



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

375 – 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0404

**AGENDA
Wednesday, November 12, 2014**

**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. *East Bay Municipal Utility District v. Bank of America Corporation, et al.*
USDC, N.D. Cal., Case No. C 13-0109 EDL
2. Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2):
two matters.
3. Conference with Real Property Negotiators pursuant to Government Code section 54956.8 regarding the negotiation of the price and terms of payment for the lease of a 1200-acre property identified as the Anthony Chabot Regional Park at 9999 Redwood Road, Castro Valley, Alameda County and the golf course at 17007 Redwood Road, Castro Valley, Alameda County. East Bay Municipal Utility District negotiators: Richard Sykes, Director of Water and Natural Resources, and Stephen Boeri, Manager of Real Estate Services. Negotiating Parties: East Bay Municipal Utility District and East Bay Regional Park District.
4. Personnel exception pursuant to Government Code section 54957 to consider selection for the position of General Counsel.

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

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

ROLL CALL:

BOARD OF DIRECTORS:

- Pledge of Allegiance

ANNOUNCEMENTS FROM CLOSED SESSION:

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

CONSENT CALENDAR: (Single motion and vote approving 6 recommendations.)

1. Approve the Regular Meeting Minutes of October 28, 2014.
2. File correspondence with the Board.
3. Award a contract to the lowest responsive/responsible bidder, Triple S Electric Co., in the amount of \$489,200 for construction of Adeline Maintenance Center Complex Fire Alarm System Upgrade under Specification 2062A.
4. Authorize an amendment to the February 4, 1997 agreement with Oracle Corporation in an amount not to exceed \$331,000 for software licensing for PeopleSoft Financials software and all associated modules.
5. Authorize the direct award to Process Solutions, Inc. for an estimated amount of \$1,200,000 (including tax) for the purchase of four chloramine boosting stations and support services to be installed at various distribution reservoirs.
6. Authorize an amendment to an agreement with the Schnur Consulting Group in the amount of \$59,800, increasing the total amount of the agreement to \$122,300, for services related to research and clarification of organizational values beginning November 13, 2014.

DETERMINATION AND DISCUSSION:

7. Legislative Update:
 - State Legislative Initiatives for 2015 Legislative Year
 - Update on Legislative Issues of Interest to EBMUD
8. General Manager's Report:
 - Chabot Reservoir Watershed Lease with East Bay Regional Park District
 - Water Shortage Emergency Action Plan Update
 - Monthly Report – October 2014

REPORTS AND DIRECTOR COMMENTS:

9. Committee Reports:
 - Finance/Administration
 - Legislative/Human Resources
10. Director Comments.

ADJOURNMENT:

The next Regular Meeting of the Board of Directors will be held at 1:15 p.m. on Tuesday, November 25, 2014 in the Administration Center Board Room, 375 Eleventh Street, Oakland, California.

Disability Notice

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

Document Availability

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

BOARD CALENDAR

Date	Meeting	Time/Location	Topics
Monday, November 10	EBMUD/EBRPD Liaison Committee Linney, Patterson	9:00 a.m. EBRPD Headquarters 2950 Peralta Oaks Drive Oakland, CA	<ul style="list-style-type: none"> • Chabot Reservoir Watershed Lease with East Bay Regional Park District • Chabot Dam Seismic Upgrade • Drought Update
Tuesday, November 11	Veterans Day Holiday		<i>District Offices Closed</i>
Wednesday, November 12	<p>Planning Committee Foulkes (Chair) Linney, McIntosh</p> <p>Legislative/Human Resources Committee McIntosh (Chair), Coleman, Mellon</p> <p>Board of Directors</p>	<p>9:30 a.m. Training Resource Center</p> <p>11:00 a.m. 1:15 p.m.</p>	<p style="text-align: center;"><i>Cancelled</i></p> <ul style="list-style-type: none"> • Update on District Values Assessment Project • FY14 Contract Equity Program Annual Report • Chabot Dam Seismic Improvement Project – Pilot Project Labor Agreement • Legislative Report: <ul style="list-style-type: none"> ○ State Legislative Initiatives for 2015 Legislative Year ○ Update on Legislative Issues of Interest to EBMUD • Closed Session • Regular Meeting
Wednesday, November 19	Special Board Meeting	6:30 p.m. Castro Valley Library 3600 Norbridge Avenue Castro Valley, CA	
Tuesday, November 25	<p>Finance/Administration Committee Coleman (Chair), Linney, Patterson</p> <p>Long-Term Financial Stability Workshop #5</p> <p>Board of Directors</p>	<p>8:00 a.m. Training Resource Center</p> <p>9:00 a.m. Training Resource Center</p> <p>11:00 a.m. 1:15 p.m.</p>	<ul style="list-style-type: none"> • Closed Session • Regular Meeting

MINUTES

Tuesday, October 28, 2014

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

Regular Closed Session Meeting

President Andy Katz called to order the Regular Closed Session Meeting of the Board of Directors at 11:09 a.m. in the Administration Center Board Room.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins, Director of Water and Natural Resources Richard G. Sykes (Item 1), Attorney Frederick S. Etheridge (Item 1), Director of Operations and Maintenance Michael J. Wallis (Item 2), Manager of Real Estate Services Stephen J. Boeri (Item 2), and Attorney Derek T. McDonald (Item 2).

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENT OF CLOSED SESSION AGENDA

President Katz announced the Closed Session agenda. The Board convened to Conference Room 8A/B for discussion.

Regular Business Meeting

President Andy Katz called to order the Regular Business Meeting of the Board of Directors at 1:20 p.m. in the Administration Center Board Room.

ROLL CALL

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

Staff present included General Manager Alexander R. Coate, General Counsel Jylana Collins and Secretary of the District Lynelle M. Lewis.

BOARD OF DIRECTORS

President Katz led the Pledge of Allegiance.

PRESENTATION

General Manager Alexander R. Coate acknowledged the 2014 recipients of the WaterSmart Business Certification awards. The goal of the WaterSmart Certification Program is to help business customers identify and implement water efficient measures to use water wisely in their operations. This year, eight new businesses and eight re-certified businesses have achieved outstanding water efficiency at their respective sites.

On behalf of the Board, President Katz presented the awards to the following recipients: Bacchus Press, Castro Valley Chamber of Commerce, City of Alameda Public Works Department (Central Equipment Garage), City of Berkeley Civic Center and Provo Park, Give Something Back – Oakland, Lake Merritt Dental, Oakland Marriott City Center, iSong Orthodontics, Contra Costa Association of Realtors, and Hesperian Cleaners. Those recipients that were unable to attend are: Alameda Municipal Power, Autumn Press, Inc., Berkeley Chamber of Commerce, David Brower Center, Grandma’s Garage, and Revolution Foods. The Board thanked and applauded the successful businesses for their efforts to conserve water.

ANNOUNCEMENTS FROM CLOSED SESSION

There were no announcements required from closed session.

PUBLIC COMMENT

There was no public comment.

CONSENT CALENDAR

- Motion by Director Coleman, seconded by Director Patterson, to approve Items 1-8 on the Consent Calendar (with a modification to remove Policy 4:20 from consideration in Item 8), carried (7-0) by the following voice vote: AYES (Coleman, Foulkes, Linney, McIntosh, Mellon, Patterson, and Katz); NOES (None); ABSTAIN (None); ABSENT (None).
1. **Motion No. 171-14** – Approved the Regular Meeting Minutes of October 14, 2014.
 2. The following correspondence was filed with the Board: 1) Presentation entitled “Proposed FY 2015 Financing Plan and De-Risking and Refunding Transactions,” dated October 28, 2014.

