
2 cess basis; and

3 (7) grants, loans, or credit enhancement for  
4 community development financial institutions, green  
5 banks, and other financial intermediaries providing  
6 ongoing finance for projects that meet the purposes  
7 of this subtitle.

8 **SEC. 215. DETERMINATION OF ELIGIBILITY AND PROJECT**  
9 **SELECTION.**

10 (a) **ELIGIBILITY REQUIREMENTS.**—To be eligible to  
11 receive financial assistance under this subtitle, a project  
12 shall meet the following criteria, as determined by the Sec-  
13 retary:

14 (1) **CREDITWORTHINESS.**—

15 (A) **IN GENERAL.**—Subject to subpara-  
16 graph (B), the project shall be creditworthy, as  
17 determined by the Secretary, who shall ensure  
18 that any financing for the project has appro-  
19 priate security features, such as a rate cov-  
20 enant, to ensure repayment.

21 (B) **PRELIMINARY RATING OPINION LET-**  
22 **TER.**—The Secretary shall require each appli-  
23 cant to provide a preliminary rating opinion let-  
24 ter from at least 1 rating agency indicating that  
25 the senior obligations of the project (which may

1           be the Federal credit instrument) have the po-  
2           tential to achieve an investment-grade rating.

3           (2) ELIGIBLE PROJECT COSTS.—The eligible  
4           project costs of a project and other projects in a wa-  
5           tershed shall be reasonably anticipated to be not less  
6           than \$10,000,000.

7           (3) DEDICATED REVENUE SOURCES.—The Fed-  
8           eral credit instrument for the project shall be repay-  
9           able, in whole or in part, from dedicated revenue  
10          sources that also secure the project obligations.

11          (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-  
12          TIES.—In the case of a project carried out by an en-  
13          tity that is not a State or local government or an  
14          agency or instrumentality of a State or local govern-  
15          ment, the project shall be publicly sponsored.

16          (b) SELECTION CRITERIA.—

17           (1) ESTABLISHMENT.—The Secretary shall es-  
18           tablish criteria for the selection of projects that meet  
19           the eligibility requirements of subsection (a), in ac-  
20           cordance with paragraph (2).

21           (2) CRITERIA.—The selection criteria shall in-  
22           clude the following:

23                   (A) The extent to which the project is na-  
24                   tionally or regionally significant.

1           (B) The extent to which assistance under  
2 this section would foster innovative public-pri-  
3 vate partnerships and attract private debt or  
4 equity investment.

5           (C) The likelihood that assistance under  
6 this section would enable the project to proceed  
7 at an earlier date than the project would other-  
8 wise be able to proceed.

9           (D) The extent to which the project uses  
10 new or innovative approaches.

11           (E) The extent to which projects track evi-  
12 dence about the effectiveness of the 1 or more  
13 projects financed and the availability of the evi-  
14 dence and project information to the public to  
15 facilitate replication.

16           (F) The amount of budget authority re-  
17 quired to fund the Federal credit instrument  
18 made available under this subtitle.

19           (G) The extent to which the project helps  
20 maintain or protect the environment.

21           (H) The extent to which the project sup-  
22 ports the local economy and provides local jobs.

23       (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-  
24 ceipt of a Federal grant or contract or other Federal fund-  
25 ing to support an eligible project shall not preclude the

1 project from being eligible for assistance under this sub-  
2 title.

3 (d) FEDERAL REQUIREMENTS.—

4 (1) EFFECT OF SECTION.—Nothing in this sec-  
5 tion supersedes the applicability of other require-  
6 ments of Federal law (including regulations).

7 (2) NEPA.—A Federal action carried out re-  
8 garding a loan or loan guarantee provided under this  
9 subtitle shall not be considered to be a Federal ac-  
10 tion for purposes of the National Environmental  
11 Policy Act of 1969 (42 U.S.C. 4321 et seq.).

12 **SEC. 216. SECURED LOANS.**

13 (a) AGREEMENTS.—

14 (1) IN GENERAL.—Subject to paragraphs (2)  
15 through (4), the Secretary may enter into agree-  
16 ments with 1 or more obligors to make secured  
17 loans, the proceeds of which shall be used—

18 (A) to finance eligible project costs of any  
19 project selected under section 206;

20 (B) to refinance interim construction fi-  
21 nancing of eligible project costs of any project  
22 selected under section 206; or

23 (C) to refinance long-term project obliga-  
24 tions or Federal credit instruments, if that refi-  
25 nancing provides additional funding capacity for



1 the completion, enhancement, or expansion of  
2 any project that—

3 (i) is selected under section 206; or

4 (ii) otherwise meets the requirements  
5 of section 206.

6 (2) LIMITATION ON REFINANCING OF INTERIM  
7 CONSTRUCTION FINANCING.—A secured loan under  
8 paragraph (1) shall not be used to refinance interim  
9 construction financing under paragraph (1)(B) later  
10 than 1 year after the date of substantial completion  
11 of the applicable project.

12 (3) RISK ASSESSMENT.—Before entering into  
13 an agreement under this subsection for a secured  
14 loan, the Secretary, in consultation with the Director  
15 of the Office of Management and Budget and each  
16 rating agency providing a preliminary rating opinion  
17 letter under section 206(a)(1)(B), shall determine an  
18 appropriate capital reserve subsidy amount for the  
19 secured loan, taking into account each such prelimi-  
20 nary rating opinion letter.

21 (4) INVESTMENT-GRADE RATING REQUIRE-  
22 MENT.—The execution of a secured loan under this  
23 section shall be contingent on receipt by the senior  
24 obligations of the project of an investment-grade rat-  
25 ing.

1 (b) TERMS AND LIMITATIONS.—

2 (1) IN GENERAL.—A secured loan provided for  
3 a project under this section shall be subject to such  
4 terms and conditions, and contain such covenants,  
5 representations, warranties, and requirements (in-  
6 cluding requirements for audits), as the Secretary  
7 determines to be appropriate.

8 (2) MAXIMUM AMOUNT.—The amount of a se-  
9 cured loan under this section shall not exceed the  
10 lesser of—

11 (A) an amount equal to 100 percent of the  
12 reasonably anticipated eligible project costs; and

13 (B) if the secured loan does not receive an  
14 investment-grade rating, the amount of the sen-  
15 ior project obligations of the project.

16 (3) PAYMENT.—A secured loan under this sec-  
17 tion—

18 (A) shall be payable, in whole or in part,  
19 from State or local taxes, user fees, or other  
20 dedicated revenue sources that also secure the  
21 senior project obligations of the relevant  
22 project;

23 (B) shall include a rate covenant, coverage  
24 requirement, or similar security feature sup-  
25 porting the project obligations; and

1           (C) may have a lien on revenues described  
2           in subparagraph (A), subject to any lien secur-  
3           ing project obligations.

4           (4) INTEREST RATE.—The interest rate on a  
5           secured loan under this section shall be not more  
6           than the yield on United States Treasury securities  
7           of a similar maturity to the maturity of the secured  
8           loan on the date of execution of the loan agreement,  
9           as determined by the Secretary.

10          (5) MATURITY DATE.—The final maturity date  
11          of a secured loan under this section shall be not  
12          later than 35 years after the date of substantial  
13          completion of the relevant project.

14          (6) NONSUBORDINATION.—A secured loan  
15          under this section shall not be subordinated to the  
16          claims of any holder of project obligations in the  
17          event of bankruptcy, insolvency, or liquidation of the  
18          obligor of the project.

19          (7) FEES.—The Secretary may establish fees at  
20          a level sufficient to cover all or a portion of the costs  
21          to the Federal Government of making a secured loan  
22          under this section.

23          (8) NON-FEDERAL SHARE.—The proceeds of a  
24          secured loan under this section may be used to pay

1 any non-Federal share of project costs required if  
2 the loan is repayable from non-Federal funds.

3 (c) REPAYMENT.—

4 (1) SCHEDULE.—The Secretary shall establish  
5 a repayment schedule for each secured loan provided  
6 under this section, based on the projected cash flow  
7 from project revenues and other repayment sources.

8 (2) COMMENCEMENT.—Scheduled loan repay-  
9 ment of principal or interest on a secured loan under  
10 this section shall commence not later than 5 years  
11 after the date of substantial completion of the  
12 project.

13 (3) DEFERRED PAYMENTS.—

14 (A) AUTHORIZATION.—If, at any time  
15 after the date of substantial completion of a  
16 project for which a secured loan is provided  
17 under this section, the project is unable to gen-  
18 erate sufficient revenues to pay the scheduled  
19 loan repayments of principal and interest on the  
20 secured loan, the Secretary may allow the obli-  
21 gor, subject to subparagraph (C), to add unpaid  
22 principal and interest to the outstanding bal-  
23 ance of the secured loan.

24 (B) INTEREST.—Any payment deferred  
25 under subparagraph (A) shall—

1 (i) continue to accrue interest in ac-  
2 cordance with subsection (b)(4) until fully  
3 repaid; and

4 (ii) be scheduled to be amortized over  
5 the remaining term of the secured loan.

6 (C) CRITERIA.—

7 (i) IN GENERAL.—Any payment defer-  
8 ral under subparagraph (A) shall be con-  
9 tingent on the project meeting such cri-  
10 teria as the Secretary may establish.

11 (ii) REPAYMENT STANDARDS.—The  
12 criteria established under clause (i) shall  
13 include standards for reasonable assurance  
14 of repayment.

15 (4) PREPAYMENT.—

16 (A) USE OF EXCESS REVENUES.—Any ex-  
17 cess revenues that remain after satisfying  
18 scheduled debt service requirements on the  
19 project obligations and secured loan and all de-  
20 posit requirements under the terms of any trust  
21 agreement, bond resolution, or similar agree-  
22 ment securing project obligations may be ap-  
23 plied annually to prepay a secured loan under  
24 this section without penalty.

1           (B) USE OF PROCEEDS OF REFI-  
2           NANCING.—A secured loan under this section  
3           may be prepaid at any time without penalty  
4           from the proceeds of refinancing from non-Fed-  
5           eral funding sources.

6           (d) SALE OF SECURED LOANS.—

7           (1) IN GENERAL.—Subject to paragraph (2), as  
8           soon as practicable after the date of substantial  
9           completion of a project and after providing a notice  
10          to the obligor, the Secretary may sell to another en-  
11          tity or reoffer into the capital markets a secured  
12          loan for a project under this section, if the Secretary  
13          determines that the sale or reoffering can be made  
14          on favorable terms.

15          (2) CONSENT OF OBLIGOR.—In making a sale  
16          or reoffering under paragraph (1), the Secretary  
17          may not change the original terms and conditions of  
18          the secured loan without the written consent of the  
19          obligor.

20          (e) LOAN GUARANTEES.—

21          (1) IN GENERAL.—The Secretary may provide a  
22          loan guarantee to a lender in lieu of making a se-  
23          cured loan under this section, if the Secretary deter-  
24          mines that the budgetary cost of the loan guarantee  
25          is substantially the same as that of a secured loan.

1           (2) **TERMS.**—The terms of a loan guarantee  
2           provided under this subsection shall be consistent  
3           with the terms established in this section for a se-  
4           cured loan, except that the rate on the guaranteed  
5           loan and any prepayment features shall be nego-  
6           tiated between the obligor and the lender, with the  
7           consent of the Secretary.

8 **SEC. 217. PROGRAM ADMINISTRATION.**

9           (a) **REQUIREMENT.**—The Secretary shall establish a  
10          uniform system to service the Federal credit instruments  
11          made available under this subtitle.

12          (b) **FEEES.**—The Secretary may collect and spend  
13          fees, contingent on authority being provided in appropria-  
14          tions Acts, at a level that is sufficient to cover—

15                 (1) the costs of services of expert firms retained  
16                 pursuant to subsection (d); and

17                 (2) all or a portion of the costs to the Federal  
18                 Government of servicing the Federal credit instru-  
19                 ments provided under this subtitle.

20          (c) **SERVICER.**—

21                 (1) **IN GENERAL.**—The Secretary may appoint  
22                 a financial entity to assist the Secretary in servicing  
23                 the Federal credit instruments provided under this  
24                 subtitle.

1           (2) DUTIES.—A servicer appointed under para-  
2 graph (1) shall act as the agent for the Secretary.

3           (3) FEE.—A servicer appointed under para-  
4 graph (1) shall receive a servicing fee, subject to ap-  
5 proval by the Secretary.

6           (d) ASSISTANCE FROM EXPERTS.—The Secretary  
7 may retain the services, including counsel, of any organi-  
8 zation or entity with expertise in the field of municipal  
9 and project finance to assist in the underwriting and serv-  
10 icing of Federal credit instruments provided under this  
11 subtitle.

12           (e) LOAN COORDINATION; INTERAGENCY COOPERA-  
13 TION.—The Secretary—

14           (1) shall coordinate implementation of loan  
15 guarantees under this section with the Administrator  
16 to avoid duplication and enhance the effectiveness of  
17 implementation of the State revolving funds estab-  
18 lished under the Federal Water Pollution Control  
19 Act (33 U.S.C. 1251 et seq.) and the Safe Drinking  
20 Water Act (42 U.S.C. 300f et seq.);

21           (2) shall consult with the Secretary of Agri-  
22 culture before promulgating criteria with respect to  
23 financial appraisal functions and loan guarantee ad-  
24 ministration for activities carried out under this sub-  
25 title; and



1           (3) may enter into a memorandum of agree-  
2           ment providing for Department of Agriculture finan-  
3           cial appraisal functions and loan guarantee adminis-  
4           tration for activities carried out under this subtitle.

5 **SEC. 218. STATE AND LOCAL PERMITS.**

6           The provision of financial assistance for a project  
7 under this subtitle shall not—

8           (1) relieve any recipient of the assistance of any  
9           obligation to obtain any required State or local per-  
10          mit or approval with respect to the project;

11          (2) limit the right of any unit of State or local  
12          government to approve or regulate any rate of re-  
13          turn on private equity invested in the project; or

14          (3) otherwise supersede any State or local law  
15          (including any regulation) applicable to the construc-  
16          tion or operation of the project.

17 **SEC. 219. REGULATIONS.**

18          The Secretary may promulgate such regulations as  
19 the Secretary determines to be appropriate to carry out  
20 this subtitle.

21 **SEC. 220. FUNDING.**

22          (a) IN GENERAL.—There is authorized to be appro-  
23 priated to the Secretary to carry out this subtitle  
24 \$100,000,000 for each of fiscal years 2015 through 2019,  
25 to remain available until expended.

1 (b) ADMINISTRATIVE COSTS.—Of the funds made  
2 available to carry out this subtitle, the Secretary may use  
3 for the administration of this subtitle not more than  
4 \$2,200,000 for each of fiscal years 2015 through 2019.

5 **SEC. 221. REPORT TO CONGRESS.**

6 Not later than 2 years after the date of enactment  
7 of this Act, and every 2 years thereafter, the Secretary  
8 shall submit to the Committee on Energy and Natural Re-  
9 sources of the Senate and the Committee on Natural Re-  
10 sources of the House of Representatives a report summa-  
11 rizing the financial performance and on-the-ground out-  
12 comes of the projects that are receiving, or have received,  
13 assistance under this subtitle, including an assessment of  
14 whether the objectives of this subtitle are being met.

15 **Subtitle B—Integrated Regional**  
16 **Water Management, Reclama-**  
17 **tion, and Recycling Projects**

18 **SEC. 231. WATER STORAGE PROJECTS.**

19 (a) AGREEMENTS.—The Secretary may enter into a  
20 cost-shared financial assistance agreement with any non-  
21 Federal entity in a Reclamation State or the State of Ha-  
22 waii to carry out the planning, design, and construction  
23 of any permanent water storage and conveyance facility  
24 used solely to regulate and maximize the water supply

1 arising from a project that is eligible for assistance under  
2 this title or any other provision of law—

3 (1) to recycle wastewater, impaired surface  
4 water, and ground water; or

5 (2) to use integrated and coordinated water  
6 management on a watershed or regional scale.

7 (b) FINANCIAL ASSISTANCE.—In providing financial  
8 assistance under this section, the Secretary shall give pri-  
9 ority to storage and conveyance components that—

10 (1) ensure the efficient and beneficial use of  
11 water or reuse of the recycled water;

12 (2) make maximum use of natural systems;

13 (3) consistent with Secretarial Order No. 3297,  
14 dated February 22, 2010, support sustainable water  
15 management practices and the water sustainability  
16 objectives of 1 or more offices of the Department of  
17 the Interior or any other Federal agency;

18 (4)(A) increase the availability of usable water  
19 supplies in a watershed or region to benefit people,  
20 the economy, and the environment; and

21 (B) include adaptive measures needed to ad-  
22 dress climate change and future demands;

23 (5) where practicable—

24 (A) provide flood control or recreation ben-  
25 efits; and

1 (B) include the development of incremental  
2 hydroelectric power generation;

3 (6) include partnerships that go beyond political  
4 and institutional jurisdictions to support the effi-  
5 cient use of the limited water resources of the  
6 United States and the applicable region;

7 (7) generate environmental benefits, such as  
8 benefits to fisheries, wildlife and habitat, and water  
9 quality and water-dependent ecological systems, as  
10 well as water supply benefits to agricultural and  
11 urban water users; and

12 (8) the financing of which leverages private and  
13 other non-Federal resources.

14 (c) FEDERAL SHARE.—The Federal share of the cost  
15 of a project carried out under subsection (a) shall be—

16 (1) equal to the lesser of—

17 (A) 50 percent of total cost of the project;

18 and

19 (B) \$15,000,000, adjusted for inflation;

20 and

21 (2) nonreimbursable.

22 (d) NON-FEDERAL SHARE.—The non-Federal share  
23 of the cost of a project carried out under subsection (a)  
24 may include in-kind contributions to the planning, design,  
25 and construction of a project.

1 (e) TITLE AND COSTS.—A non-Federal entity enter-  
2 ing into a financial assistance agreement under this sec-  
3 tion shall—

4 (1) hold title to all facilities constructed under  
5 this section; and

6 (2) be solely responsible for the costs of oper-  
7 ating and maintaining those facilities.

8 **SEC. 232. AUTHORIZATION OF APPROPRIATIONS.**

9 There is authorized to be appropriated \$700,000,000  
10 to carry out this subtitle.

11 **Subtitle C—Title Transfers**

12 **SEC. 241. AUTHORIZATION TO TRANSFER TITLE.**

13 The Secretary may transfer to any non-Federal oper-  
14 ating entity title to any Reclamation project or facility,  
15 or any separable element of such a project or facility, that  
16 is authorized before the date of enactment of this Act, if—

17 (1) all previous Federal construction contract  
18 obligations or other related repayment contracts or  
19 agreements associated with the project have been  
20 paid out by a non-Federal project beneficiary;

21 (2)(A) a project facility or separable element of  
22 such a facility is in need of rehabilitation or im-  
23 provement, as determined by the Secretary; and

24 (B) the non-Federal operating entity is other-  
25 wise eligible for a loan guarantee under this title;

1 (3) the title transfer meets all applicable Fed-  
2 eral laws and regulations, as determined by the Sec-  
3 retary; and

4 (4)(A) the Secretary notifies each congressional  
5 committee of jurisdiction of the transfer by not later  
6 than 60 days before the date of the transfer; and

7 (B) no objection to the transfer is raised by any  
8 such committee.

9 **TITLE III—INNOVATION**  
10 **THROUGH RESEARCH, DATA,**  
11 **AND TECHNOLOGY**

12 **SEC. 301. OPEN WATER DATA SYSTEM.**

13 (a) DEFINITIONS.—In this section:

14 (1) EDUCATIONAL INSTITUTION.—The term  
15 “educational institution” means—

16 (A) a public or private elementary or sec-  
17 ondary school;

18 (B) an institution of vocational, profes-  
19 sional, or higher education (including a junior  
20 college or teachers’ college); and

21 (C) an association of schools or institutions  
22 described in subparagraphs (A) and (B).

23 (2) INDIAN TRIBE.—The term “Indian tribe”  
24 has the meaning given that term in section 4 of the

1 Indian Self-Determination and Education Assistance  
2 Act (25 U.S.C. 450b).

3 (3) SECRETARY.—The term “Secretary” means  
4 the Secretary of the Interior, acting through the Di-  
5 rector of the United States Geological Survey.

6 (4) STATE.—The term “State” means—

7 (A) a State;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;

10 and

11 (D) any other territory or possession of the  
12 United States.

13 (5) SYSTEM.—The term “system” means the  
14 open water data system established under subsection  
15 (b).

16 (b) SYSTEM.—The Secretary shall establish and  
17 maintain an open water data system within the United  
18 States Geological Survey to advance the availability, time-  
19 ly distribution, and widespread use of water data and in-  
20 formation for water management, education, research, as-  
21 sessment, and monitoring purposes.

22 (c) PURPOSES.—The purposes of the system are—

23 (1) to advance the quantification of the avail-  
24 ability, use of, and risks to, water resources through-  
25 out the United States;

1           (2) to increase accessibility to, and expand the  
2 use of, water data and information in a standard,  
3 easy-to-use format by Federal, State, local, and trib-  
4 al governments, communities, educational institu-  
5 tions, and the private sector; and

6           (3) to facilitate the open exchange of water in-  
7 formation particularly in the face of climate change  
8 and unprecedented drought.

9           (d) ACTIVITIES.—In carrying out this section, the  
10 Secretary shall—

11           (1) integrate water data and information into a  
12 interoperable, national, geospatially referenced water  
13 data framework;

14           (2) identify new water data and information  
15 needs, including data on surface and groundwater  
16 quality and quantity, sediment, erosion, transport,  
17 water chemistry, precipitation, reservoir storage,  
18 water cycle, landscape variables, hydrography, cli-  
19 mate and weather impacts, soil moisture, and human  
20 use;

21           (3) leverage existing shared databases, infra-  
22 structure, and tools to provide a platform for water  
23 data and information innovation, modeling and data  
24 sharing, and solution development;



1           (4) support water data and information shar-  
2           ing, applied research, and educational programs of  
3           State, local, and tribal governments, communities,  
4           educational institutions, and the private sector; and

5           (5) promote cooperation and sharing of exper-  
6           tise regarding water data and information among  
7           State, local, and tribal governments, communities,  
8           educational institutions, and the private sector.

9           (e) **AUTHORIZATION OF APPROPRIATIONS.**—There  
10          are authorized to be appropriated to carry out this section  
11          such sums as are necessary.

12 **SEC. 302. WATER RESOURCES RESEARCH ACT AMEND-**  
13 **MENTS.**

14          (a) **CONGRESSIONAL FINDINGS AND DECLARA-**  
15 **TIONS.**—Section 102 of the Water Resources Research  
16 Act of 1984 (42 U.S.C. 10301) is amended—

17           (1) by redesignating paragraphs (7) through  
18           (9) as paragraphs (8) through (10), respectively;

19           (2) in paragraph (8) (as so redesignated), by  
20           striking “and” at the end; and

21           (3) by inserting after paragraph (6) the fol-  
22           lowing:

23           “(7) additional research is required to increase  
24           the effectiveness and efficiency of new and existing

1 treatment works through alternative approaches, in-  
2 cluding—

3 “(A) nonstructural alternatives;

4 “(B) decentralized approaches;

5 “(C) water use efficiency and conservation;

6 and

7 “(D) actions to reduce energy consumption  
8 or extract energy from wastewater;”.

9 (b) WATER RESOURCES RESEARCH AND TECH-  
10 NOLOGY INSTITUTES.—Section 104 of the Water Re-  
11 sources Research Act of 1984 (42 U.S.C. 10303) is  
12 amended—

13 (1) in subsection (b)(1)—

14 (A) in subparagraph (B)(ii), by striking  
15 “water-related phenomena” and inserting  
16 “water resources”; and

17 (B) in subparagraph (D), by striking the  
18 period at the end and inserting “; and”;

19 (2) in subsection (c)—

20 (A) by striking “From the” and inserting  
21 “(1) IN GENERAL.—From the”; and

22 (B) by adding at the end the following:

23 “(2) REPORT.—Not later than December 31 of  
24 each fiscal year, the Secretary shall submit to the  
25 Committee on Environment and Public Works of the

1 Senate, the Committee on the Budget of the Senate,  
2 the Committee on Transportation and Infrastructure  
3 of the House of Representatives, and the Committee  
4 on the Budget of the House of Representatives a re-  
5 port regarding the compliance of each funding re-  
6 cipient with this subsection for the immediately pre-  
7 ceding fiscal year.”;

8 (3) by striking subsection (e) and inserting the  
9 following:

10 “(e) EVALUATION OF WATER RESOURCES RESEARCH  
11 PROGRAM.—

12 “(1) IN GENERAL.—The Secretary shall con-  
13 duct a careful and detailed evaluation of each insti-  
14 tute at least once every 3 years to determine—

15 “(A) the quality and relevance of the water  
16 resources research of the institute;

17 “(B) the effectiveness of the institute at  
18 producing measured results and applied water  
19 supply research; and

20 “(C) whether the effectiveness of the insti-  
21 tute as an institution for planning, conducting,  
22 and arranging for research warrants continued  
23 support under this section.

24 “(2) PROHIBITION ON FURTHER SUPPORT.—If,  
25 as a result of an evaluation under paragraph (1), the

1 Secretary determines that an institute does not qual-  
2 ify for further support under this section, no further  
3 grants to the institute may be provided until the  
4 qualifications of the institute are reestablished to the  
5 satisfaction of the Secretary.”;

6 (4) in subsection (f)(1), by striking  
7 “\$12,000,000 for each of fiscal years 2007 through  
8 2011” and inserting “\$7,500,000 for each of fiscal  
9 years 2015 through 2020”; and

10 (5) in subsection (g)(1), in the first sentence,  
11 by striking “\$6,000,000 for each of fiscal years  
12 2007 through 2011” and inserting “\$1,500,000 for  
13 each of fiscal years 2015 through 2020”.

14 **SEC. 303. REAUTHORIZATION OF WATER DESALINATION**  
15 **ACT OF 1996.**

16 Section 8 of the Water Desalination Act of 1996 (42  
17 U.S.C. 10301 note; Public Law 104–298) is amended—

18 (1) in the first sentence of subsection (a)—

19 (A) by striking “\$5,000,000” and inserting  
20 “\$8,000,000”; and

21 (B) by striking “2013” and inserting  
22 “2020”; and

23 (2) in subsection (b), by striking “for each of  
24 fiscal years 2012 through 2013” and inserting “for  
25 each of fiscal years 2015 through 2020”.

1 **SEC. 304. REVIEW OF RESERVOIR OPERATIONS.**

2 (a) IN GENERAL.—Not later than 1 year after receiv-  
3 ing a request of a non-Federal sponsor of a reservoir, the  
4 Secretary of the Army, in consultation with the Adminis-  
5 trator of the National Oceanic and Atmospheric Adminis-  
6 tration, shall review the operation of the reservoir, includ-  
7 ing the water control manual and rule curves, using im-  
8 proved weather forecasts and run-off forecasting methods,  
9 including the Advanced Hydrologic Prediction System of  
10 the National Weather Service and the Hydrometeorology  
11 Testbed program of the National Oceanic and Atmos-  
12 pheric Administration.

13 (b) DESCRIPTION OF BENEFITS.—In conducting the  
14 review under subsection (a), the Secretary of the Army  
15 shall determine if a change in operations, including the  
16 use of improved weather forecasts and run-off forecasting  
17 methods, will improve 1 or more of the core functions of  
18 the Corps of Engineers, including—

19 (1) reducing risks to human life, public safety,  
20 and property;

21 (2) reducing the need for future disaster relief;

22 (3) improving local water storage capability and  
23 reliability in coordination with the non-Federal spon-  
24 sor and other water users;

1           (4) restoring, protecting, or mitigating the im-  
2           pacts of a water resources development project on  
3           the environment; and

4           (5) improving fish species habitat or population  
5           within the boundaries and downstream of a water  
6           resources project.

7           (c) RESULTS REPORTED.—Not later than 90 days  
8           after completion of a review under this section, the Sec-  
9           retary shall submit a report to Congress regarding the re-  
10          sults of the review.

11          (d) MANUAL UPDATE.—As soon as practicable, but  
12          not later than 3 years after the date on which a report  
13          under subsection (c) is submitted to Congress, pursuant  
14          to the procedures required under existing authorities, if  
15          the Secretary of the Army determines based on that report  
16          that using improved weather and run-off forecasting meth-  
17          ods improves 1 or more core functions of the Corps of  
18          Engineers at a reservoir, the Secretary of the Army  
19          shall—

20                 (1) incorporate those methods in the operation  
21                 of the reservoir; and

22                 (2) update the water control manual.

1 **TITLE IV—DROUGHT PREPARED-**  
2 **NESS AND RESILIENCE**

3 **SEC. 401. NATIONAL DROUGHT RESILIENCE GUIDELINES.**

4 (a) IN GENERAL.—The Administrator, in conjunction  
5 with the Secretary of the Interior, the Secretary of Agri-  
6 culture, the Director of the National Oceanic and Atmos-  
7 pheric Administration, and other appropriate Federal  
8 agency heads along with State and local governments,  
9 shall develop nonregulatory national drought resilience  
10 guidelines relating to drought preparedness planning and  
11 investments for communities, water utilities, and other  
12 water users and providers.