3. **Motion No. 172-14** – Awarded a contract to the lowest responsive/responsible bidder, Golden Gate Freightliner Inc. (dba Golden Gate Truck Center), in an amount, after the addition of taxes, not to exceed \$3,020,256 annually in years one and two and an annual amount of \$565,953 in years three through five for supplying medium and heavy duty trucks for the District fleet. The contract is for three years, beginning on or after October 28, 2014 with two options to renew for an additional one-year period for a total cost of \$7,738,372 under Request for Quotation (RFQ) No. 1509.
4. **Motion No. 173-14** – Authorized an agreement beginning on November 1, 2014 with Cameron Compression for an amount not to exceed \$200,000 annually for turbine air compressor overhaul, repair, and parts refurbishment for three years with two options to renew for an additional one-year period, for a total cost of \$1,000,000 under PUR 089.
5. **Motion No. 174-14** – Authorized an enterprise licensing agreement beginning November 17, 2014 with Environmental Systems Research Institute in an amount not to exceed \$160,000 annually for software licensing as well as maintenance and support for their Geographical Information System for three years with three options to renew for an additional one-year period for a total cost of \$960,000.
6. **Motion No. 175-14** – Authorized an agreement with Illingworth & Rodkin, Inc. in an amount not to exceed \$219,892 for noise and vibration monitoring services during the construction of the Summit Reservoir Replacement Project.
7. **Motion No. 176-14** – Authorized an agreement with TERRA/GeoPentech in an amount not to exceed \$1,665,191 for the design of the Chabot Dam Seismic Upgrade during the period November 1, 2014 to January 31, 2017.
8. **Resolution No. 34005-14** – Adopting Revised Policy 2.05, Employee Discipline; Revised Policy 2.13, Outside Employment; Revised Policy 2.21, Employee Appeal And Grievance; Revised Policy 2.22, Communication With Unions; Revised Policy 7.08, Residences–District-Owned; Revised Policy 7.13, Security; And Adopting New Policy 4.25, Municipal Securities Disclosure.

DETERMINATION AND DISCUSSION

9. **Second Reading And Adoption Of An Ordinance Amending The Regional Private Sewer Lateral Ordinance (Ordinance No. 359) To Amend Sections 3, 4, 5, 6, 7, 8, 10, 14 And 18.**
 - Motion by Director Mellon, seconded by Director Linney, to approve recommended action, carried (7-0) by the following voice vote: AYES (Coleman, Foulkes, Linney, McIntosh, Mellon, Patterson, and Katz); NOES (None); ABSTAIN (None); ABSENT (None).

Ordinance No. 362-14 – An Ordinance Amending Sections 3, 4, 5, 6, 7, 8, 10, 14 And 18 Of Ordinance No. 359, Which Is The Regional Private Sewer Later Ordinance.
(*Second Reading and Vote*)

10. **Legislative Update.**

Manager of Legislative Affairs Marlaigne K. Dumaine summarized actions taken during the 2014 legislative session and highlighted possible changes for the East Bay delegation following the November 4 general election. Ms. Dumaine said that she would be reporting on State Legislative Initiatives for 2015 Legislative Year at the November 12 meeting. President Katz thanked Ms. Dumaine for all her work during the legislative session to protect the interests of the District.

11. **Approve The Proposed Financing Plan For Fiscal Year 2015, And Authorize And Approve Four Resolutions All Covering The Issuance And Sale Of One Or More Series Of Water And Wastewater System Revenue Refunding Bonds In Connection With The Potential Refunding Of Outstanding Variable And Fixed Rate Bonds.**

Principal Management Analyst Dari Barzel presented a proposed financing plan for fiscal year 2015. The planned transactions include market opportunities for de-risking and refunding, administration of existing debt portfolio and issuance of new money bonds to fund projects in the Capital Improvement Program (CIP).

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

Resolution No. 34006-14 – Authorize And Approve The Issuance And Sale From Time To Time Of One Or More Series Of Water System Revenue Refunding Bonds In Connection With The Potential Refunding Of Outstanding Variable Rate Bonds; Approve The Form Of, And Authorize, Certain Document In Connection With The Issuance, Securing And Sale Of Such Bonds; And Approve Certain Actions Relating Thereto.

Resolution No. 34007-14 – Authorize And Approve The Issuance And Sale From Time To Time Of One Or More Series Of Wastewater System Revenue Refunding Bonds In Connection With The Potential Refunding Of Outstanding Variable Rate Bonds; Approve The Form Of, And Authorize, Certain Document In Connection With The Issuance, Securing And Sale Of Such Bonds; And Approve Certain Actions Relating Thereto.

Resolution No. 34008 -14 – Authorize And Approve The Issuance And Sale From Time To Time Of One Or More Series Of Water System Revenue Refunding Bonds In Connection With The Potential Refunding Of Outstanding Fixed Rate Bonds; Approve The Form Of, And Authorize, Certain Document In Connection With The Issuance, Securing And Sale Of Such Bonds; And Approve Certain Actions Relating Thereto.

Resolution No. 34009-14 – Authorize And Approve The Issuance And Sale From Time To Time Of One Or More Series Of Wastewater System Revenue Refunding Bonds In Connection With The Potential Refunding Of Outstanding Fixed Rate Bonds; Approve The Form Of, And Authorize, Certain Document In Connection With The Issuance, Securing And Sale Of Such Bonds; And Approve Certain Actions Relating Thereto.

12. General Manager's Report.

General Manager Alexander R. Coate provided a status update on the outreach conducted for the EBMUD Special Meetings on drought response. He reported that the first meeting was held on October 23 in Walnut Creek and the next meeting was planned for October 29 in Richmond.

REPORTS AND DIRECTOR COMMENTS

13. Committee Reports.

- Filed with the Board were the Planning Committee Minutes of October 14, 2014.

14. Director Comments.

- Director Coleman reported attending/participating in the following events: Meeting with Mario Juarez on October 14 in Oakland; ACWA Best of Blue teleconference on October 15 in Oakland; speaking engagement for ACWA to American Council of Engineering Companies on water issues on October 15 in Walnut Creek; panelist at ACWA Groundwater Conference on October 16 in Sacramento; ACWA dinner meeting with agricultural interests on October 16 in Visalia; ACWA Region 6 and 7 meeting on October 17 in Visalia; ACWA Region 5 reception on October 19 in Livermore; ACWA Region 5 meeting on October 20 in Livermore; ACWA Emissary and Executive Committee teleconference meetings on October 21 in Oakland; EBMUD Special Meeting on drought response on October 23 in Walnut Creek; Upper Mokelumne River Watershed Authority Board meeting on October 24 at Pardee Reservoir; ACWA Region 8, 9, and 10 reception on October 26 in Del Mar; and ACWA Region 8, 9, and 10 region meeting on October 27 in Del Mar. He reported on plans to attend/participate in the following upcoming events: Bay Area Council Dinner on October 29 in San Francisco; Realtors Marketing Group meeting on October 30 in San Ramon; EBMUD biosolids meeting on October 30 in Oakland; ACWA Executive Committee teleconference meeting on November 3; panelist on San Joaquin River for ACWA Brower Center on November 5 in Berkeley; ACWA Executive Committee teleconference meeting on November 10 in Oakland; and Mt. Diablo Silverado Boy Scout Council Executive Board meeting on November 11 in Pleasant Hill.
- Director Foulkes reported attending ACWA Region 5 conference October 19-20, in Livermore; and the Oakland Youth Leadership conference on October 25 in Oakland.
- Director Linney had no report.
- Director McIntosh reported attending the Council of Industries annual boat cruise on September 24 in Richmond, ACWA Region 5 conference on October 19-20 in Livermore, and the ACWA Region 5 Board meeting on October 25.

- Director Mellon reported making a presentation on the drought to the Rotary Club of San Leandro on September 24; attending the City of San Ramon monthly Mayor's meeting on September 26; EBMUD annual Pardee Barbeque on October 3 in Calaveras County; representing EBMUD at the Contra Costa Special Districts Association meeting October 20 in Martinez; and attending the International Foundation's 60th Annual Employee Benefit Conference from October 12-15 in Boston, MA.
- Director Patterson reported attending the state conference of the NAACP on October 25 in Redwood City.
- President Katz reported attending the Oakland African American Chamber of Commerce on October 15; and EBMUD Special Meeting on drought response on October 23 in Walnut Creek.