13 (b) CONSULTATION.—In developing the national  
14 drought resilience guidelines, the Administrator and other  
15 Federal agency heads referred to in subsection (a) shall  
16 consult with—

- 17 (1) State and local governments;  
18 (2) water utilities;  
19 (3) scientists;  
20 (4) institutions of higher education;  
21 (5) relevant private entities; and  
22 (6) other stakeholders.

23 (c) CONTENTS.—The national drought resilience  
24 guidelines developed under this section shall, to the max-

1 inum extent practicable, provide recommendations for a  
2 period of 10 years that—

3 (1) address a broad range of potential actions,  
4 including—

5 (A) analysis of the impacts of climate  
6 change and drought on the future effectiveness  
7 of water management tools;

8 (B) the identification of drought-related  
9 water management challenges in a broad range  
10 of fields, including—

11 (i) public health and safety;

12 (ii) municipal and industrial water  
13 supply;

14 (iii) agricultural water supply;

15 (iv) water quality;

16 (v) ecosystem health; and

17 (vi) water supply planning;

18 (C) water management tools to reduce  
19 drought-related impacts, including—

20 (i) water use efficiency through gal-  
21 lons per capita reduction goals, appliance  
22 efficiency standards, water pricing incen-  
23 tives, and other measures;

24 (ii) water recycling;



1 (iii) groundwater clean-up and stor-  
2 age;

3 (iv) new technologies, such as behav-  
4 ioral water efficiency; and

5 (v) stormwater capture and reuse;

6 (D) water-related energy and greenhouse  
7 gas reduction strategies; and

8 (E) public education and engagement; and

9 (2) include recommendations relating to the  
10 processes that Federal, State, and local governments  
11 and water utilities should consider when developing  
12 drought resilience preparedness and plans, includ-  
13 ing—

14 (A) the establishment of planning goals;

15 (B) the evaluation of institutional capacity;

16 (C) the assessment of drought-related risks  
17 and vulnerabilities, including the integration of  
18 climate-related impacts;

19 (D) the establishment of a development  
20 process, including an evaluation of the cost-ef-  
21 fectiveness of potential strategies;

22 (E) the inclusion of private entities, tech-  
23 nical advisors, and other stakeholders in the de-  
24 velopment process;

- 1 (F) implementation and financing issues;  
2 and  
3 (G) evaluation of the plan, including any  
4 updates to the plan.

5 **SEC. 402. DROUGHT PREPAREDNESS FOR FISHERIES.**

6 (a) DEFINITIONS.—In this section:

7 (1) INDIAN TRIBE.—The term “Indian tribe”  
8 has the meaning given the term in section 4 of the  
9 Indian Self-Determination and Education Assistance  
10 Act (25 U.S.C. 450b).

11 (2) QUALIFIED TRIBAL GOVERNMENT.—The  
12 term “qualified tribal government” means a govern-  
13 mental body of an Indian tribe that the Secretary of  
14 the Interior determines—

15 (A) is involved in salmon management and  
16 recovery activities under the Endangered Spe-  
17 cies Act of 1973 (16 U.S.C. 1531 et seq.); and

18 (B) has the management and organiza-  
19 tional capability to maximize the benefits of as-  
20 sistance provided under this section.

21 (b) SALMON DROUGHT PLAN.—

22 (1) IN GENERAL.—Not later than January 1,  
23 2016, the Director of the United States Fish and  
24 Wildlife Service shall, in consultation with the Direc-  
25 tor of the National Marine Fisheries Service, the

1 Commissioner of Reclamation, the Chief of Engi-  
2 neers, and the head of the California Department of  
3 Fish and Wildlife, prepare a salmon drought plan  
4 for the State of California.

5 (2) CONTENTS.—The plan developed under  
6 paragraph (1) shall—

7 (A) contribute—

8 (i) to the recovery of populations list-  
9 ed as threatened or endangered under the  
10 Endangered Species Act of 1973 (16  
11 U.S.C. 1531 et seq.); and

12 (ii) to the goals of the Central Valley  
13 Project Improvement Act (title XXXIV of  
14 Public Law 102–575; 106 Stat. 4706); and

15 (B) include options to protect salmon pop-  
16 ulations originating in the State of California,  
17 with a particular focus on actions that can be  
18 taken to aid salmon populations in the State of  
19 California during the driest 12 years, such as—

20 (i) relocating the release location and  
21 timing of hatchery fish to avoid predation  
22 and temperature impacts;

23 (ii) barging fish to improve survival  
24 and reduce straying;

1 (iii) coordinating with water users, the  
2 Commissioner of Reclamation, and the  
3 head of the California Department of  
4 Water Resources regarding voluntary  
5 water transfers to determine if water re-  
6 leased upstream to meet the needs of  
7 downstream or South-of-Delta water users  
8 can be managed in a way that provides ad-  
9 ditional benefits for salmon;

10 (iv) hatchery management modifica-  
11 tions, such as expanding hatchery produc-  
12 tion during the driest years of fish listed  
13 as endangered or threatened under the En-  
14 dangered Species Act of 1973 (16 U.S.C.  
15 1531 et seq.), if appropriate; and

16 (v) increasing rescue operations of up-  
17 stream migrating fish.

18 (c) FUNDING.—

19 (1) IN GENERAL.—Out of any funds in the  
20 Treasury not otherwise appropriated, the Secretary  
21 of the Treasury shall transfer to the Director of the  
22 United States Fish and Wildlife Service to carry out  
23 this section \$3,000,000, to remain available until ex-  
24 pended, for urgent fish, stream, and hatchery activi-  
25 ties relating to extreme drought conditions, including

1 work carried out in conjunction with the Director of  
2 the National Marine Fisheries Service, the Commis-  
3 sioner of Reclamation, the Chief of Engineers, the  
4 head of the California Department of Fish and  
5 Wildlife, or a qualified tribal government.

6 (2) RECEIPT AND ACCEPTANCE.—The Director  
7 of the United States Fish and Wildlife Service shall  
8 be entitled to receive, shall accept, and shall use to  
9 carry out this section the funds transferred under  
10 paragraph (1), without further appropriation.

○



ITEM #10

LEGISLATIVE UPDATE

WILL BE GIVEN AS AN  
ORAL REPORT





ITEM #11

WATER SUPPLY

UPDATE

WILL BE GIVEN AS AN  
ORAL REPORT



**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: February 10, 2015

MEMO TO: Board of Directors

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

FROM: Cheryl A. Farr, Special Assistant to the General Manager *Cheryl*

SUBJECT: 2015 Water Shortage Emergency Action Plan Update

**SUMMARY**

Staff continues implementing the 2015 Water Shortage Emergency Action Plan. Through January, based on water production, EBMUD customers saved 12.5 percent compared to the same time period in 2013, surpassing the goal of 10 percent set by the Board on February 11, 2014. Water production in January was 132 million gallons per day.

**DISCUSSION**

**Customer Outreach and Activity.** Since the drought began in February 2014, staff has provided 121,530 water conservation services and rebates. Conservation activities completed in January are summarized in Attachment 1, which provides an update on customer contacts made (e.g. home water reports, survey kits, landscape water budgets), rebates approved and items distributed (e.g. water saving devices and drought reminder cards, and stickers, nursery plant tags and other materials). In January there was a large increase in the requests for restaurant table tents to remind patrons of the water shortage. Recent and upcoming speaking engagements are shown in Attachment 2. The District continues to work with community organizations and business partners to promote water-efficient practices and conservation services to customers.

Likely as a result of the lack of rainfall, there was a moderate increase in water waste reporting with a total of 162 for the month, averaging a little more than five daily. Staff is proactively reaching out to Advanced Metering Infrastructure (AMI) customers who had suspected leaks or high water use, and also is observing an increase in customer use of the self-help on-line WaterSmart Toolbox. Staff continued outreach to larger multi-family residential property owners to offer conservation services and follow-up on previously completed water audits.

As of January 31, 50,091 customers are receiving customized home water reports comparing their water use to similar households.

Media coverage is up sharply as a result of there having been no rain in January. Recent stories have reported statewide conservation results, and the link between drought and a toxic blue-green algae bloom at Lake Chabot.

Staff is working on updating information on the website discussing lawn conversions and irrigation with graywater in anticipation of customers turning their attention to outdoor use over the next several weeks.

Staff is working with President Mellon and other Board members to schedule outreach meetings with mayors that will cover drought and other topics. Meetings in February will be held in Richmond and San Leandro.

**District Operations.** Staff continues to actively monitor and manage water use and to report to the state on water production and conservation savings compared to 2013.

We continue to monitor monthly water use at District facilities toward the goal of twenty percent water savings from 2013. Staff is addressing a few select areas of use and developing strategies to increase savings. Although irrigation use is off for the winter months, all District irrigation accounts are included in the Landscape Water Budget Program. In addition, efforts are underway for each facility to achieve WaterSmart certification.

The Fixed Network Leak Detection Pilot Study in Kensington is underway with acoustic monitoring data collection being reported through an online remote system. Field installations of additional acoustic data loggers is continuing within Kensington and surrounding areas for expanded leak identification and reporting.

Staff is continuing to encourage customers who hold permits for taking trucked recycled water from EBMUD facilities to take advantage of this alternate source.

## **NEXT STEPS**

- Staff has summarized the District's drought response during calendar year 2014 in the 2014 Water Shortage Emergency Action Plan (Attachment 3). Staff will continue to update the Board regularly on the status of the 2015 Water Shortage Emergency Action Plan (Attachment 4).

### Attachments:

1. Water Conservation Outreach Update as of January 31, 2015
2. Speakers Bureau Update through January 31, 2015
3. Water Shortage Emergency Action Plan Summary for 2014
4. Water Shortage Emergency Action Plan for 2015

## FY15 Demand Reduction Program

*As of January 31, 2015*

Monthly Water Conservation Activity	Current Month	Activity Level to Date
<b>Customer Outreach (on-site audits, self-survey kits, landscape consultations, high-bill inquiries, new account review, WaterSmart Home Water Reports<sup>1</sup>) - Residential</b>	<b>26,118</b>	<b>71,042</b>
<i>Single Family</i>	26,043	70,333
<i>Multi Family (number of dwelling units audited)</i>	75	709
<b>Customer Outreach (on-site audits, landscape consultations, high bill inquiries) - Non Residential</b>	<b>1,212</b>	<b>18,266</b>
<i>Commercial</i>	3	163
<i>Industrial</i>	-	2
<i>Institutional</i>	1	7
<i>Irrigation and IRIS Water Budget Program</i>	1,208	18,094
<b>Devices, Materials and Information Distributed</b>	<b>1,583</b>	<b>17,797</b>
Water Saving Devices (showerheads, aerators, dye tabs, toilet bags, hose nozzles)	389	4,505
Table tents, hotel cards, shower stickers	1,155	11,153
Plant Books	39	2,139
<b>Water Waste Response</b>	<b>162</b>	<b>2,129</b>
<i>Residential</i>	99	1,290
<i>Commercial</i>	9	367
<i>Institutional</i>	1	125
<i>Street and Misc.<sup>2</sup></i>	53	347
<b>Rebates and Leak Adjustments</b>	<b>1,122</b>	<b>12,299</b>
Rebates Paid (toilets, clotheswashers, irrigation controllers, landscape, etc.) :		-
<i>Residential</i>	1,111	11,237
<i>Non-Residential</i>	11	1,062
<b>Community Outreach Presentations/Events</b>	<b>3</b>	<b>129</b>
Contact Center Activity	Current Month	Activity Level to Date
<b>No. of Leak Adjustments</b>	<b>333</b>	<b>4,101</b>
<b>Drought Related Calls</b>	<b>15</b>	<b>546</b>
<b>Drought Related Emails</b>	<b>2</b>	<b>219</b>
<sup>1</sup> WaterSmart Home Water Reports added in September 2014 <sup>2</sup> Note this is a new category as of August 2014 <sup>3</sup> Adjustment in plant book sales versus consignments occurred January 2015		



# SPEAKERS' BUREAU and OUTREACH RECORD CY15

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
TBD	Rosie the Riveter National Historic Park and Eugene O'Neill National Historic Park, Richmond	Michelle Blackwell	Presentation	Overview of EBMUD, water supply, water conservation and California water issues	
5/30/15 10am-3pm	Bringing Back the Natives EBMUD Sponsored Workshop	Scott Sommerfeld	Workshop	Installation of irrigation system at EBMUD customer residence	
5/3/15 10am-5pm	Bringing Back the Natives Garden Tour	TBD	Tour	Showcase of East Bay WaterSmart gardens	
4/29/15 12:30pm-1:40pm	Amelia Earhart School "Go Green" Festival, Alameda	TBD	Booth	Water conservation and water reuse	
4/21/14 7pm	Walnut Creek City Council	Director Coleman	Presentation	Drought and rates	
3/30/15	Piedmont Middle School Green Team Class	Charles Bohlig	Presentation	Drought presentation for Green Team project	
3/28/15 12pm-4pm	Friends of San Leandro Creek	Salbra James	Booth	Water conservation and drought updates	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
3/17/15 12pm	San Leandro Kiwanis Club	Charles Bohlig	Presentation	Water conservation, drought and future outlook for water	
3/12/15 6:30pm- 9:15pm	Merritt College Turfgrass Class	Scott Sommerfeld	Presentation	Irrigation in the garden	
3/8/15 5pm	Redwood Rangers Horse Club	Kerry Blackwell	Presentation	EBMUD land management goals in relation to grazing and horse leasing	
3/5/15 5:30pm	American Society of Irrigation Contractors	Scott Sommerfeld	Presentation	Emerging trends in the urban landscape and Section 31	
3/4/15 5:30pm	Dougherty Valley San Ramon Rotary	Director Mellon	Presentation	Water conservation, DERWA, EBMUD	50
2/27/15	Eden Township	Director Mellon	Presentation	EBMUD services and drought	
2/26/15 10am-1pm	Chevron Operational Excellence Fair - San Ramon	Rolando Gonzalez	Booth	Water conservation	
2/25/15 6:30pm-8pm	West Oakland Liason Group	Director Linney, Eileen White, Vince De Lange, Ben Horenstein, Jacqueline Kepke, Greg Chan	Presentation	Drought and water supply, Wood St. Interceptor Project, Odor Control, Wastewater Plant, Bio-diesel and Wake Ave.	30



Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
2/21/15 9:30am- 1:30pm	Stopwaste Lawn to Garden Party	TBD	Presentation	Outdoor rebate programs	
2/21/15 9:30am- 1:30pm	Annie's Annuals and Perennials Nursery	Scott Sommerfeld	Presentation	Irrigation in the garden	
2/19/15 1pm	Danville Women's Club	Charles Bohlig	Presentation	Water conservation and drought	40
2/19/15 10am	Dirt Daubers Garden Club Orinda	Scott Sommerfeld	Presentation	Maintaining gardens and yards with responsible water use	
2/18/15 6pm	Gardens at Heather Farm Walnut Creek	Scott Sommerfeld	Presentation	Drip irrigation	
2/18/15 12pm	Sir's - Chabot Chapter #6 (Sons In Retirement)	Mike Hazinski	Presentation	Water conservation during the drought	
2/17/15 6pm	San Pablo City Council	Director McIntosh	Presentation	Water update	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
2/17/15	Rossmoor Republican Club	Director Coleman	Presentation	Water conservation and drought	
2/12/15 7pm-8:30pm	Urban Farmer and Bay Friendly Landscaping	Scott Sommerfeld	Presentation	Plants, water sustainability and landscape design	
2/11/15 7pm-8:30pm	Urban Farmer and Bay Friendly Landscaping	Scott Sommerfeld	Presentation	Plants, water sustainability and landscape design	
2/11/15 9:30am	Round Hill Garden Club - Alamo	Scott Sommerfeld	Presentation	Summer landscapes for summer-dry climates	
2/6/15 8am-12pm	Envision Academy	Ted Lam	Presentation	EBMUD and careers	
2/3/15 4pm	California State University East Bay	Benjamin Bray	Presentation	EBMUD, the District, the State, water update and what's ahead	60
1/29/15	Bay Area State of Our Water Symposium	Director Katz, Katherine Evatt	Presentation	Water supply in the Bay Area	
1/29/15	St. Perpetua School Science Fair	Florencio Gonzalez	Presentation	Stewards of the Earth	25

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
1/28/15 7:30am	Save Mount Diablo	Director Coleman	Presentation	Water system, drought and drought rates	
1/25/15 10am-4pm	LaMorinda Web LaMorinda Home Expo Lafayette	Rolando Gonzalez Joseph Lerma	Booth	Drought and water conservation, landscape rebate program, leaks, services, irrigation practices, rates	2000
1/21/15 9am-12pm	Hospital Council - Walnut Creek	Steve Frew	Presentation	EBMUD plan for water after disasters, emergency preparedness, water storage	20
1/16/15	United States Coast Guard	Ted Lam	Presentation	EBMUD, employment and opportunities	25
1/8/15 6:30pm	Prescott Neighborhood Crime Prevention Council Meeting	Don Kiang	Presentation	SD342 South Interceptor Wood Street Rehabilitation, JR Pipeline construction	30
1/8/15 5pm-7pm	West County Chambers of Commerce - West County Super Chamber Mixer - Richmond	Rolando Gonzalez	Booth	Water conservation	
1/5/15 9:30am	Regional Parks Association	Director Young	Presentation	Introduction of new director, their platform and work history	9



# SPEAKERS' BUREAU and OUTREACH RECORD CY14

*(December only - full record available upon request )*

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
12/10/14 2pm-3pm	Chilean Presidential Delegation for Water	Eileen White	Tour	EBMUD water systems	5
12/4/14 7am	Contra Costa College Sustainability Committee San Pablo	Charles Bohlrig	Presentation	Water conservation for home and business during the drought	
12/3/14 6pm-8pm	Orinda Historical Society	Michelle Blackwell	Presentation	History of water in Orinda	50



## 2014 Water Shortage Emergency Action Plan – Summary of Actions Taken

### Goals

- Educate customers on drought water use consistent with Section 28 and California’s emergency water conservation regulations.
- Stress the need for customers to achieve a 10 percent voluntary reduction target established by the Board while expressing appreciation for the conservation ethic of East Bay customers.
- Promote awareness of the District’s supplemental supply: what it means for customers, how it was achieved, what it costs to operate.
- Support customer efforts to save water by educating customers on the many conservation services and programs available to help them succeed.

### Key Messages

- EBMUD regulations restricting water use are in effect until further notice, consistent with California outdoor water use restrictions. Except where necessary for public health and safety, all EBMUD customers are required to:
  - a. Limit watering of outdoor landscapes to two times per week and prevent excessive runoff when watering;
  - b. Use a hose with a shutoff valve when hand-washing motor vehicles;
  - c. Use a broom or air blower, not water, to clean driveways, sidewalks, patios and other hard surfaces; and
  - d. Turn off any fountain or decorative water feature that uses potable water unless the water is recirculated.
- Our community is in a severe water shortage emergency. Please voluntarily cut your water use by 10 percent compared to 2013.
  - a. Finding and fixing leaks is an easy way for most customers to meet their water use reduction goal.
  - b. Swapping lawns for WaterSmart plants and using drip irrigation are great ways to reduce outdoor water use.
  - c. Seasonal reminders:
    - Fall/winter: reduce irrigation and turn off sprinklers—shorter and cooler days mean irrigation is needed less or not at all.
    - Spring/summer: check for misaligned sprinklers/drip emitters and test for leaks. Most lawns and gardens will survive a heat wave without additional watering. Apply mulch, check your soil and water before dawn or at dusk to lower evaporation.
  - d. Visit our WaterSmart Center for free water saving devices, rebates and information. Thank you for conserving.
  - e. EBMUD promises 2015 voluntary reductions will not impact future allocations if mandatory rationing becomes necessary.
- EBMUD is not requiring the 20 percent cut requested by the governor because:
  - a. Our customers are achieving our region’s state mandated 20% by 2020 per capita water use reduction target, years ahead of schedule.
  - b. Customer investments in supplemental supplies allow EBMUD to keep cutback targets to 10 percent at this time. EBMUD took a total of 23,400 acre feet of water through the Freeport Regional Water Facility in 2014; this was the first time EBMUD used the facility.
  - c. Ongoing customer water conservation savings contribute to more water supply storage in the EBMUD reservoirs.

**Summary of Actions by Audience**

<b>Audience/ Measure</b>	<b>Objective</b>	<b>Actions/Status</b>
Media	<ul style="list-style-type: none"> <li>Share the District’s key messages with the local news outlets to seek positive earned media, and coordinate activities with statewide and local earned media, including ACWA’s “Save Our Water” campaign.</li> </ul>	<ul style="list-style-type: none"> <li>Feb - Media release on 10 percent voluntary 2/11</li> <li>Mar - Media alert on fix a leak open house 3/14</li> <li>Apr - Freeport decision media release on Board action 4/22</li> <li>Apr - Freeport first use media conference 4/30</li> <li>May - Freeport op-ed published in Contra Costa Times 5/03</li> <li>Aug -Media release announcing mandatory measures 8/12</li> <li>Sept – “Conan O’Brien” ads, sponsored with Save Our Water and DSRSD, aired on Bay Area television stations.</li> <li>Oct – Display ads for special meetings on drought/drought financing were published in 18 papers and on the websites of 4 media stations.</li> <li>Dec – Media advisory and outreach on proposed drought actions</li> <li>In 2014, 593 media interactions on drought led to 444 news mentions.</li> </ul>
Contact Center Callers	<ul style="list-style-type: none"> <li>Shortage alert/tips on toll free phone number.</li> <li>Provide consistent information to employees with extensive customer interaction to help them answer common questions.</li> </ul>	<ul style="list-style-type: none"> <li>Feb – Tips line established and drought FAQs for employees developed</li> <li>Feb- Began tracking shortage-related inquiries</li> <li>Apr –Distributed updated FAQs based on Board actions</li> <li>July –Updated FAQs on new state regulations affecting water use</li> <li>Aug –Updated FAQs to address EBMUD Section 28 regulations</li> <li>Dec – Updated FAQs on water conservation and supply actions</li> <li>In 2014, the Contact Center handled 3,768 leak adjustments, 531 drought phone calls and 217 drought emails.</li> </ul>
Reported Water Waste	<ul style="list-style-type: none"> <li>Encourage reports of water waste and follow up to educate customers on ways to save water.</li> </ul>	<ul style="list-style-type: none"> <li>Feb- Water Waste Hotline established 2/21</li> <li>Aug- Developed procedure for handling Section 28 reported violations</li> <li>Sept-launched online reporting option for customers.</li> <li>In 2014, responded to nearly 2,000 water waste reports, contacted AMI customers with suspected leaks and used patrols to reduce water waste.</li> <li>In 2014, three formal watering exemption requests were received and resolved through irrigation practices that comply with regulations.</li> </ul>



Audience/ Measure	Objective	Actions/Status
Web visitors	<ul style="list-style-type: none"> <li>Provide helpful informational resources online to make it easy for customers to understand the drought and receive water savings tips to cut back their water use. Explain EBMUD's supplemental supply options.</li> </ul>	<ul style="list-style-type: none"> <li>Feb – Shortage alert posted 2/11</li> <li>Mar – Online updates on leaks and materials available in our store</li> <li>Apr - Mulch coupons for 20 nurseries available</li> <li>May – Freeport use reported</li> <li>July - Published drought tolerant landscapes photo gallery</li> <li>July - Lawn conversion program updated, community garden prgm launch</li> <li>July – New buttons on lawn conversion, outdoor watering; link to state reg</li> <li>Aug – New button on state rules, Save Our Water link, “pro” graphic</li> <li>Sep – Launched WaterSmart plant tags via online store</li> <li>Oct – Announcements about special board meetings on drought</li> <li>Nov – Board drought meetings summary, added calculator link</li> <li>Dec – Proposed drought plan for 2015 and drought update</li> <li>In 2014, total web visits were 5.5 million. Visits to key drought pages (WaterSmart: 32,482; residential rebates 26,436; water supply 25,426) were more than double the levels in 2013.</li> </ul>
Bill payers	<ul style="list-style-type: none"> <li>Request voluntary reductions from customers and provide helpful information in <i>Pipeline</i> and through additional bill communications to assist customers in meeting their outback goal.</li> </ul>	<ul style="list-style-type: none"> <li>Feb - Apr - Top of bill 10 percent voluntary cutback alert</li> <li>June-Aug- Top of bill summer watering tips and proration</li> <li>Aug -Oct – Top of bill mandatory limit on outdoor irrigation</li> <li>Aug -Oct—Supplemental bill insert explaining new state regulations</li> <li>Oct - Dec -- Top of bill outdoor use tips: limit/eliminate irrigation</li> <li>Jan - Feb Pipeline - Cut unnecessary water use</li> <li>Mar- Apr Pipeline - Fix toilet leaks</li> <li>May-June Pipeline - Fix outdoor leaks, the Lawn Goodbye Part 1</li> <li>July- Aug Pipeline - The Lawn Goodbye 2, water less, Sac River supplies</li> <li>Sept- Oct Pipeline - Outdoor planting and watering, EBMUD flushing</li> <li>Nov- Dec Pipeline - WaterSmart businesses, emergency preparedness.</li> </ul>

<b>Audience/ Measure</b>	<b>Objective</b>	<b>Actions/Status</b>
Irrigators	<ul style="list-style-type: none"> <li>• Provide helpful information to assist irrigators in meeting their cutback goal.</li> </ul>	<ul style="list-style-type: none"> <li>• Feb – Met with area golf course GMs and with Moraga Country Club</li> <li>• Mar- Participated in DWR landscaping workshops</li> <li>• Mar- Updated tip sheets available for different business groups</li> <li>• Apr- Held Golf Course Superintendent Field Workshop in Oakland</li> <li>• May–Held field workshop for City of Oakland Public Works</li> <li>• May- Hosted a DWR landscape professional workshop with CCWD</li> <li>• June- CA Landscape Contractors Assn conference in Alameda</li> <li>• July –Irrigation training for Castro Valley Unified School District</li> <li>• Sept- WaterSmart plant tags available to nurseries</li> <li>• Nov –Met with golf course superintendents</li> <li>• In 2014, there were 1,668 irrigation and IRIS water budgets in place.</li> </ul>
Comm/Ind	<ul style="list-style-type: none"> <li>• Provide helpful information to assist businesses in meeting their cutback goal.</li> <li>• Continue outreach and marketing of business WaterSmart Certification Program.</li> <li>• Coordinate conservation services with county Green Business programs and local nurseries.</li> </ul>	<ul style="list-style-type: none"> <li>• Mar - Providing restaurant tents, hotel clings etc. via online store</li> <li>• Mar - Updated tip sheets for different business groups available</li> <li>• Apr - CEP Newsletter- water saving tips, recycled water truck program</li> <li>• May –Roundtable on drought outreach with CCWD and 17 nurseries</li> <li>• June –Save Like a Pro posters available for distribution</li> <li>• July- Surveyed nursery interest in plant toppers and signs</li> <li>• Sept- Launched nursery promotion of plant toppers for low water use landscapes and lawn conversion programs</li> <li>• Sept-Expand mulch program via Chinook Book through October</li> <li>• Oct -WaterSmart Business Certificate awardees recognized and throughout 2014 WaterSmart Business Certification was promoted</li> <li>• In 2014, 1,051 non-residential rebates were paid.</li> </ul>
Cities and civic groups, other public agencies	<ul style="list-style-type: none"> <li>• Encourage stakeholder groups to assist with public knowledge of drought by providing information and resources to key organizations and individuals.</li> </ul>	<ul style="list-style-type: none"> <li>• Feb - BOD President letter on shortage; offer of presentations</li> <li>• Apr – BOD President letter reporting Board’s water shortage actions</li> <li>• Spring – Completed ward briefings in four wards</li> <li>• July – WaterSmart Garden Grant Program resumed</li> <li>• Aug – Hosted booths at Danville and Richmond Home Shows</li> <li>• Aug – BOD President letter reporting mandatory restrictions</li> </ul>