ADJOURNMENT

President Katz adjourned the meeting at 2:11 p.m.

SUBMITTED BY:

Lynelle M. Lewis, Secretary of the District

APPROVED: November 12, 2014

Andy Katz, President of the Board

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AGENDA NO. 3.
 MEETING DATE November 12, 2014

TITLE ADELINE MAINTENANCE CENTER COMPLEX FIRE ALARM SYSTEM UPGRADE

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Award a contract to the lowest responsive/responsible bidder, Triple S Electric Co., in the amount of \$489,200 for construction of Adeline Maintenance Center (AMC) Complex Fire Alarm System (FAS) Upgrade under Specification 2062A.

SUMMARY

Work includes replacement of the existing FAS for the six buildings at the AMC complex with a new FAS utilizing new fire detection and annunciation devices, fire alarm control units, and wiring.

DISCUSSION

The existing FAS at the AMC complex is 15 years old and is nearing obsolescence. The existing alarm panels and smoke detectors have become difficult to repair as spare parts are not readily available and are increasingly more difficult to obtain. Since the existing system was installed, the National Fire Alarm and Signaling Code and the California Fire Code have been updated for improved building occupant safety and response notification. This project will restore the system reliability by replacing the obsolete alarm panels, and detection and notification appliances, with new equipment and wiring that meets current codes. The new FAS will also have common equipment with the new FAS at the Oakland Administration Building (AB) for efficient operations and maintenance and for communicating alarms to the new AB Building Management Control System.

BID RESULTS

Bid documents were issued to 32 resource organizations and 17 prospective bidders. Eight bids were received, ranging from \$489,200 to \$930,970. The bid summary is attached. The engineer's estimate for this work is \$750,000. The low bid is approximately 35 percent lower than the engineer's estimate. Major factors accounting for the difference are the low bidder's plan to perform most of the labor utilizing its own workforce and a competitive bid environment.

Funds Available: FY14-15; CIP #003033; Page 3		Budget Code: WSC\570\7999\5561\2006762:25
DEPARTMENT SUBMITTING <u>Engineering and Construction</u>	DEPARTMENT MANAGER or DIRECTOR Xavier J. Irias	APPROVED General Manager

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

The lowest responsive/responsible bidder, Triple S Electric Co., is licensed to perform work in California, and is not on the Department of Industrial Relations debarment list. In the past five years, Triple S Electric Co. has not filed a Government Code Claim against the District, and has not initiated any litigation against the District.

CONTRACT EQUITY PROGRAM EFFORTS

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

FISCAL IMPACT

This item is included in the FY14-15 Capital Improvement Program for the Administration Building Modifications Project under the Area Service Center/Building Program.

PREVAILING WAGE

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

UNION NOTIFICATION

Local 444 was notified of this contract on November 7, 2012. Local 444 had questions that were resolved. Local 444 did not raise additional issues related to this contract.

CEQA/ENVIRONMENTAL COMPLIANCE

A Notice of Exemption was posted with the Alameda County Clerk on October 2, 2013.

ALTERNATIVES

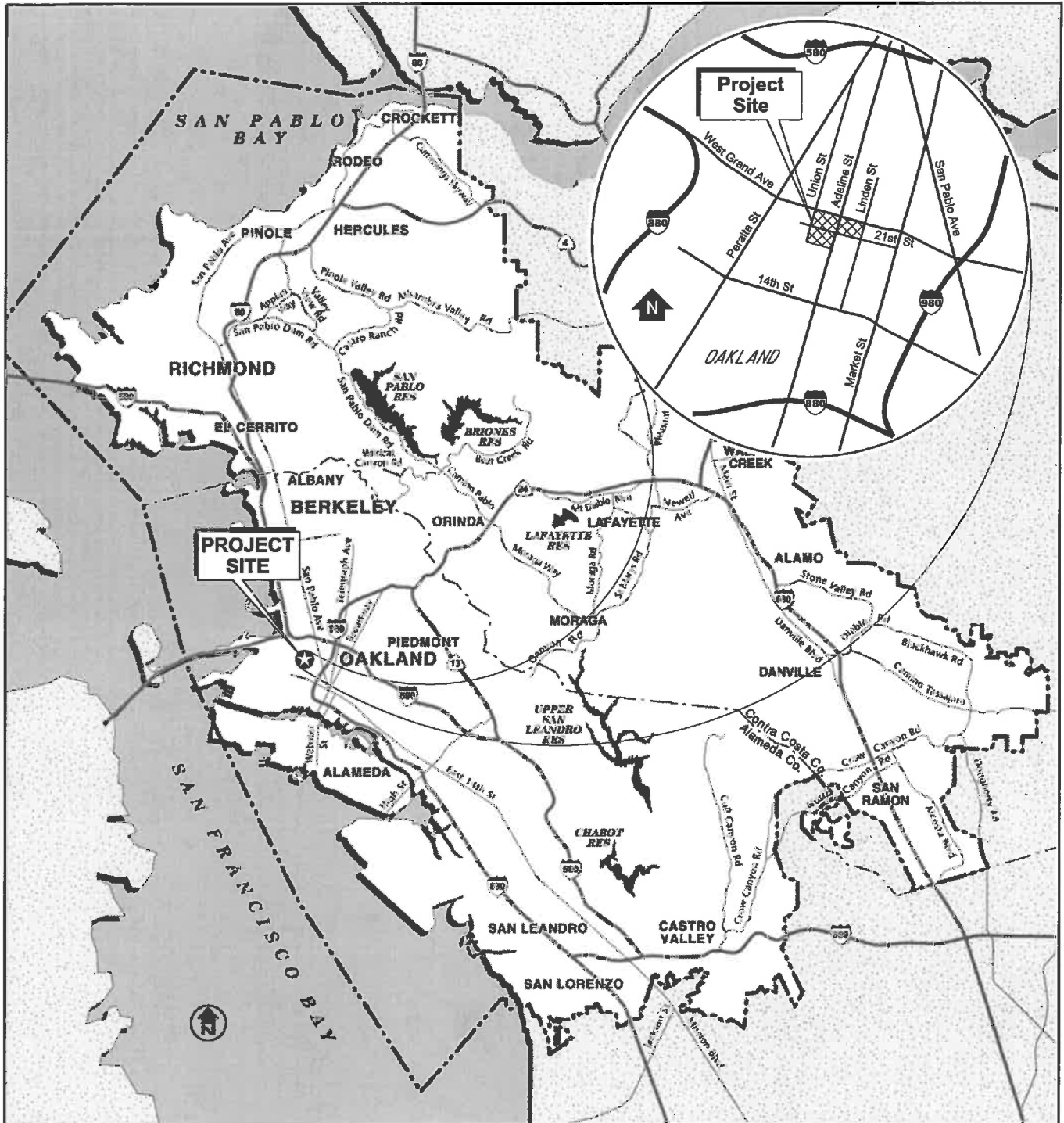
Perform the work with District forces. This alternative is not recommended because fire alarm construction is specialized work requiring specific certification and licensing. The District does not have certified and licensed staff for fire alarm construction and District forces do not normally perform this work.

Do not perform the work. This alternative is not recommended because the existing fire alarm system is failing and replacement parts are no longer readily available. A functioning and maintainable fire alarm system is required for occupancy of the AMC facilities.

Adeline Maintenance Center Complex Fire Alarm System Upgrade
November 12, 2014
Page 3

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

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**PROJECT SITE
LOCATION MAP**

NOT TO SCALE

EAST BAY MUNICIPAL UTILITY DISTRICT

**ADELINE MAINTENANCE CENTER
COMPLEX FIRE ALARM SYSTEM
UPGRADE**

SPECIFICATION 2062A

EAST BAY MUNICIPAL UTILITY DISTRICT
SPECIFICATION 2062A
ADELINE MAINTENANCE CENTER COMPLEX
FIRE ALARM SYSTEM UPGRADE
Bids Opened October 15, 2014

	BIDDER	TOTAL AMOUNT BID
1.	Triple S Electric Co. (SBE) 2426 Otis Dr. Alameda, CA 94501 (510) 523-8563	\$489,200 / 464,740*
2.	Security Engineers, Inc. (SBE) 1457 Sos Dr. Walnut Creek, CA 94597 (800) 540-2140	\$523,987 / 499,527*
3.	Tri-Signal Integration, Inc. 15853 Monte St. Suite 101 Sylmar, CA 91342 (818) 566-8558	\$536,000
4.	Mike Brown Electric Co. 561-A Mercantile Dr. Cotati, CA 94931 (707) 792-8100	\$595,942
5.	CF Contracting, Inc. (SBE) 2525 Vanness Ave. Suite 210 San Francisco, CA 94109 (415) 721-7160	\$636,000 / 611,540*
6.	Ray's Electric (SBE) 411 Pendleton Wy. Oakland, CA 94621 (510) 577-7700	\$770,880 / 746,420*
7.	B Side, Inc. (SBE) 1940 Union St., #9 Oakland, CA 94607 (510) 451-7527	\$925,000 / 900,540*
8.	PARC Services, Inc. 1020 Shannon Ct. Livermore, CA 94550 (925) 371-4610	\$930,970

SBE – Small Business Enterprise

*Effective Bid Amount due to SBE discount (5%, not to exceed \$250,000)

Engineer's Estimate: \$750,000



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE SPECIFICATION NO.: 2062A Adeline Maintenance Center Complex Fire Alarm System Upgrade	DATE: October 22, 2014
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CONTRACTOR:		PERCENTAGE OF CONTRACT DOLLARS			
Triple S Electric Co. Alameda, CA		Local/Small Business	Availability Group	Contracting Objectives	Participation
BID/PROPOSER'S PRICE:	FIRM'S OWNERSHIP		White Men	25%	72.0%
	Ethnicity	Gender	White Women	6%	1.2%
	\$489,200	White	Men	Ethnic Minorities	25%

CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Triple S Electric Co.	\$252,200	White	X		51.6%	---	---	---	---	---	---
SUBS: Pyro-Comm Systems, Inc.	\$100,000	White	X		20.4%	---	---	---	---	---	---
Catco Services	\$131,000	Black		X	---	---	26.8%	---	---	---	---
Forward Associates	\$6,000	White		X	---	1.2%	---	---	---	---	---
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TOTAL	\$489,200				72.0%	1.2%	26.8%	0.0%	0.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)				
	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	2	0	2	4
Percent of Total Employees:	50.0%	0.0%	50.0%	
MSA Labor Market %:	28.0%	24.2%	47.8%	
MSA Labor Market Location:	Oakland, CA			

COMMENTS

Contract Equity Participation - 72% White Men participation, 1.2% White Women participation and 26.8% Ethnic Minority participation.

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	YES	



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Adeline Maintenance Center Complex Fire Alarm System Upgrade		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
		National	10.5	10.7	3.7	0.7	27.3		
Spec. No.:	DATE:	10/22/2014	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 - L/SBE	Company Wide	-	2	-	-	2	50.0%	47.8%
Triple S Electric Co. Stephen Slauson 2426 Otis Drive Alameda, CA 94501 510-846-6529		Manager/Prof	-	-	-	-	0	0.0%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	-	2	-	-	2	66.7%	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	-	-	-	-	0	0.0%	39.9%
		AA Plan on File:	NA		Date of last contract with District:		NA		
		Co. Wide MSA:	Oakland, CA		# Employees-Co. Wide:		4	Bay Area:	4
S	WM - LBE	Company Wide	7	65	7	1	80	41.5%	48.4%
Pyro-Comm Systems, Inc. 10966 Bigge San Leandro, CA 94577 510-632-1208		Manager/Prof	-	4	1	-	5	26.3%	
		Technical/Sales	-	9	1	-	10	37.0%	
		Clerical/Skilled	2	13	-	-	15	39.5%	
		Semi/Unskilled	5	39	5	1	50	45.9%	
		Bay Area	7	5	4	1	17	54.8%	39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		193	Bay Area:	31
S	EMM:B - L/SBE	Company Wide	1	-	-	-	1	100.0%	47.8%
Catco Services Carolyn Taylor 8055 Alvarado St. San Leandro, CA 94577 510-655-4401		Manager/Prof	1	-	-	-	1	100.0%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	-	-	-	-	-	NA	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	1	-	-	-	1	100.0%	39.9%
		Co. Wide MSA:	Oakland, CA		# Employees-Co. Wide:		1	Bay Area:	1
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:	# Employees-Co. Wide:		Bay Area:				
P	WM - L/SBE	Company Wide	-	2	-	-	2	18.2%	46.2%
Security Engineers, Inc. 1457 Sos Dr. Walnut Creek, CA 94597 800-540-2140		Manager/Prof	-	-	-	-	0	0.0%	
		Technical/Sales	-	2	-	-	2	33.3%	
		Clerical/Skilled	-	-	-	-	0	0.0%	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	-	-	-	-	0	0.0%	39.9%
		Co. Wide MSA:	Alameda/CC Counties		# Employees-Co. Wide:		11	Bay Area:	11
P	WM - LBE	Company Wide	5	71	3	-	79	40.7%	48.4%
Tri-Signal Integration, Inc. 14674 Doolittle Dr. San Leandro, CA 94577 818-566-8558		Manager/Prof	-	2	-	-	2	9.5%	
		Technical/Sales	4	47	1	-	52	43.0%	
		Clerical/Skilled	-	18	2	-	20	45.5%	
		Semi/Unskilled	1	4	-	-	5	62.5%	
		Bay Area	5	6	1	-	12	66.7%	39.9%
		Co. Wide MSA:	California		# Employees-Co. Wide:		194	Bay Area:	18

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: Adeline Maintenance Center Complex Fire Alarm System Upgrade		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN			
General Services Agreement		DATE: 10/22/2014	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=Recommnd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
P	WM	Company Wide	2	9	1	-	12	20.0%	39.9%
Mike Brown Electric Co. James G. Brown 561-A Mercantile Drive Cotati, CA 94931 717-792-8100		Manager/Prof	-	2	-	-	2	16.7%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	2	1	1	-	4	14.3%	
		Semi/Unskilled	-	6	-	-	6	30.0%	
		Bay Area	2	9	1	-	12	20.0%	39.9%
717-792-8100		Co. Wide MSA:	9 Bay Area Counties		# Employees-Co. Wide: 60		Bay Area: 60		
P	WM - SBE	Company Wide	EE01 Data Not Provided.						
CF Contracting Inc. 2525 Van Ness Ave., Suite 210 San Francisco, CA 94109 415-721-7160		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							
415-721-7160		Co. Wide MSA:							
P	WM - L/SBE	Company Wide	-	23	2	1	26	86.7%	47.8%
Ray's Electric 411 Pendleton Way Oakland, CA 94621 510-577-7700		Manager/Prof	-	3	2	-	5	71.4%	
		Technical/Sales	-	1	-	-	1	50.0%	
		Clerical/Skilled	-	3	-	1	4	100.0%	
		Semi/Unskilled	-	16	-	-	16	94.1%	
		Bay Area	-	23	2	1	26	86.7%	39.9%
510-577-7700		Co. Wide MSA:	Oakland		# Employees-Co. Wide: 30		Bay Area: 30		
P	WM - L/SBE	Company Wide	-	7	-	-	7	33.3%	47.8%
B Side Inc. 1940 Union St., #9 Oakland, CA 94607 510-451-7527		Manager/Prof	-	-	-	-	0	0.0%	
		Technical/Sales	-	1	-	-	1	33.3%	
		Clerical/Skilled	-	2	-	-	2	50.0%	
		Semi/Unskilled	-	4	-	-	4	50.0%	
		Bay Area	-	-	-	-	0	0.0%	39.9%
510-451-7527		Co. Wide MSA:	Insert MSA		# Employees-Co. Wide: 21		Bay Area: 21		
P	EMM:H - LBE	Company Wide	1	11	-	-	12	60.0%	48.4%
PARC Services, Inc. 1020 Shannon Court Livermore, CA 94550 925-371-4610		Manager/Prof	1	-	-	-	1	20.0%	
		Technical/Sales	-	-	-	-	-	NA	
		Clerical/Skilled	-	-	-	-	0	0.0%	
		Semi/Unskilled	-	11	-	-	11	84.6%	
		Bay Area	-	9	-	-	9	60.0%	39.9%
925-371-4610		Co. Wide MSA:	California		# Employees-Co. Wide: 20		Bay Area: 15		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		

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



AGENDA NO.