Audience/ Measure	Objective	Actions/Status
<p>Cities and civic groups, other public agencies, cont.</p>	<ul style="list-style-type: none"> <li>● Oct – postcard on special meetings on drought/drought financing</li> <li>● Dec – BOD President letter reporting on drought actions</li> <li>● In 2014, about 140 presentations on drought and conservation were made to community groups</li> </ul>	<ul style="list-style-type: none"> <li>● Feb - Updated District water supply fact sheet</li> <li>● Mar - Met with 20 nurseries; updated water conservation tip sheets</li> <li>● Apr – Updated District water supply fact sheet</li> <li>● June - Second nursery meeting held</li> <li>● Sept – October Landscape sheet mulching workshop launched</li> <li>● Sept - Updated drought fact sheet</li> <li>● Oct – WaterSmart Plant tags in use at 11 nurseries</li> <li>● Oct – Laundry- to-landscape incentive offer launched</li> <li>● Oct/Nov – 87 people attended drought special meetings held in four cities</li> <li>● Nov – HOA mailing of fact sheet on irrigation laws and EBMUD services</li> <li>● In 2014, 634 multi-family units received conservation audits</li> <li>● In 2014, 10,126 residential rebates were paid for indoor and/or outdoor conservation measures.</li> </ul>
<p>Renters and homeowners</p>	<ul style="list-style-type: none"> <li>● Provide 1-1 assistance via surveys, rebates and irrigation scheduling assistance on request, make presentations to homeowner associations and business property managers, and provide educational conservation savings information at local nurseries, irrigation equipment suppliers and retail appliance stores.</li> <li>● Launch Single-Family Residential Home Water Report Phase 2 pilot to promote savings.</li> <li>● Outreach to customers who do not pay a water bill nor receive the bill insert, <b>Pipeline</b>.</li> <li>● Conduct survey research on drought awareness and penetration of conservation messages.</li> </ul>	<ul style="list-style-type: none"> <li>● Feb – Home Water Report Phase 2 approved by Board</li> <li>● Aug - Expansion launched to 11,250 customers receiving surveys;</li> <li>● By the end of 2014, 40,000 households received Home Water Reports.</li> <li>● Feb, Apr, August-letters from the Board President to HOAs</li> <li>● Nov-Dec – Direct mail postcard to non-billpayers about online calculator</li> <li>● March - survey results reported to Board</li> </ul>

<b>Audience/ Measure</b>	<b>Objective</b>	<b>Actions/Status</b>
Recycled Water and Graywater	<ul style="list-style-type: none"> <li>• Look for new recycled water opportunities and encourage use of trucked recycled water by customers where that use is appropriate</li> <li>• Promote use of car washes that recycle water</li> <li>• Support graywater use</li> </ul>	<ul style="list-style-type: none"> <li>• July – Letter to 90 trucked recycled water permit holders and 280 portable hydrant meter users encouraging use of recycled water</li> <li>• Nov - EBMUD received a \$2 million state grant to expand recycled water service in the San Ramon Valley.</li> <li>• Ongoing- Encourage commercial car wash use because they recycle</li> <li>• Aug- Launched graywater laundry to landscape rebate program</li> <li>• Aug – Hosted residential graywater 101 workshop</li> <li>• Sept – Hosted residential graywater laundry to landscape nuts and bolts workshop to reuse clotheswasher discharge in the landscape</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Make it easy for EBMUD employees to stay up to date on the latest news about the water shortage</li> </ul>	<ul style="list-style-type: none"> <li>• Jan - Alert to employees re: drought in the news; water supply plans</li> <li>• Feb - GM email to staff re: 10 percent voluntary</li> <li>• Mar - Update to staff on Customer Service leak hotline message</li> <li>• Mar - GM email to staff re: water shortage update and Board action</li> <li>• Mar - Drought overview for employees on local boards and commissions</li> <li>• Apr - Splashes in-depth feature on Freeport startup</li> <li>• Apr - GM email regarding supply status and rate recommendations</li> <li>• July - GM announcement to staff about upcoming emergency regulations</li> <li>• Aug - GM announcement about action on Section 28</li> <li>• Oct – GM announcement about special Board meetings</li> <li>• Dec – GM announcement about drought stages and next steps</li> <li>• April – semi-annual flyer mailed to schools</li> <li>• Jan-Mar--Sponsored and developed two Kid Scoop news articles</li> </ul>
Schools	<ul style="list-style-type: none"> <li>• Provide classroom water supply and conservation presentations and materials</li> <li>• Work with universities and city colleges on campus conservation outreach efforts.</li> </ul>	<ul style="list-style-type: none"> <li>• April – semi-annual flyer mailed to schools</li> <li>• Jan-Mar--Sponsored and developed two Kid Scoop news articles</li> </ul>
Billboards	<ul style="list-style-type: none"> <li>• Use Oakport billboard and Clear Channel agreement-related space to promote drought</li> </ul>	<ul style="list-style-type: none"> <li>• Mar – Oakport drought billboard with leak message in place</li> <li>• Apr – Save Our Water posted on wastewater treatment plant billboard</li> </ul>

Audience/ Measure	Objective	Actions/Status
	messages	<ul style="list-style-type: none"> <li>● Oct – Oakport drought billboard message with save rain or shine in place</li> <li>● Dec – 100 Clear Channel locations featuring rain or shine message</li> </ul>
District leaks search	<ul style="list-style-type: none"> <li>● Help customers understand pipe flushing.</li> <li>● Continue/enhance distribution system pipeline leak identification and repairs.</li> <li>● Install data loggers at selected locations to monitor water use.</li> </ul>	<ul style="list-style-type: none"> <li>● Feb - Signage developed in last drought for field use back in use</li> <li>● Apr - Board approved more data loggers; staff will install more than 1,000 data loggers to monitor up to 500 miles of distribution system pipe</li> <li>● Dec – Pursue water loss control using leak detection technology in Kensington and Blackhawk.</li> </ul>
District rec areas/bldgs.	<ul style="list-style-type: none"> <li>● Promote fix-a-leak week campaign.</li> <li>● Audit facilities and cut water use 20 percent</li> <li>●</li> </ul>	<ul style="list-style-type: none"> <li>● Mar - Distributed handouts at Lafayette, San Pablo and Admin Building</li> <li>● May-Audited 39 District facilities to look for ways to cut water use</li> <li>● Oct – District facilities added to Landscape Water Budget Program</li> <li>● 2014-Achieved 20 percent savings at 95 percent of facilities; problem areas identified and staff is working on potential fixes.</li> </ul>
District Vehicles	<ul style="list-style-type: none"> <li>● Promote conservation</li> </ul>	<ul style="list-style-type: none"> <li>● July- Save Water bumper stickers placed on EBMUD vehicles</li> </ul>
Track water production and GPCPD	<ul style="list-style-type: none"> <li>● Track water production against a goal of reducing production 10 percent when compared to the same period in 2013.</li> <li>● Track residential gallons per capita per day and report it to the State Water Resources Control Board from October 2014-April 2015.</li> </ul>	<ul style="list-style-type: none"> <li>● From February 11 – December 30, water production was 13.3 percent below the same time period in 2013.</li> <li>● Monthly reports being provided the 15<sup>th</sup> of each month and reported to the Board at the second Board meeting of each month.</li> </ul>
Use Freeport facilities	<ul style="list-style-type: none"> <li>● Water Year 2014 supplemental supplies</li> </ul>	<ul style="list-style-type: none"> <li>● Apr – June – Made use of Freeport to bring 23,400 acre feet of water in through Freeport (first water year use)</li> <li>● Sept – Reported on lessons learned from the first year water use.</li> </ul>



## 2015 Water Shortage Emergency Action Plan

*(Italics show items completed)*

### Goals

- Educate customers on drought water use consistent with Section 28 and California's emergency water conservation regulations.
- Stress the need for customers to achieve a 15 percent voluntary reduction target established by the Board while expressing appreciation for the conservation ethic of East Bay customers.
- Promote awareness of the District's supplemental supply: what it means for customers, how it was achieved, what it costs to operate.
- Support customer efforts to save water by educating them on conservation services and programs available to help them succeed.

### Key Messages

- EBMUD regulations restricting water use are in effect until further notice, consistent with California outdoor water use restrictions. Except where necessary for public health and safety, all EBMUD customers are required to:
  - a. Limit watering of outdoor landscapes to two times per week and prevent excessive runoff when watering;
  - b. Use a hose with a shutoff valve when hand-washing motor vehicles;
  - c. Use a broom or air blower, not water, to clean driveways, sidewalks, patios and other hard surfaces; and
  - d. Turn off any fountain or decorative water feature that uses potable water unless the water is recirculated.
- Our community is in a severe water shortage emergency. Please voluntarily cut your water use by 15 percent compared to 2013.
  - a. Finding and fixing leaks is an easy way for most customers to meet their water use reduction goal.
  - b. Swapping lawns for WaterSmart plants and using drip irrigation are great ways to reduce outdoor water use.
  - c. Seasonal reminders:
    - Fall/winter: reduce irrigation and turn off sprinklers—shorter and cooler days mean irrigation is needed less or not at all.
    - Spring/summer: check for misaligned sprinklers/drip emitters and test for leaks. Most lawns and gardens will survive a heat wave without additional watering. Apply mulch, check your soil and water before dawn or at dusk to lower evaporation.
  - d. Visit our WaterSmart Center for free water saving devices, rebates and information. Thank you for conserving.
  - e. EBMUD promises 2015 voluntary reductions will not impact future allocations if mandatory rationing becomes necessary.
- EBMUD is not requiring the 20 percent cut requested by the governor because:
  - a. Our customers are achieving our region's state mandated 20% by 2020 per capita water use reduction target, years ahead of schedule.
  - b. Customer investments in supplemental supplies allow EBMUD to keep cutback targets to 15 percent at this time. EBMUD is preparing to take up to 65,000 acre feet of water through the Freeport Regional Water Facility in 2015 if needed.
  - c. Ongoing customer water conservation savings contribute to more water supply storage in the EBMUD reservoirs.

**Summary of Actions by Audience**

Audience/ Measure	Objective	Actions/Status
Media	<ul style="list-style-type: none"> <li>Share the District's key messages with the local news outlets to seek positive earned media, and coordinate activities with statewide and local earned media, including ACWA's "Save Our Water" campaign.</li> </ul>	<ul style="list-style-type: none"> <li>Jan – responded to numerous media inquiries about drought</li> <li>Feb – Media outreach on the Admin Building Mokelumne River art show</li> <li>Mar – Media outreach on EPA's Fix a Leak Week</li> <li>April – Media advisory on budget actions (including drought rates)</li> <li>May – Media advisory on availability of DERWA residential recycled water for EBMUD customers to use for summer irrigation.</li> <li>TBD – Media advisory when Home Water Reports launches opt-in option</li> </ul>
Contact Center Callers	<ul style="list-style-type: none"> <li>Provide consistent information to employees with extensive customer interaction to help them answer common questions.</li> </ul>	<ul style="list-style-type: none"> <li>Feb – Update FAQs on winter-spring plans</li> <li>April – Update FAQs on budget and drought</li> <li>Ongoing – Offer shortage alert/tips on toll free phone number.</li> </ul>
Reported Water Waste	<ul style="list-style-type: none"> <li>Encourage reports of water waste and follow up to educate customers on ways to save water.</li> </ul>	<ul style="list-style-type: none"> <li>Jan – Water waste calls averaged more than five daily.</li> <li>Ongoing - Continue responding to water waste reports, proactively contacting AMI customers with suspected leaks and using patrols to identify and reduce water waste.</li> </ul>
Web visitors	<ul style="list-style-type: none"> <li>Provide helpful informational resources online to make it easy for customers to understand the drought and receive water savings tips to cut back their water use. Explain EBMUD's supplemental supply options.</li> </ul>	<ul style="list-style-type: none"> <li>Jan – Home Water Reports page posted with future sign-up language</li> <li>Jan – Biweekly water supply updates resumed</li> <li>Feb – Launch updated online calculator to determine home water use</li> <li>Feb – Refresh graywater irrigation and lawn conversion web messages for spring planting season</li> <li>Mar – Updates for Fix-a-Leak Week</li> <li>TBD- Develop videos on finding outdoor leaks</li> <li>TBD – Develop customer profiles demonstrating conservation</li> <li>TBD - Update Freepoint information as needed</li> </ul>
Bill payers	<ul style="list-style-type: none"> <li>Request voluntary reductions from customers and provide helpful information in <i>Pipeline</i> and through additional bill communications to assist customers in meeting their cutback goal.</li> </ul>	<ul style="list-style-type: none"> <li>Jan - Feb -- Top of bill reminder to cut back 15% from 2013 use levels</li> <li>Jan - Feb Pipeline – Wildfires and drought, drought update, residential water use calculator, supply side leak detection efforts.</li> </ul>



Audience/ Measure	Objective	Actions/Status
Bill payers, cont.		<ul style="list-style-type: none"> <li>● Mar-Apr Pipeline – Customer conservation stories and how to save your 15 percent</li> <li>● May – June Pipeline – Irrigation strategies</li> </ul>
Irrigators	<ul style="list-style-type: none"> <li>● Provide helpful information to assist irrigators in meeting their cutback goal.</li> </ul>	<ul style="list-style-type: none"> <li>● TBD – Schedule additional irrigation workshops as needed</li> <li>● TBD – Update parcel mapping and landscape imagery to enhance customized outdoor irrigation water budgets</li> </ul>
Comm/Ind	<ul style="list-style-type: none"> <li>● Provide helpful information to assist businesses in meeting their cutback goal.</li> <li>● Continue outreach and marketing of business WaterSmart Certification Program.</li> <li>● Coordinate conservation services with county Green Business programs and local nurseries.</li> </ul>	<ul style="list-style-type: none"> <li>● TBD - Expand water savings patrols to distribute drought reminder materials (restaurant tent cards, hotel cards, gym stickers, etc.)</li> <li>● Ongoing - Continue to promote WaterSmart Business certification</li> <li>● TBD – Update parcel mapping and landscape imagery to enhance customized outdoor irrigation water budgets</li> <li>● TBD - Expand outreach with wholesale and retail nursery partners to include plant lists for landscape conversions.</li> </ul>
Cities and civic groups, other public agencies	<ul style="list-style-type: none"> <li>● Encourage stakeholder groups to assist with public knowledge of drought by providing information and resources to key organizations and individuals.</li> </ul>	<ul style="list-style-type: none"> <li>● Feb – Board President – Mayor meetings in Richmond and San Leandro</li> <li>● Apr – BOD President letter reporting on drought actions, if warranted</li> <li>● Ongoing- Track outreach conducted by District’s Speakers’ Bureau</li> <li>● Ongoing- Partner with other agencies to promote conservation messages</li> <li>● Ongoing- Outreach to large employers to educate employees on water use</li> </ul>
Renters and homeowners	<ul style="list-style-type: none"> <li>● Provide 1-1 assistance via surveys, rebates and irrigation scheduling assistance on request, make presentations to homeowner associations and business property managers, and provide educational conservation savings information at local nurseries, irrigation equipment suppliers and retail appliance stores.</li> </ul>	<ul style="list-style-type: none"> <li>● Mar – Drip irrigation workshop</li> <li>● Spring – Offer lawn signs for lawn conversion participants</li> <li>● Ongoing- HOA presentations, news articles and conservation services</li> <li>● Ongoing: Promote WaterSmart Home Survey Kits and distribute devices to single family and multi-family residential accounts</li> <li>● Ongoing – Pursue Prop 84 funds for outdoor conservation incentives</li> <li>● Ongoing-pilot test landscape water budgets for residential homeowners</li> <li>● TBD – Update parcel mapping and landscape imagery to enhance customized outdoor irrigation water budgets</li> <li>● TBD -Pilot Pay As You Save program to fund conservation improvements</li> </ul>