4.

MEETING DATE

November 12, 2014

TITLE AMENDMENT TO ORACLE/PEOPLESFT REVENUE-BASED LICENSING AGREEMENT

MOTION RESOLUTION ORDINANCE

RECOMMENDED ACTION

Authorize an amendment to the February 4, 1997 agreement with Oracle Corporation (Oracle) in an amount not to exceed \$331,000 for software licensing for PeopleSoft Financials software and all associated modules.

SUMMARY



The District uses PeopleSoft Financials software and associated modules to produce employee payrolls, maintain the General Ledger, and manage project costs. In the original agreement with PeopleSoft dated February 4, 1997, the District's license cost was based on net revenue. The contract included a clause that incrementally increases license fees in the event the District revenue grew in the future. PeopleSoft is now owned by Oracle and Oracle now licenses this product. This Board action will allow the District to amend the agreement with Oracle, pursuant to the original agreement, based on current District revenue. This will allow for PeopleSoft licenses to be paid and stay current so the District may continue to use PeopleSoft software. PeopleSoft may conduct another revenue review in the future, and in the event the District's revenue has increased, additional license fees may be required at that time.

VENDOR SELECTION

The District agreed to the terms of this amendment, including the license cost in the original agreement with PeopleSoft dated February 4, 1997. All fees included in this amendment are pursuant to that original agreement. Without this amendment the critical PeopleSoft Financials software and associated modules would be unlicensed, and the District would not be able to use it going forward.

CONTRACT EQUITY PROGRAM EFFORTS

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

Funds Available: FY15		Budget Code: WSO/251/6043/5243	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR	APPROVED	
Information Systems	 Nicholas J. Irias	 General Manager	

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

FISCAL IMPACT

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

ALTERNATIVE

Do not use PeopleSoft software for financial functions in the short-term. This alternative is not recommended because this is mission-critical software, so the evaluation and potential change of vendors needs to be a thoughtful, deliberate process. The District intends to replace our PeopleSoft financial system in the next five years. It is not feasible to complete that process prior to paying the additional license fees.

Attachments

P-035 – Contract Equity Program Summary

P-061 – Affirmative Action Summary



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Amendment to General Services Agreement Oracle/Peoplesoft Revenue-Based Licensing Contract Amendment	DATE: October 28, 2014
--	----------------------------------

CONTRACTOR:		PERCENTAGE OF CONTRACT DOLLARS			
Oracle Corporation Redwood City, CA	Sole Source	Availability Group	Contracting Objectives	Participation	
BID/PROPOSER'S PRICE: \$331,000	FIRM'S OWNERSHIP		White Men	25%	0.0%
	Ethnicity	Gender	White Women	6%	0.0%
	Publicly Held Corp.		Ethnic Minorities	25%	0.0%

CONTRACT EQUITY PARTICIPATION											
COMPANY NAME	ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
			M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Oracle Corporation	\$331,000	Publicly Held Corp.			--	--	--	--	100.0%	--	--
SUBS: None					--	--	--	--	--	--	--
TOTAL	\$331,000				0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)				
	White Men	White Women	Ethnic Minorities	Total Employees
No. of Employees:	20,241	7,716	16,034	43,991
Percent of Total Employees:	46.0%	17.5%	36.4%	
MSA Labor Market %:	39.0%	33.7%	27.2%	
MSA Labor Market Location:	USA			

COMMENTS

Contract Equity Participation - Zero Contract Equity participation since firm is a publicly held corporation and no subcontract opportunities exist.

Workforce Profile & Statement of Nondiscrimination Submitted	Good Faith Outreach Efforts Requirement Satisfied	Award Approval Recommended
NA	NA	



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Oracle/Peoplesoft Revenue-Based Licensing Contract Amendment		Ethnic Minority Percentages From U.S. Census Data							
			B	H	A/PI	AI/AN	TOTAL		
General Services Agreement		DATE: 10/28/2014	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	Number of Ethnic Minority Employees							
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %
RP	Publicly Held Corp.	Company Wide	1,160	1,811	12,360	103	15,434	35.1%	27.2%
Oracle Corporation 500 Oracle Parkway Redwood City, CA 94065 408-642-2847		Manager/Prof	799	1,384	11,467	75	13,725	40.3%	
		Technical/Sales	310	345	827	26	1,508	16.4%	
		Clerical/Skilled	51	82	66	2	201	27.3%	
		Semi/Unskilled	-	-	-	-	-	NA	
		Bay Area	-	-	-	-	-	NA	39.9%
		AA Plan on File:	NA		Date of last contract with District:		5/31/2014		
		Co. Wide MSA:	USA		# Employees-Co. Wide:		43,991 Bay Area: 0		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		
		Company Wide							
		Manager/Prof							
		Technical/Sales							
		Clerical/Skilled							
		Semi/Unskilled							
		Bay Area							39.9%
		Co. Wide MSA:			# Employees-Co. Wide:		Bay Area:		

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



AGENDA NO. 5.
 MEETING DATE November 12, 2014

TITLE CHLORAMINATION BOOSTING STATIONS

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Authorize the direct award to Process Solutions, Inc. (PSI) for an estimated amount of \$1,200,000 (including tax) for the purchase of four chloramine boosting stations and support services to be installed at various distribution reservoirs.

SUMMARY

The chloramine boosting station manufactured by PSI is a modular system and includes an enclosed trailer and mixing system. The mixing system is installed inside the reservoir and mixes ammonia and sodium hypochlorite to form chloramine. The trailer contains the sodium hypochlorite generation system and ammonia, has double containment for the chemicals stored, and includes all the equipment necessary for the boosting station. The sodium hypochlorite is generated onsite from a brine solution, and the ammonia is low concentration. The automated system boosts and maintains the appropriate chlorine disinfection level in reservoirs that have historically low chlorine levels. This item was presented to the Planning Committee on October 14, 2014.

DISCUSSION

A number of the District's distribution reservoirs experience low chlorine residuals due to water age and other factors such as nitrification. In order to maintain the chlorine residual, District staff periodically treat these reservoirs with free chlorine. However, treatment with free chlorine requires significant staff time and can result in the formation of disinfection byproducts (DBPs). Chloramine is a more stable disinfectant than free chlorine, maintains a disinfectant residual longer in the distribution system, and minimizes the formation of DBPs.

The District conducted a pilot study of the PSI system at Tice Reservoir in Walnut Creek for three months beginning on July 1, 2014. During the pilot, the system was successful in maintaining a consistent chlorine residual within the reservoir without any signs of nitrification. The boosting station may also aid in increasing the chlorine residual in the pressure zones above the reservoir where the boosting occurs. Three other distribution reservoirs have been preliminarily identified that could benefit from the installation of the chloramine boosting system. The trailers will be painted to match the color of the

Funds Available: FY15		Budget Code: 773/5321/5311
DEPARTMENT SUBMITTING <u>Water Operations</u>	DEPARTMENT MANAGER or DIRECTOR <u>Eileen M. White</u> Eileen M. White	APPROVED <u>[Signature]</u> General Manager

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

reservoirs where they will be installed, and the aesthetic impact of the trailers to the neighborhood will be evaluated for each installation. At the Tice Reservoir site, the trailer is not visible from the homes in the neighborhood.