Audience/ Measure	Objective	Actions/Status
	<ul style="list-style-type: none"> <li>• Launch Single-Family Residential Home Water Report Phase 2 pilot to promote savings.</li> <li>• Outreach to customers who do not pay a water bill nor receive the bill insert, <i>Pipeline</i>.</li> <li>• Conduct survey research on drought awareness and penetration of conservation messages.</li> <li>• Look for new recycled water opportunities and encourage use of trucked recycled water by customers where that use is appropriate</li> <li>• Promote use of car washes that recycle water</li> <li>• Support graywater use</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Jan – Home Water Report is reaching over 50,000 households</i></li> <li>• TBD – launch mobile application of Home Water Reports</li> <li>• TBD – consider second non-billpayer mailing depending on the drought’s severity this spring</li> <li>• TBD – Consider focus group research on supersaver recognition if we reach a Stage 3 drought</li> <li>• Ongoing – Investigate feasibility of offering recycled water for residential customer pickup and use.</li> <li>• TBD – Convert Admin Building HVAC chiller to use recycled water</li> <li>• Ongoing- Encourage commercial car wash use because they recycle</li> <li>• Ongoing- Promote graywater laundry to landscape rebate program</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Make it easy for EBMUD employees to stay up to date on the latest news about the water shortage</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Jan - GM announcement about decision to delay use of Freeport</i></li> <li>• <i>Apr – GM announcement about rate recommendations</i></li> <li>• Ongoing: regular updates in Splashes and at intranet “drought central”</li> </ul>
Schools	<ul style="list-style-type: none"> <li>• Provide classroom water supply and conservation presentations and materials</li> <li>• Work with universities and city colleges on campus conservation outreach efforts.</li> </ul>	<ul style="list-style-type: none"> <li>• TBD – Sponsor Kid Scoop news article in 2015</li> <li>• Ongoing- look for opportunities to work with universities and colleges on conservation outreach activities</li> </ul>
Billboards	<ul style="list-style-type: none"> <li>• Use Oakport billboard and Clear Channel agreement-related space to promote drought messages</li> </ul>	<ul style="list-style-type: none"> <li>• Spring – launch new drought billboard campaign (concept TBD)</li> </ul>
District leaks search	<ul style="list-style-type: none"> <li>• Help customers understand pipe flushing.</li> <li>• Continue/enhance distribution system pipeline leak identification and repairs.</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – Use pipe flushing signage in the field throughout the drought</li> <li>• Ongoing -- Use data loggers to monitor up to 500 miles of distribution system pipe</li> </ul>

Audience/ Measure	Objective	Actions/Status
	<ul style="list-style-type: none"> <li>● Install data loggers at selected locations to monitor water use.</li> </ul>	<ul style="list-style-type: none"> <li>● Ongoing – Pursue water loss control using leak detection technology in Kensington and Blackhawk.</li> </ul>
District rec areas/bldgs.	<ul style="list-style-type: none"> <li>● Audit facilities and cut water use 20 percent</li> <li>● Promote fix-a-leak week campaign.</li> </ul>	<ul style="list-style-type: none"> <li>● Mar – Post Fix a Leak signage at Lafayette and San Pablo reservoirs and Administration Building lobby</li> <li>● Ongoing—Strive for 20 percent savings at District facilities in 2015</li> <li>● Ongoing - Include all District irrigation accounts in the Landscape Water Budget Program; work toward WaterSmart certification at each facility.</li> </ul>
District Vehicles	<ul style="list-style-type: none"> <li>● Promote conservation</li> </ul>	<ul style="list-style-type: none"> <li>● Ongoing- Save Water bumper stickers placed on EBMUD vehicles</li> </ul>
Track water production	<ul style="list-style-type: none"> <li>● Track water production in 2015 against a goal of reducing production 15 percent when compared to the same period in 2013.</li> </ul>	<ul style="list-style-type: none"> <li>● <i>January 2015 water production was 0 percent below the same time period in 2013.</i></li> </ul>
Use Freeport facilities to draw supplies	<ul style="list-style-type: none"> <li>● Water Year 2015 supplemental supplies</li> </ul>	<ul style="list-style-type: none"> <li>● TBD– Preparing to bring up 65,000 acre feet of water into EBMUD’s system if needed; expect a decision in late April.</li> </ul>



**EAST BAY MUNICIPAL UTILITY DISTRICT**

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DATE: February 5, 2015  
MEMO TO: Board of Directors  
FROM: Alexander R. Coate, General Manager *ARC*  
SUBJECT: Monthly Report – January 2015

**HIGHLIGHTS**

**EBMUD was awarded the 2014 Public Education Award by the California Water Environment Association San Francisco Bay Section for the design of interpretive signs highlighting activities at the Main Wastewater Treatment Plant (MWWTP) along the Bay Bridge Trail Bike Path. With Caltrans approval, the District installed three signs immediately north of the MWWTP that provides the public with an overview of wastewater treatment processes, water recycling, resource recovery, environmental stewardship, and SF Bay protection.**

**WATER SUPPLY AND WATER RIGHTS PROGRAMS AND ACTIVITIES**

**EBMUD in discussions with Dublin San Ramon Services District (DSRSD) to wheel Yuba County Water Agency (YCWA) water to DSRSD in 2015.** DSRSD is interested in working with EBMUD to secure approximately 1,200 acre-feet of water from YCWA that could be diverted at Freeport and wheeled through EBMUD's system to DSRSD. DSRSD will reimburse EBMUD for costs to facilitate completion of environmental reviews and approvals, including a Warren Act contract between DSRSD and the U.S. Bureau of Reclamation for use of the Folsom South Canal, which is necessary to wheel the transfer water. The proposed wheeling agreement includes key operating and payment terms. Staff anticipates Board consideration of the wheeling agreement in February or March. The transfer would begin in late April with delivery to DSRSD completed by the end of September.

**EBMUD and seven other Bay Area water agencies seeking funding from potential state and federal sources for a Bay Area Regional Reliability (BARR) Feasibility Study.** The first phase of the study is estimated to cost approximately \$400,000 and will assess water supply reliability needs, identify water shortage scenarios, evaluate available capacity in existing facilities (and their ability to support regional needs), and identify potential BARR projects that merit consideration in a regional approach. An additional phase will further screen projects, identify a mutually preferred portfolio, and develop a project implementation plan. This additional phase will also include opportunities for community and stakeholder input and together with the first phase complete the BARR Feasibility Study effort. An agency cost share agreement is being prepared to support local cost shares for the project.

**Precipitation.** The East Bay precipitation for January was 0.01 inches (0% of average) and the season total was 14.71 inches (97% of average). The Mokelumne precipitation for January was 0.15 inches (2% of average) and the season total was 15.17 inches (58% of average). January was the driest January of record in the East Bay and Mokelumne watersheds.

**Releases from Camanche Reservoir.** The average rate of Camanche release for January was 226 cfs (202 cfs generation, 0 cfs sluice, and 24 cfs through the hatchery), and the average flow below Woodbridge Dam was 152 cfs, both in accordance with the Joint Settlement Agreement "Dry" criteria.

**Mokelumne reservoirs storage is 68% of average.** As of January 31, 2015, Pardee was at 552.2 feet or 95% of average, and the Camanche was at 186.4 feet or 51% of average. Combined Pardee and Camanche reservoir storage was 297,000 acre-feet compared to 372,000 acre-feet last year.

**Releases from East Bay Reservoirs.** There were no East Bay reservoir releases in January.

**East Bay reservoirs storage is 89% of average.** As of January 31, 2015, USL was at 438.1 feet or 83% of average, San Pablo was at 297.1 feet or 86% of average, and Briones was at 566.5 feet or 95% of average. Total terminal reservoir storage was 115,000 acre-feet compared to 106,000 acre-feet last year.

**Mokelumne Aqueducts and Raw Water Pumping Plants.** The average rate of Mokelumne Aqueduct draft for January 2015 was 134 MGD. Briones Raw Water Pumping Plant pumped a total of 1,318 MG at a rate of 43 MGD to refill Briones Reservoir. Moraga and Walnut Creek Raw Water Pumping Plants remained out of service for the month.

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

	January 2015	January 2014	January 2013	Average of FY 2005-2007
East of Hills	28 MGD	40 MGD	27 MGD	28 MGD
West of Hills	104 MGD	126 MGD	105 MGD	125 MGD
Total	132 MGD	166 MGD	132 MGD	153 MGD
Max Day Production	142 MGD (1/31/2015)	180 MGD (1/25/2014)	144 MGD (1/17/2013)	

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

**CUSTOMER EVENTS AND PUBLIC OUTREACH**

**On January 8 and 9, staff conducted the 2015 midwinter bald eagle survey at Briones, Camanche, Lafayette, Pardee, San Pablo and Upper San Leandro reservoirs.** Twenty-two bald eagles were observed including one at San Pablo, one at Upper San Leandro, fifteen at Camanche and five at Pardee.

**EBMUD provided recycled water site supervisor training in Oakland and San Ramon.** On January 16, training was provided for seven trainees from the City of Oakland. On January 27, staff provided training to a new recycled water site supervisor and 23 trainees from the City of San Ramon. The sessions included a horticultural and landscape maintenance module.

**Staff completed a Notice of Exemption (NOE) for the San Pablo Clearwell Replacement and San Pablo Water Treatment Plant Upgrades Project.** Post cards were mailed to nearby residents informing them of the project and the NOE and provided the residents the option to meet and discuss the project. To date, the District has received no requests for a meeting.

**On January 28, seven McClymonds High School senior students began internships at the District.** Staff, in partnership with the Oakland Unified School District (OUSD), provided an orientation for the students who will work a maximum of 75 hours through May 27 and gain valuable work experience. District staff will mentor and assist them with their professional development. OUSD's Linked Learning Office (LLO) fosters a bridge between classroom instruction and work experiences to better prepare high school students for life after graduation. The LLO will pay a stipend to each student intern after completion of the program.

#### **Contract Equity Outreach Events:**

- **On January 8, West County Chambers hosted a Business Expo in Richmond.** Staff disseminated information on the Contract Equity Program, upcoming contract opportunities, small business incentives and water conservation services. About 350 participants attended.
- Staff participated in the following business community events:
  - January 13, American Indian Chamber of Commerce – *Corporate Advisory Committee*
  - January 14, Port of Oakland – *Contracting 101 with the Port of Oakland*

#### **Water Conservation Outreach:**

- **On January 7 staff was interviewed on KCBS radio about water conservation programs.** Topics included the nursery “plant tag” program, outdoor landscape rebates and ways in which customers can transform their yard into a climate-appropriate garden.
- **On January 14, staff hosted a meeting of the California Urban Water Conservation Council Best Management Practice (BMP) 1.4, Conservation Pricing Committee.** The committee charter is to develop an alternative BMP framework for water agencies to establish conservation pricing signals which prompt consumers to save water. Additionally, the committee is clarifying what constitutes a good faith effort for water agencies' reaching out to sanitary sewer service providers on consideration of volumetric wastewater pricing. Committee members include EBMUD, Western Municipal Water District, City of Santa Rosa, Sacramento Suburban Water District, the Pacific Institute, Friends of the River, the Natural Resources Defense Council, and the Bay Institute.
- **On January 25, staff participated in the LaMorinda Home Expo in Lafayette.** The expo offers resources for remodeling and re-landscaping projects. Staff provided conservation brochures and rebate information. Over 1,000 homeowners attended.

- **On January 27, staff gave a presentation at a Bay-Friendly workshop at Lake Merritt's Lakeside Park Garden Center in Oakland.** The workshop included information on EBMUD's updated landscape conversion & irrigation upgrade program. Approximately 50 landscape professionals attended.
- **On January 29, staff presented information on the District's Advanced Metering Infrastructure pilot program to the Government Accountability Office Municipal Water Technology Workshop in Washington D.C.** The workshop provided information on new technologies available to address the nation's water supply shortages and increasing demand. Other topics included advanced water treatment, desalination, water recycling, water storage, and pricing. There were approximately 30 speakers and moderators as well as members of the GAO and National Research Council in attendance.

## **CAPITAL IMPROVEMENTS AND FACILITY MAINTENANCE**

**New recycling stations installed at Mokelumne River Day Use Area.** Staff installed an additional two recycling stations at the day use area. These two stations, along with two donated earlier last year, were obtained via a grant through San Joaquin County Solid Waste Division.

**Camanche North Shore Dock construction in progress.** The first components of the new 52-slip covered dock arrived on January 8 and contractors have been assembling the dock, which is expected to be completed and in place on the lake in February. Electrical, security, and fire prevention components installations will follow. The ready-for-service date is pending.

**Staff completes final design, construction plans and specifications for the MWWTP Primary Sedimentation Tanks and Channels Rehabilitation Phase 3 Project.** This \$7.3 million project includes structural rehabilitation of influent channels, and installation of two new large channel gates, new control panels, and related work. The project also includes drainage improvements to the aerated grit tanks, which will help reduce grit accumulation and mitigate odors, and centrate line upgrades to improve solids dewatering system reliability. Construction is scheduled to begin in May 2015 and be completed in September 2016.

**On January 5, electrical assessment and testing at the San Pablo Water Treatment Plant (WTP) was completed in preparation for plant startup in November 2015.** Power was shut off at San Pablo Center for a contractor to perform major electrical system testing and cleaning on switchgear, transformers and motor control centers. Major equipment, such as backwash pumps and flocculator motors are now ready for testing in preparation of the startup. The treatment plant will be in operation during the rehabilitation of the Orinda Water Treatment Plant for two five-week outages in the winters of 2016 and 2017. The San Pablo WTP was last operated in 2007.

**District forces installed additional drilled piers and tiebacks to support the recently installed piers that protect the Briones Aqueduct from slope instability.** The existing piers were installed in 2012 as part of the initial phase to protect the aqueduct. Phase 2, creek bank armoring to prevent slope undercutting, is pending due to regulatory requirements. This work is



an interim measure to stabilize the aqueduct until permits are secured to complete a more comprehensive repair.

**Staff inspected the seepage control blanket at the upstream slope of Camanche Dike 2.** The inspection was requested by the Federal Energy Regulatory Commission to document the performance of the slurry trench that was repaired in 1978 and has been submerged for many years. The low lake level provided the opportunity for staff to inspect and to document the conditions of the slurry trench. The inspection revealed that the repairs made in 1978 are performing well as constructed.

**The Dingee Pipeline and Claremont Center Aqueducts (Oakland) Replacement work continues.** Installation of the Sequoia Aqueduct under Highway 24 and the Temescal Creek crossing was completed in late January. The Roble Road high density polyethylene (HDPE) service transfers were completed. The Erba Path HDPE sliplining work was started, and the Tunnel Road HDPE pipe installation is expected to begin in mid-February after the Caltrans permit is obtained. Paving of the Dingee Reach 1 will be completed in February. Dingee Reach 2 paving will be performed after grouting of the old pipeline is completed.