VENDOR SELECTION

The PSI system and a second system from Pax Water Technologies were identified in a search of industry journals, the Internet, and discussions with other water agencies. Following the search, Pax changed their business plan and no longer offers a system, leaving the PSI system as the only alternative to breakpoint treatment to maintain disinfection levels in distribution reservoirs.

CONTRACT EQUITY PROGRAM EFFORTS

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

FISCAL IMPACT

Funds are available for this purchase in the FY15 budget.

ALTERNATIVES

Do not purchase the product and continue manually treating reservoirs with free chlorine. This alternative is not recommended because it requires significant staff time and results in the formation of DBPs.

Purchase another product. This alternative is not recommended since staff was unable to identify another manufacturer or supplier of a system that offers the functionality needed by the District.

Attachments

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



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Materials & Supplies Chloramination Boosting Stations						DATE: October 22, 2014						
CONTRACTOR: Process Solutions, Inc. Campbell, CA				Direct Award/SBE		PERCENTAGE OF CONTRACT DOLLARS						
						Availability Group		Contracting Objectives		Participation		
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men		25%		100.0%				
		Ethnicity	Gender	White Women		2%		0.0%				
\$1,200,000		White	Men	Ethnic Minorities		25%		0.0%				
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: Process Solutions, Inc.		\$1,200,000	White			100.0%	--	--	--	--	--	--
SUBS: None						--	--	--	--	--	--	--
						--	--	--	--	--	--	--
						--	--	--	--	--	--	--
						--	--	--	--	--	--	--
						--	--	--	--	--	--	--
						--	--	--	--	--	--	--
TOTAL		\$1,200,000				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		20		10		2		32				
Percent of Total Employees:		62.5%		31.3%		6.3%						
MSA Labor Market %:		26.9%		21.0%		52.1%						
MSA Labor Market Location:		San Jose, CA										
COMMENTS												
<i>Contract Equity Participation - 100% White Men participation and no subcontract opportunities exist.</i>												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
ON FILE				NA								



AFFIRMATIVE ACTION SUMMARY (P-061)

(Completed by District)

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

Title: Chloramination Boosting Stations		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			
Materials & Supplies Award		DATE: 10/22/2014	9 Bay Area Counties		5.5	16.2	14.2	0.4	39.9	
			Alameda/CC Counties		10.7	15.6	15.4	0.5	46.2	
R=Recmmd P=Prime S=Sub	Composition of Ownership	Number of Ethnic Minority Employees								
Company Name, Owner/Contact Person, Address, and Phone Number			B	H	A/PI	AI/AN	TOTAL	PERCENT	MSA %	
RP	WM-SBE	Company Wide	-	1	1	-	2	6.3%	52.1%	
Process Solutions, Inc. 1077 Dell Ave, Suite A Campbell, CA 95008 408-370-6540		Manager/Prof	-	-	-	-	0	0.0%		
		Technical/Sales	-	-	-	-	0	0.0%		
		Clerical/Skilled	-	1	1	-	2	16.7%		
		Semi/Unskilled	-	-	-	-	-	NA		
		Bay Area	-	1	1	-	2	6.3%		
		AA Plan on File:	YES		Date of last contract with District:		3/20/2014			
		Co. Wide MSA:	San Jose, CA		# Employees-Co. Wide:		32 Bay Area: 32			
		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. 6.
 MEETING DATE November 12, 2014

TITLE AMEND AGREEMENT FOR DISTRICT VALUES ASSESSMENT PROJECT

MOTION _____ RESOLUTION _____ ORDINANCE _____

RECOMMENDED ACTION

Authorize an amendment to an agreement with the Schnur Consulting Group in the amount of \$59,800, increasing the total amount of the agreement to \$122,300, for services related to research and clarification of organizational values beginning November 13, 2014.

SUMMARY

On March 20, 2014, the District entered into an agreement with the Schnur Consulting Group (consultant) in the amount of \$62,500 via General Manager authority. The purpose of the initial agreement was to assess the values of employees and what they view as strengths and weaknesses of the organization. With 50 percent of the organization eligible for retirement in the next 5 years, the assessment will help the District clarify for existing and new employees what values we hold and in so doing, align our organization and increase efficiency. Ten percent of District employees were interviewed and a report was prepared.

This item seeks Board approval to extend the agreement with the consultant to complete this effort. The proposed amendments include work to assist the District in:

- Presenting report findings to all EBMUD employees,
- Engaging employees in discussions to clarify the values, and
- Creating cross-functional employee teams to define the District’s values and determine ways to embed the values into District work processes and employee/workplace culture.

This item was discussed at the November 12, 2014 Legislative/Human Resources Committee meeting.

DISCUSSION

The District’s Strategic Plan includes a Workforce Planning and Development goal to “create an environment that attracts, retains, and engages a high performing diverse workforce in support of the District’s mission.” In October 2013, senior management discussed the looming retirement bubble, changing District demographics, and what organizational values would be key to ensuring the District can best assimilate new talent to carry out its mission. The discussion influenced the changes in the Strategic Plan document presented to the Board on May 27, 2014. Senior management is a small subset of the

Funds Available: FY		Budget Code:	
DEPARTMENT SUBMITTING	DEPARTMENT MANAGER or DIRECTOR	APPROVED	
Human Resources	<i>Delores Turner</i>	<i>Stewart K. Lewis</i>	
	Delores Turner	General Manager	

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

EBMUD workforce and there is a need to hear from others in the workforce about their perceptions of EBMUD as an employer. During the Strategic Plan presentation to the Board, staff reported on the plan to conduct an organizational values assessment, to learn what a cross-section of employees perceive as the values that attract, motivate, and engage top talent and to use the information to guide our efforts to recruit and recognize employee contributions toward meeting our organizational goals.

Project Phase 1

Phase 1 involved conducting small group interviews with employees randomly selected from throughout the District. These groups were representative of employees across all levels of the organization, job location, and job type. Participation was voluntary, with employees encouraged to participate during work hours. The consultant conducted interviews with 160 District employees. In October 2014, the results were shared with senior management and a memo was subsequently distributed to all staff sharing the planned roll-out of the interview findings. During the first week of November, findings were also presented to the management team and union leadership.

Project Phase 2

During Phase 2 of the project, senior management and the consultant will present the findings to District employees in meetings to be held in key District locations (Orinda, Wastewater, Pardee, Stockton, the four Maintenance yards, Adeline Maintenance Center and the Administration building). The goal is to conduct these presentation meetings between November 21 and December 13, 2014.

After the conclusion of the presentations, senior managers will work with the consultant to create cross-functional employee teams to define the District's values and determine ways to embed the values into District work processes and employee/workplace culture.

CONTRACT EQUITY PROGRAM EFFORTS

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

FISCAL IMPACT

Funds for this work are available in the FY15 budget.

UNION NOTIFICATION

Each of the locals was notified of this project and approach during the preliminary discussions in April and they have been supportive of this effort.

ALTERNATIVE

Do not approve amend the agreement. This alternative is not recommended based on the need for external perspectives and best practices to increase organizational effectiveness through the establishment of organizational values.