## **WATER AND WASTEWATER SYSTEM OPERATIONS**

**Inflow and Infiltration (I/I) Control Program began implementing the Regional Technical Support Program (RTSP).** The RTSP will investigate the sanitary sewer collection systems of our satellite agencies to locate sources of I/I through the installation of flow meters and level sensors within two subbasins, one located within the City of Oakland and the other within Stege Sanitary District's jurisdiction.

**All authorized discharges from the Main Wastewater Treatment Plant (MWWTP) were in compliance with the permit limits for the month of January.** This is the 185<sup>th</sup> consecutive month that the Main Wastewater Treatment Plant experienced no exceedances.

**January marked the second consecutive month in which there were no odor complaints from the Wastewater Treatment plant.**

**Engine mechanical issues impact renewable power generation at the Main Wastewater Treatment Plant (MWWTP).** Two of the three engine generators are off line due to unrelated mechanical problems. Engine #2 is out of service pending the replacement of an exhaust manifold which is at the end of its useful life and engine #3 had to be removed from service pending repairs to a damaged gear train. Both generators are expected to be back in service by mid-February. During this outage, the District is losing energy revenue from approximately 2MW of cogeneration potential. However, engine #1 and the turbine are in service and are providing sufficient power to meet the emergency power needs of the MWWTP.

**On January 12 the State Water Resources Control Board (SWRCB) posted the final National Pollutant Discharge Elimination System Permit for potable water discharges to their website.** The effective date of the permit is February 26, 2015, and the Notice of Intent (NOI) to file for permit coverage is due no later than September 1, 2015. Staff is working on

various elements of the NOI, including a representative monitoring program to cover the District's service area (Upcountry and the East Bay). Staff is also working on outreach to other regional stakeholders, such as the flood control agencies, to educate them on the permit highlights and District operations in the field.

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

## ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

**Over 6,000 feet of new watershed fencing installed.** Under District staff direction, CalFire crews installed 6,000 feet of new wire fencing along the South Arm of Camanche Reservoir to better manage livestock during low water times. District staff completed the Kirkwood Spring enclosure fence to protect the riparian area and new livestock water development in that area.

### Tuition Reimbursement

	January 2015	FY15 Total
# of Employees	17	139
# of Classes	20	160
Total Reimbursed	\$8,506	\$96,658

### Employment Information

	January 2015	FY15 Total
Retirements – Regular	13	56
Retirements – Vested	0	5
Other Separations	37	51
Hires	9	142

## FINANCIAL NEWS

**There were no contracts over \$70,000 and less than \$100,000 approved by the General Manager in January 2015.**

**Administration Building Management Control System Upgrade requires an increase in the change order contingency.** The project is about 90 percent complete following the addition of the fire alarm system, which increased the change order amount to \$2,294,997 in September 2014. Numerous differing site conditions were encountered during fire alarm system installation, including limited access to the work areas on two floors, unknown smoke damper locations, unanticipated electrical work, and work suspension impact costs associated with a delay in the system design. The work is being performed by Mesa Energy Systems. The total change order is projected to be \$2,634,997 or 219.8 percent of the original contract amount of \$1,198,752.

**Resource Recovery (R2) Program monthly revenue exceeds previous high mark.** The R2 Program billed revenue totaling \$1.06 million for the month of December 2014, exceeding the previous monthly best of \$1.05 million earned in July 2014.

**The net Mokelumne power revenue for January was \$96,841, while no generation or revenue was planned.** Inflows into Pardee Reservoir for January were 64% of plan, with storage volume decreasing over the month. 2500 MWhs of renewable power and related Renewable Energy Credits (RECs) were sold to the Sacramento Municipal Utility District under the Power Purchase Agreement. The average electricity price was \$36/MWh. REC revenue for January was \$14,332. Total net revenue for FY15 to date is \$1,455,518 which is 41.6% of planned \$3,500,000 and 25.5% of the budgeted \$5,700,000.

FY15	Net Revenue		Inflow (Acre Feet)	
	Plan	Actual	Plan	Actual
November	\$222,878	\$46,273	20,800	26,537
December	(\$7,300)	\$310,657	23,900	33,531
January	(\$7,300)	<b>\$96,841</b>	29,800	19,206
<b>FY15 YTD Total</b>	\$1,070,189	<b>\$1,455,518</b>	183,200	177,303

**Bold items are estimated**

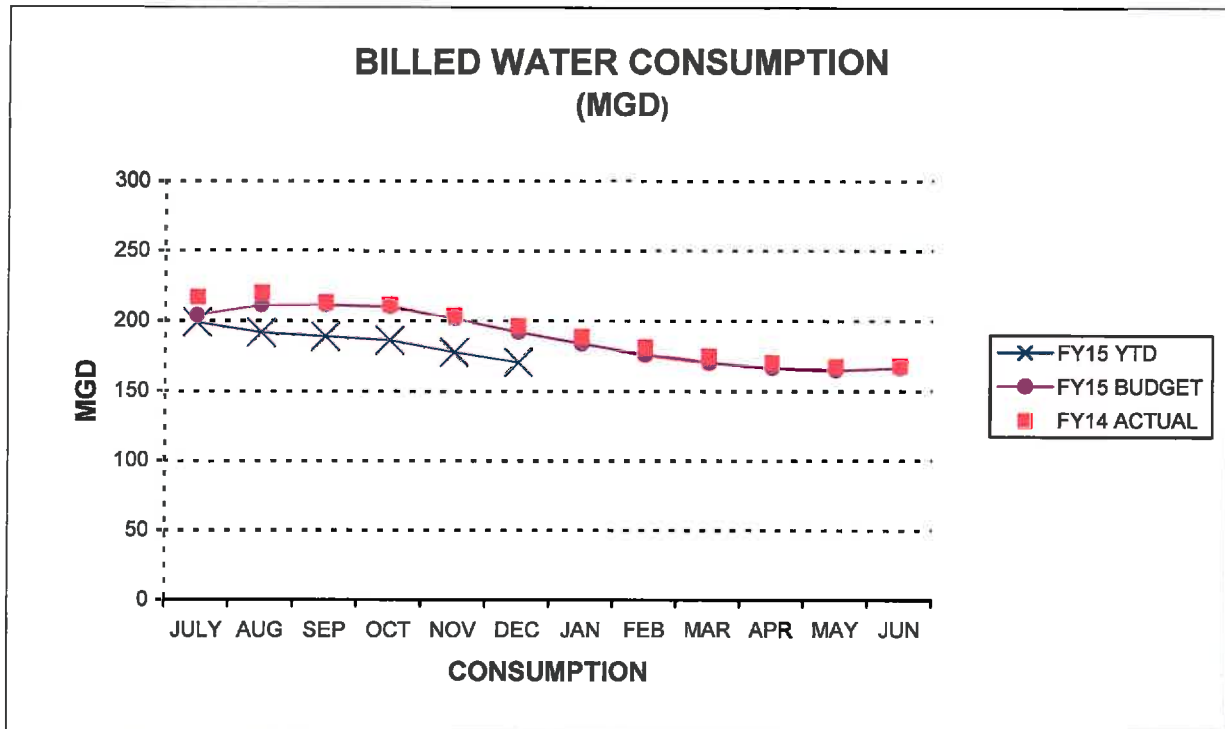
**Plant book activity for January 2015.** Thirty nine books were sold in January 2015. The District has changed the way in which it accounts for plant book sales to reflect consigned books making the number of total plant books sold 35,742. January plant book revenues totaled \$888.50 which increases total revenues to \$763,414.43. Total revenues as a percentage of out-of-pocket book design and production cost is at 97%.

**Water Sales**

Overall billed water consumption for FY15 through December 2014 was 170.4 MGD. The table below breaks out this information by customer class with a comparison to FY14.

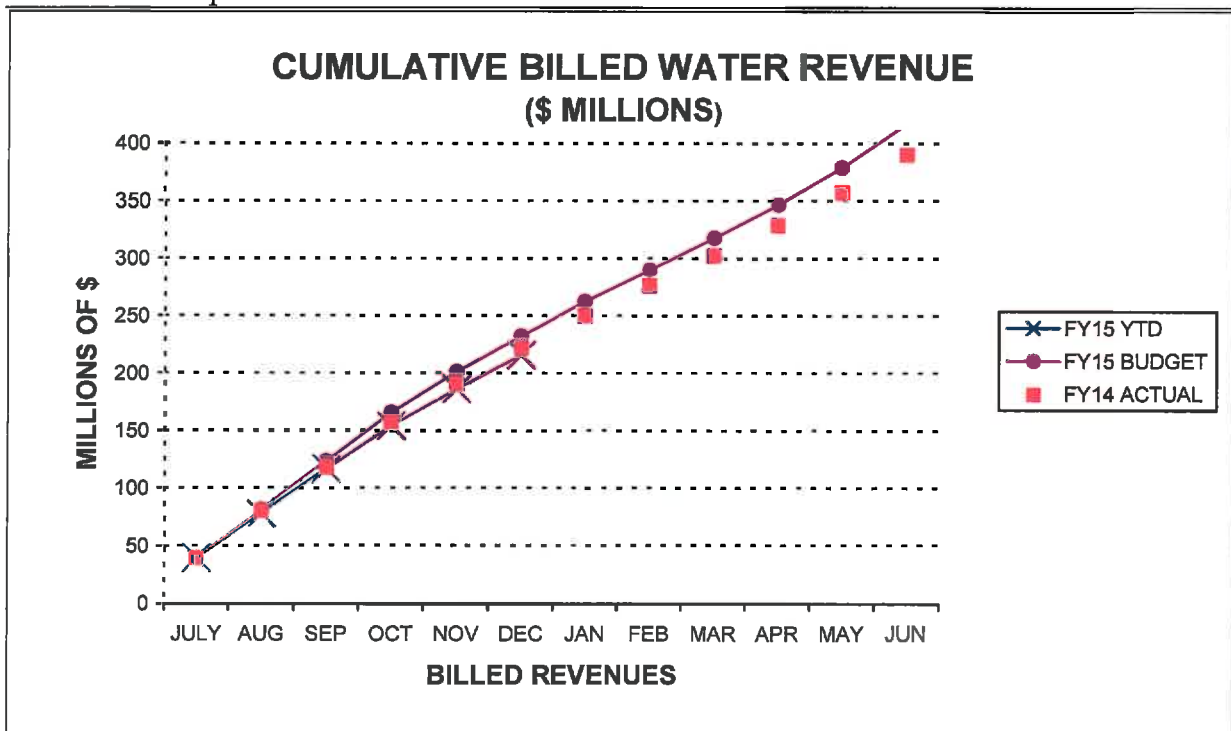
Billed Water Consumption		
Usage Type	FY15 (MGD)	FY14 (MGD)
Residential	89.4	105.9
Commercial	55.7	62.7
Industrial	17.5	18.1
Public Authority	7.8	9.3
<b>Total Billed Water Consumption</b>	<b>170.4</b>	<b>196.0</b>

Note: Drought reduction goals are expressed relative to CY13.



Source: Customer Information System

Water revenues billed for the fiscal year through December were \$215.9 million or 2.4% less than the FY14 revenue through November of \$221.19 million which reflects the net impact of lower current consumption and the 9.5% rate increase for services provided and billed starting July 1, 2014. Compared to the budgeted water revenue, actual water revenues are down \$16.5 million for this period or 7.1%.