Attachments



CONTRACT EQUITY PROGRAM SUMMARY (P-035)

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

TITLE Amendment to Professional Services Agreement Extend Consulting Agreement for District Values Assessment Project						DATE: November 4, 2014						
CONTRACTOR:				PERCENTAGE OF CONTRACT DOLLARS								
The Schnur Consulting Group Orinda, CA		Direct Award L/SBE		Availability Group			Contracting Objectives		Participation			
BID/PROPOSER'S PRICE:		FIRM'S OWNERSHIP		White Men			25%		100.0%			
		Ethnicity	Gender	White Women			6%		0.0%			
\$59,800 *		White	Men	Ethnic Minorities			25%		0.0%			
CONTRACT EQUITY PARTICIPATION												
COMPANY NAME		ESTIMATED AMOUNT	ETHNICITY	GENDER		CONTRACTING PARTICIPATION						
				M	W	White-Men	White-Women	Ethnic Minorities	Unclassified	Publicly Held Corp.	Gov't/Non Profit	Foreign
PRIME: The Schnur Consulting Group		\$59,800	White	X		100.0%	---	---	---	---	---	---
SUBS:						---	---	---	---	---	---	---
TOTAL		\$59,800				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONTRACTOR'S WORKFORCES PROFILE (From P-025 Form)												
		White Men		White Women		Ethnic Minorities		Total Employees				
No. of Employees:		1		0		0		1				
Percent of Total Employees:		100.0%		0.0%		0.0%						
MSA Labor Market %:		33.3%		28.2%		38.5%						
MSA Labor Market Location:		Contra Costa County										
COMMENTS												
Contract Equity Participation - 100% White Men participation. *Original contract total \$62,500. Total contract increased to \$122,300.												
Workforce Profile & Statement of Nondiscrimination Submitted				Good Faith Outreach Efforts Requirement Satisfied				Award Approval Recommended				
NA				NA								

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: November 6, 2014
MEMO TO: Board of Directors
THROUGH: Alexander R. Coate, General Manager *ARC*
FROM: Marlaigne Dumaine, Manager of Legislative Affairs *MD*
SUBJECT: State Legislative Initiatives for 2015 Legislative Year

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.

The Office of Intergovernmental Affairs has received and evaluated one new staff proposal for sponsorship of legislation during the 2015 state legislative year (continue EBMUD's lien authority); two legislative initiatives are ongoing (protect EBMUD's interests in any water fee discussions, and protect EBMUD's water rights and supply). Evaluations of each of these three legislative initiatives currently proposed for 2015 are set forth below.

Two additional items have been under discussion but are not included as legislative initiatives at this time: a statewide mandate on the use of smart meters for all future water meter replacements and new installations, and protection of EBMUD's property tax revenue.

A request was made at the September 23, 2014 Board meeting to consider legislation mandating smart meters for all future water meter replacements and new installations. Staff is in the process of compiling information on smart meters and the associated infrastructure and will be presenting this information at the November 25, 2014 Finance/Administration Committee meeting. Should the Board elect to pursue a legislative initiative at that time, there is sufficient time remaining prior to the start of the 2015-16 legislative session for staff to prepare and present a legislative initiative proposal for Board consideration.

With regard to protection of property tax revenue, there are no significant indications that this will be an issue under discussion during the upcoming legislative session. If this changes, staff will inform the Board.

SUMMARY

The following legislative initiatives are evaluated in the attachment to this memo:

1. Eliminate the statutory 2015 sunset date on EBMUD's lien authority for delinquent water and wastewater charges.

State Legislative Initiatives for 2015 Legislative Year

November 6, 2014

Page 2

2. Protect EBMUD’s interests in any efforts to impose a statewide surcharge or public goods charge on water.
3. Protect EBMUD’s interests, including its water rights and water supply, as the legislature and the administration continue to consider water-related issues.

LEGISLATIVE PROPOSAL	2015 RECOMMENDATIONS
<p>1. Eliminate the statutory 2015 sunset date on EBMUD’s lien authority for delinquent water and wastewater charges.</p>	<p>Proceed – This proposal would provide EBMUD with continued lien authority for delinquent water and wastewater charges by removing a sunset date in existing law.</p> <p>Existing law, SB 1035 of 2010 (Chapter 485), which was co-sponsored by EBMUD and Alameda County, provides EBMUD the authority to place liens on residential real property for delinquent water and wastewater charges, sewer charges, fees, interest and penalties, and to roll unpaid delinquent charge amounts and unpaid lien amounts over to the appropriate property tax bill. However, this authority has a sunset date and will cease on January 1, 2016.</p> <p>As Alameda County was an active co-sponsor of SB 1035, staff will approach Alameda County to determine if there is interest in co-sponsoring this legislation.</p>
<p>2. Protect EBMUD’s interests in any efforts to impose a statewide surcharge or public goods charge on water.</p>	<p>Proceed – The legislature is likely to continue to explore the feasibility of some type of statewide surcharge or public goods charge on water to fund water-related programs such as water quality projects, water infrastructure projects, projects to provide safe drinking water for disadvantaged communities, or customer assistance programs.</p> <p>Staff will continue to work to ensure EBMUD’s interests are represented in any effort to impose such a charge.</p>
<p>3. Protect EBMUD’s interests as the legislature and the administration continue to consider water-related issues.</p>	<p>Proceed – Water is expected to remain a significant area of focus for the legislature and administration throughout 2015. As the drought continues, it is clear that discussions on water-related issues will include state mandated water use restrictions and water supplies.</p> <p>Staff will continue to advance EBMUD’s interests to protect its water supply and water rights on behalf of its ratepayers.</p>

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Attachment

STATE LEGISLATIVE INITIATIVES – 2015

INITIATIVE #1 – ELIMINATE THE STATUTORY 2015 SUNSET DATE ON EBMUD'S LIEN AUTHORITY FOR DELINQUENT WATER AND WASTEWATER CHARGES

BACKGROUND AND LIMITATIONS OF EXISTING LAW

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.

In January 2011, following the enactment of SB 1035, EBMUD adopted a program to collect unpaid multi-family residential (MFR) delinquent charges through lien filings and/or property tax collection by annual transfer to county property tax rolls (Lien Program). The Lien Program has been used as an alternative to terminating water service to tenants when the property owner or customer of record is unable to pay the delinquent charges.

Prior to SB 1035 and EBMUD's Lien Program the practice with regard to delinquent accounts was to terminate service after following a formal noticing procedure and work to collect the past due balances that accrued prior to service termination. Those balances that could not be collected were then deemed to be write-offs as uncollected account charges.

LEGISLATIVE CHANGE REQUESTED

This proposed legislation would be specific to EBMUD and would amend the Municipal Utility District Act to remove the sunset date in existing law, thereby 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.

ASSOCIATED FISCAL SAVINGS AND COSTS

The amount of account delinquencies varies but generally is in excess of \$1 million each year. Maintaining the ability to recover delinquent charges via lien authority rather than terminating water service and writing-off uncollected delinquent charges is beneficial to EBMUD ratepayers.

DISCUSSION

To address legislative committee staff concerns regarding implementation of a lien program SB 1035 included a sunset date and requirement that a report be submitted to the legislature by January 1, 2015 to provide information on the number of liens created and the overall effectiveness of the program. Staff will submit the required report to the legislature in compliance with SB 1035, and believes the data supports continuation of the lien authority.

Collection of delinquent MFR charges through the Lien Program has been an effective alternative to terminating water service. From January 2011 to July 2014, EBMUD filed a total of 3,779 liens representing \$2,647,000 in unpaid delinquent charges against property owners' parcels. Of this, more than half has been collected to date and, based on the collection rate in prior years, staff estimates that approximately \$2,500,000, or almost 94 percent, will be collected. In addition, \$671,000 in lien filing and property tax transfer fees have also been collected to recover the administrative costs. Additional information on the Lien Program is below.

January 2011 – June 2013

- Filed 1995 liens representing \$1,384,000 in unpaid delinquent charges.
- Collected \$1,298,000, or roughly 94 percent, directly from the property owners and via property tax rolls.

July 2013 – July 2014

- Filed 1784 liens representing \$1,263,000 in unpaid delinquent charges.
- Collected approximately \$306,000 directly from the property owners.
- The Board authorized the remaining \$957,000 to be transferred to the property tax rolls at the July 22, 2014 Board meeting. Based on the collection rate from the three prior years it is estimated that \$899,000 of the \$957,000 will be collected.