Source: Customer Information System

**JANUARY 2015 MAIN BREAKS**

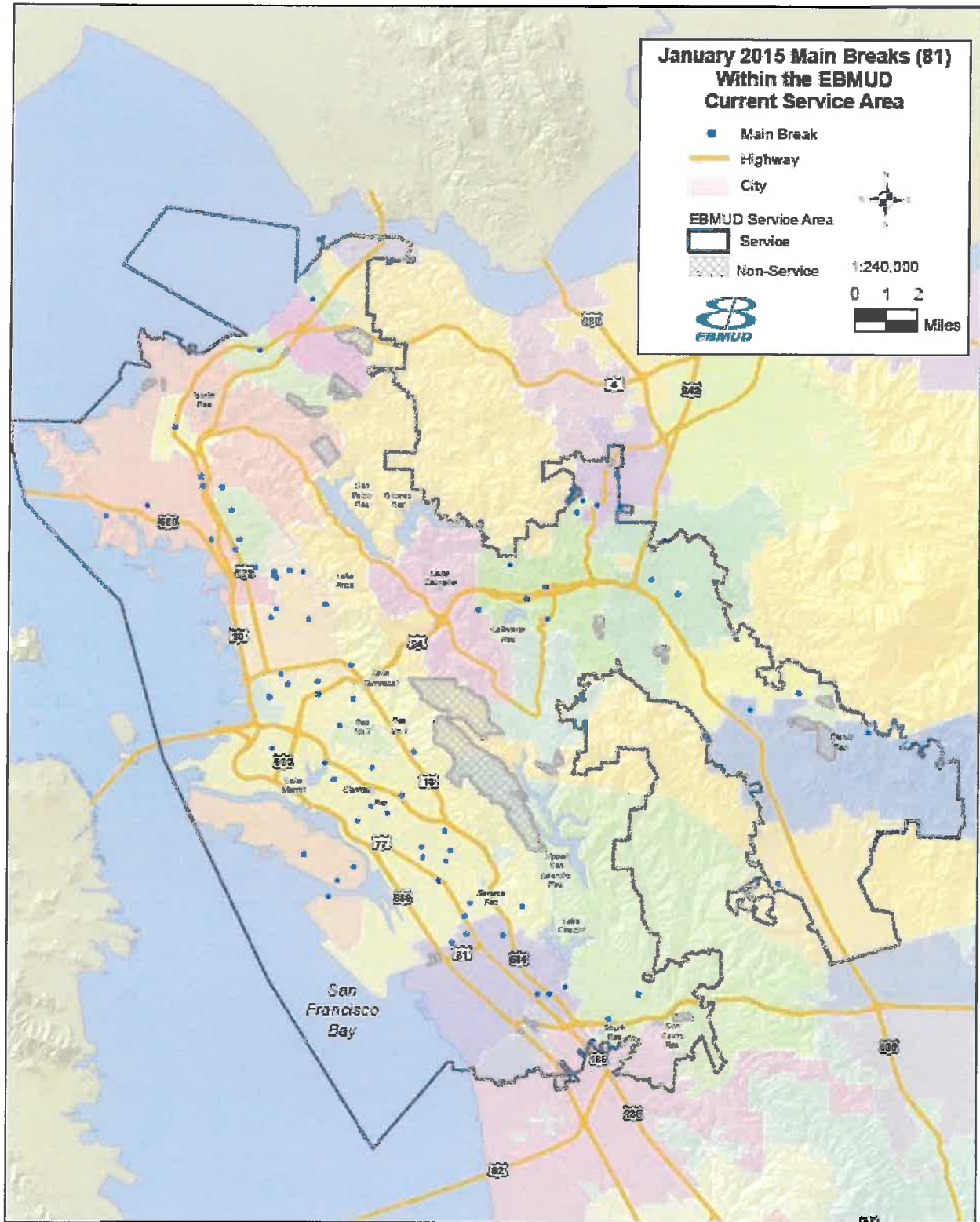
City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
ALAMEDA	JOHNSON	AVE	CAST IRON	6.00	1933	10,080	1/14/2015	1/20/2015	Yes	
ALAMEDA	OTIS	DR	CAST IRON	6.00	1940	9,000	1/14/2015	1/14/2015	Yes	
ALAMEDA	SEA VIEW	PKY	ASBESTOS CEMENT	8.00	1980	720	1/17/2015	1/18/2015	Yes	
ALAMEDA	SHERMAN	ST	CAST IRON	6.00	1941	47,520	1/16/2015	1/26/2015	No	
ALAMO	WHITE GATE	RD	ASBESTOS CEMENT	8.00	1972	900	1/28/2015	1/28/2015	Yes	
BERKELEY	ADA	ST	CAST IRON	6.00	1928	90	1/7/2015	1/8/2015	Yes	
BERKELEY	BRIDGE	RD	STEEL	16.00	1927	1440	1/23/2015	1/23/2015	Yes	
BERKELEY	CALIFORNIA	ST	ASBESTOS CEMENT	6.00	1960	4,500	1/22/2015	1/22/2015	Yes	
BERKELEY	CRAGMONT	AVE	CAST IRON	8.00	1937	4,500	12/31/2014	1/1/2015	Yes	
BERKELEY	HOPKINS	CT	CAST IRON	4.00	1927	14,400	1/9/2015	1/10/2015	Yes	
BERKELEY	LA LOMA	AVE	CAST IRON	6.00	1939	129,600	12/8/2014	1/6/2015	No	
BERKELEY	SAN LUIS	RD	CAST IRON	6.00	1929	7,200	1/1/2015	1/1/2015	Yes	
BERKELEY	SAN MIGUEL	AVE	CAST IRON	6.00	1940	13,500	1/11/2015	1/12/2015	Yes	
BERKELEY	STANTON	ST	CAST IRON	4.00	1950	10,080	1/7/2015	1/13/2015	Yes	
BERKELEY	VIRGINIA	ST	CAST IRON	6.00	1939	11,520	1/21/2015	1/28/2015	Yes	
BERKELEY	VISALIA	AVE	CAST IRON	6.00	1953	14,400	1/14/2015	1/23/2015	No	
CASTRO VALLEY	HEYER	AVE	CAST IRON	6.00	1931	630	1/4/2015	1/5/2015	Yes	
CASTRO VALLEY	NUNES	AVE	CAST IRON	6.00	1947	540	1/16/2015	1/16/2015	Yes	
DANVILLE	MOSSY OAK	DR	ASBESTOS CEMENT	8.00	1977	36,000	1/12/2015	1/16/2015	Yes	
DANVILLE	SPRING	LN	ASBESTOS CEMENT	6.00	1962	23,040	12/29/2014	1/5/2015	Yes	
EL CERRITO	KENILWORTH	AVE	CAST IRON	6.00	1952	1,440	1/13/2015	1/13/2015	Yes	
EL CERRITO	LIBERTY	ST	CAST IRON	6.00	1930	900	1/21/2015	1/21/2015	Yes	
EL CERRITO	VICTORIA	ST	CAST IRON	4.00	1950	5,760	1/7/2015	1/8/2015	Yes	
EMERYVILLE	VALLEJO	ST	CAST IRON	6.00	1933	1,440	1/5/2015	1/5/2015	Yes	
KENSINGTON	OCEAN VIEW	AVE	CAST IRON	6.00	1948	5,760	1/3/2015	1/6/2015	Yes	
LAFAYETTE	HAPPY VALLEY	RD	CAST IRON	6.00	1952	4,500	1/25/2015	1/25/2015	Yes	
LAFAYETTE	POWELL	DR	CAST IRON	4.00	1938	6,750	1/12/2015	1/13/2015	Yes	
LAFAYETTE	RELIEZ VALLEY	RD	CAST IRON	4.00	1941	2,700	1/15/2015	1/15/2015	Yes	
LAFAYETTE	RELIEZ VALLEY	RD	CAST IRON	4.00	1941	60,480	1/15/2015	1/20/2015	Yes	
LAFAYETTE	RISA	RD	NON METALLIC/	8.00	1972	2,700	1/7/2015	1/7/2015	Yes	

**JANUARY 2015 MAIN BREAKS**

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
LAFAYETTE		TAYLOR	BL	STEEL	12.00	1956	6,300	1/1/2015	1/3/2015	No
LAFAYETTE	N	THOMPSON	RD	ASBESTOS CEMENT	8.00	1956	10,080	1/15/2015	1/21/2015	Yes
OAKLAND		12 <sup>TH</sup>	AVE	CAST IRON	6.00	1940	5,760	1/14/2015	1/15/2015	Yes
OAKLAND	E	16 <sup>TH</sup>	ST	CAST IRON	6.00	1958	450	1/12/2015	1/13/2015	Yes
OAKLAND		25 <sup>TH</sup>	AVE	CAST IRON	4.00	1936	900	1/1/2015	1/1/2015	Yes
OAKLAND		57 <sup>TH</sup>	AVE	CAST IRON	6.00	1938	630	1/4/2015	1/5/2015	Yes
OAKLAND		62 <sup>ND</sup>	ST	CAST IRON	8.00	1924	630	1/5/2015	1/5/2015	Yes
OAKLAND		68 <sup>TH</sup>	AVE	CAST IRON	6.00	1929	540	1/6/2015	1/6/2015	Yes
OAKLAND		80 <sup>TH</sup>	AVE	CAST IRON	6.00	1925	630	1/8/2015	1/8/2015	Yes
OAKLAND		ADELINE	ST	CAST IRON	4.00	1932	1,800	1/26/2015	1/26/2015	Yes
OAKLAND		ATHOL	AVE	CAST IRON	6.00	1933	900	1/7/2015	1/7/2015	Yes
OAKLAND		BELLEVUE	AVE	CAST IRON	6.00	1932	3,600	1/19/2015	1/19/2015	Yes
OAKLAND		BELLEVUE	AVE	CAST IRON	6.00	1932	5,760	1/20/2015	1/20/2015	Yes
OAKLAND		BIRCH	ST	CAST IRON	6.00	1927	4,500	1/22/2015	1/23/2015	Yes
OAKLAND		CAMINO LENADA		CAST IRON	6.00	1925	720	1/5/2015	1/6/2015	Yes
OAKLAND		CLAREWOOD	DR	ASBESTOS CEMENT	8.00	1967	900	1/6/2015	1/7/2015	Yes
OAKLAND		DELAWARE	ST	CAST IRON	4.00	1935	900	1/5/2015	1/6/2015	Yes
OAKLAND		FLEET	RD	CAST IRON	4.00	1933	450	1/13/2015	1/13/2015	Yes
OAKLAND		HARDY	ST	ASBESTOS CEMENT	6.00	1967	7200	1/5/2015	1/9/2015	Yes
OAKLAND		HARMON	AVE	CAST IRON	6.00	1938	4,500	1/25/2015	1/25/2015	Yes
OAKLAND		HUMBOLDT	AVE	CAST IRON	6.00	1925	12,960	1/21/2015	1/29/2015	No
OAKLAND		INTERNATIONAL	BL	CAST IRON	4.00	1925	12,960	12/31/2014	1/8/2015	No
OAKLAND		KERRIGAN	DR	CAST IRON	4.00	1948	360	1/6/2015	1/7/2015	Yes
OAKLAND		KRAUSE	AVE	CAST IRON	6.00	1928	8,640	1/6/2015	1/7/2015	Yes
OAKLAND		REPOSO	DR	CAST IRON	4.00	1946	720	1/19/2015	1/19/2015	Yes
OAKLAND		SEMINARY	AVE	CAST IRON	6.00	1924	720	1/23/2015	1/26/2015	No
OAKLAND		VALLEJO	ST	CAST IRON	6.00	1933	4,320	1/5/2015	1/7/2015	Yes
ORINDA		OAKRIDGE	LN	STEEL	6.00	1962	11,520	1/5/2015	1/8/2015	Yes
ORINDA		OAKRIDGE	LN	STEEL	6.00	1962	2,880	1/12/2015	1/13/2015	Yes

**JANUARY 2015 MAIN BREAKS**

City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On	KPI Met?
PIEDMONT	GRAND		AVE	STEEL	24.00	1911	24,480	12/30/2014	1/15/2015	No
PINOLE	SMITH		AVE	ASBESTOS CEMENT	6.00	1959	23,040	1/21/2015	1/28/2015	Yes
PLEASANT HILL	OAK PARK		BL	CAST IRON	6.00	1941	1,350	1/8/2015	1/9/2015	Yes
PLEASANT HILL	VALLEY VIEW		RD	CAST IRON	6.00	1946	7,200	1/1/2015	1/5/2015	Yes
RICHMOND	42 <sup>ND</sup>		ST	CAST IRON	4.00	1949	7,200	1/19/2015	1/23/2015	Yes
RICHMOND	CARLSON		BL	CAST IRON	6.00	1945	8,640	1/5/2015	1/6/2015	Yes
RICHMOND	FLORIDA		AVE	ASBESTOS CEMENT	6.00	1936	450	1/16/2015	1/16/2015	Yes
RICHMOND	GARVIN		AVE	CAST IRON	4.00	1933	7200	1/10/2015	1/10/2015	Yes
RICHMOND	GARVIN		AVE	CAST IRON	4.00	1933	6750	1/11/2015	1/12/2015	Yes
RICHMOND	SONOMA		ST	CAST IRON	6.00	1951	450	1/20/2015	1/20/2015	Yes
RICHMOND	SUTTER		AVE	CAST IRON	4.00	1949	8640	12/31/2014	1/5/2015	Yes
RICHMOND	TUNNEL		AVE	CAST IRON	6.00	1936	17280	1/8/2015	1/13/2015	Yes
RODEO	7 <sup>TH</sup>		ST	ASBESTOS CEMENT	8.00	1962	1800	1/28/2015	1/29/2015	Yes
SAN LEANDRO	155 <sup>TH</sup>		AVE	CAST IRON	4.00	1938	12,960	12/29/2014	1/6/2015	No
SAN LEANDRO	159 <sup>TH</sup>		AVE	CAST IRON	6.00	1937	5,760	1/23/2015	1/26/2015	Yes
SAN LEANDRO	CARY		DR	CAST IRON	4.00	1927	540	1/5/2015	1/5/2015	Yes
SAN LEANDRO	EASY		ST	CAST IRON	6.00	1949	23,040	1/14/2015	1/21/2015	Yes
SAN LEANDRO	PLEASANT		WAY	CAST IRON	4.00	1940	4,320	1/20/2015	1/22/2015	Yes
SAN PABLO	22 <sup>ND</sup>		ST	CAST IRON	6.00	1940	14400	1/22/2015	1/26/2015	Yes
SAN RAMON	DERBY		DR	ASBESTOS CEMENT	6.00	1984	900	1/24/2015	1/24/2015	Yes
WALNUT CREEK	EL CAMINO CORTO			ASBESTOS CEMENT	8.00	1955	2,700	1/3/2015	1/3/2015	Yes
WALNUT CREEK	LOCUST		ST	CAST IRON	6.00	1953	2,700	1/26/2015	1/26/2015	Yes
<b>TOTAL</b>							<b>726,120</b>			





## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: February 5, 2015

MEMO TO: Board of Directors

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

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

SUBJECT: Finance/Administration Committee Minutes – January 27, 2015

Chair John A. Coleman called to order the Finance/Administration Committee in the Training Resource Center at 10:16 a.m. Directors Doug Linney and William B. Patterson were present at roll call. Staff present included: General Manager Alexander R. Coate, General Counsel Jylana Collins, Director of Finance Eric L. Sandler, Manager of Customer and Community Services Sherri A. Hong, Internal Auditor Supervisor Barry N. Gardin, Special Assistant to the General Manager Cheryl A. Farr, and Secretary of the District Lynelle M. Lewis.

**Public Comment.** None.

**Water Theft/Unauthorized Use of Water – Penalties.** Manager of Customer and Community Services Sherri A. Hong presented an update on the unauthorized use of water/water theft and the District's response to water theft. The District's response to water theft is detailed in District Procedure 112 – Unauthorized Use of Water and provides for progressive stages of action when violations continue after an offender has been identified and requested to terminate the illegal action. The District's Schedule of Rates and Charges include provisions to charge the customer for District actions that are necessitated by the unlawful use of water.

There was discussion about establishing additional penalties for water theft and potential law enforcement capabilities. The Committee presented their views and urged staff to further review options to assess fees and/or impose fines that would capture the full cost associated with the actions taken by the District. General Manager Coate said that staff would explore this and provide an update to the Board.

**Financial Quarterly Reports.** Director of Finance Eric L. Sandler reported that the quarterly reports were filed in compliance with government statutes. The reports cover investment transactions along with quarterly payroll, disbursements and real estate summary reports covering the period October 1, 2014 through December 31, 2014. It was moved (Director Linney) and seconded (Director Patterson) to accept the reports. The motion carried (3-0) with all Directors voting "yes."

**Semi-Annual Internal Audit Report.** Internal Auditor Supervisor Barry N. Gardin presented a mid-year report on audit activity that occurred during the reporting period. He provided highlights and findings from the following audits: retirement administration, materials management (surplus and disposal), capital expenditures, water consumption recognition, invoicing and receipts. Mr. Gardin pointed out that the audits completed during this reporting period have resulted in several opportunities to improve internal controls and/or enhance operating efficiency; however, no material findings, significant control weaknesses, undue exposure, or other significant issues requiring immediate Board action or attention were identified.

Board of Directors  
Finance/Administration Committee  
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February 5, 2015  
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Mr. Gardin also reported that during this review period concerns pertaining to proper use and acquisition of materials were brought to the attention of the Internal Audit Division. Specific tests are being conducted in order to investigate the concerns. The results of this effort will be summarized in an Internal Audit memorandum to the General Manager in February 2015. The Committee raised no questions.

**Adjournment.** Chair Coleman adjourned the meeting at 10:55 a.m.

ARC/LML/slb

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