The Lien Program 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.

The proposed legislation is not a statewide issue and will only apply to EBMUD. As Alameda County was an active co-sponsor of SB 1035, staff will approach Alameda County to determine if there is interest in co-sponsoring this legislation.

INITIATIVE #2 – PROTECT EBMUD'S INTERESTS IN ANY EFFORTS TO IMPOSE A STATEWIDE SURCHARGE OR PUBLIC GOODS CHARGE ON WATER

The issue of a statewide surcharge or public goods charge on water may be discussed in the legislature during 2015. Such a charge can take the form of a surcharge imposed on water providers, such as urban

and agricultural suppliers, or be imposed directly on end users as part of their utility bill similar to the energy public goods charge. Though such a charge could be proposed for a specific purpose, such as to fund water quality projects, water infrastructure projects, projects to provide safe drinking water for disadvantaged communities, or customer assistance programs, the surcharge would likely be applied statewide and not limited to the areas where programs or projects would be located. While voters will consider a \$7.545 billion water bond, Proposition 1, in November, the amount of the bond is lower than some stakeholders would have liked. This lower bond amount and continued discussions on water-related issues coupled with the ongoing drought could spur discussions in the administration and the legislature regarding the imposition of a water surcharge.

In 1996, a public goods charge for electricity was passed in California as part of the energy sector deregulation. The California Public Utilities Commission subsequently took administrative action to continue collection of a surcharge. The energy surcharge appears on retail customer bills and the money collected from this charge is used to fund renewable energy projects within the service area of the utility collecting the funds, as well as research and development. With regard to water, the California Air Resources Board recommended a public goods charge for funding investments in water in its 2009 AB 32 Scoping Plan. An important distinction in most water surcharge proposals, however, is that collected funds would be distributed statewide and would not necessarily be re-invested in a water provider's service area. In this respect, such proposals likely constitute a "water tax" as opposed to a surcharge.

The concept of a water surcharge is not new. Following the example of the energy public goods charge, the prior administration expressed interest in assessing a charge for water users to help fund the state's water-related needs. In 2006, Governor Schwarzenegger proposed, and the legislature considered a statewide surcharge known as the Water Resources Investment Fund (WRIF) which would have created a new state retail water surcharge to generate about \$500 million annually to fund a variety of water resources projects in perpetuity. An annual state water surcharge would have been imposed on each urban retail water supplier in the state based on the number and types of water connections in its service area (agricultural water districts would have contributed a de minimus percentage of total revenues). The legislation also contained a provision for automatic increases in the state retail water surcharge in future years. In 2006, EBMUD staff estimated that the proposed WRIF would have resulted in an across-the-board rate increase for EBMUD's customers of nearly seven percent. The WRIF concept failed to advance out of the legislature.

In addition, two bills were introduced during the 2011-2012 legislative session which would have imposed a statewide charge on water providers to fund water infrastructure (SB 34 – Simitian) and tasked the California Water Commission with developing and implementing a water investment plan to allocate the funds (SB 571 – Wolk). Neither bill advanced out of the legislature.

The concept of the collection and allocation of funds collected through a statewide water surcharge remains a topic of intense interest by the legislature and governor's administration. Staff will continue to work to ensure EBMUD's interests are represented in any effort to impose such a charge.

INITIATIVE #3 – PROTECT EBMUD’S INTERESTS AS THE LEGISLATURE AND THE ADMINISTRATION CONTINUE TO CONSIDER WATER-RELATED ISSUES

Water was a key focus area for the legislature and the administration during the 2013-2014 legislative session. The legislature passed and the governor signed legislation on a number of water-related issues including the water bond, the drought, and groundwater sustainability. It is expected that water will remain a significant focus area in 2015. Governor Brown noted in a recent public policy forum that water would be a “major issue” if he is elected to a fourth term.

One of the factors leading to increased interest in water-related issues is the ongoing drought. According to the Department of Water Resources (DWR), the 2014 water year ended on September 30 as one of California’s driest years on record and as of September 1, “the state’s major reservoirs collectively held only 57 percent of average storage for the date, or about 36 percent of capacity.” DWR also notes that “even a normal precipitation year would not be enough to overcome” current conditions.

While it is unclear at this time what the universe of water-related legislation in 2015 will look like, it is clear that as the drought continues discussions regarding water will include state mandated water use restrictions and water supplies. Staff will continue to work to protect EBMUD’s interests, including its water rights and water supplies, as the legislature and the administration continue to discuss water-related issues in 2015.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: November 12, 2014

MEMO TO: Board of Directors

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

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

SUBJECT: Chabot Reservoir Watershed Lease with East Bay Regional Park District

INTRODUCTION

Since 1964, the East Bay Regional Park District (EBRPD) has leased approximately 1,200 acres of the Lake Chabot watershed from the District. That lease expires on November 30, 2014. The EBRPD has expressed a strong interest in continuing the lease arrangement and staff from the District and EBRPD have been in discussions regarding a new updated lease since 2012. Staff from both agencies are developing a new draft 25-year lease, however those terms are not expected to be finalized this year and staff will execute month to month lease extensions until the new lease is executed. A presentation on this topic will be provided to the Board on November 12, 2014.

DISCUSSION**Lake Chabot Watershed Lease**

The EBRPD manages and operates the Lake Chabot Recreation Area under a long-term lease with the District. That lease covers approximately 1,200 acres of the Lake Chabot watershed and allows EBRPD to operate and maintain park and recreation facilities and conduct related activities. It also requires them to maintain security, water supply protection, fire prevention and sanitation. Lake Chabot serves as a source of non-potable water supply for two nearby golf courses and it is an emergency potable water supply source. It has not been used as an emergency source of potable water since 1977.

The lease includes three parcels which are shown on Figure 1 (attached). Parcel A is a 568-acre area including lands immediately surrounding the lake. Parcel B is 51 acres at the south end of the lake removed from the lake shore and is used for EBRPD operation and maintenance facilities. Parcel C is 573 acres located upstream of the lake along San Leandro Creek including the area in which the Willow Park Golf Course is located. For Parcels A and B, EBMUD receives an annual fee of about \$11 per acre, which escalates with CPI. Revenues from these two parcels totaled about \$6,800 in 2013. For Parcel C, the District receives a percentage of the income from the golf course. Parcel C revenue totaled approximately \$17,000 in 2013, with an average revenue of \$29,000 over the past five years.

EBMUD and EBRPD staff regularly review operational activities and lease issues regarding Lake Chabot and the surrounding watershed. Under the terms of the lease, EBRPD provides land management, security and fire protection services. Key issues over the past several years have included the work needed to seismically retrofit the Chabot Dam, reservoir operating levels, development and maintenance of a program to prevent invasive mussel infestation, endangered species act compliance, stream channel maintenance, and the possible future need to use the recreation area for an incident base or other purpose during an emergency. As appropriate, these issues are being addressed in the new draft lease. The new draft also includes updated insurance and indemnification language.

Generally, the EBRPD lease for Lake Chabot has worked well for both agencies with acceptable water supply protection for EBMUD customers and valuable recreational opportunities for EBRPD customers.

Willow Park Golf Course Lease

Willow Park Golf Course operates on Parcel C under a lease agreement with EBRPD. EBMUD is not a party to that agreement. That lease expires on December 1, 2014. Earlier this year, EBRPD solicited proposals for a long-term concession contract to conduct capital improvements and assume management of the golf course and related facilities. Unfortunately, that process did not yield an acceptable proposal and the lease will expire prior to identification of a new long-term concessionaire. EBRPD has indicated that there will be a new solicitation process in the future but in the meantime, they have arranged for an interim operator to manage golf operations on a short-term basis; however, the restaurant and the event center will not remain open during the transition.

EBRPD has indicated that it is committed to ensuring golf operations continue on Parcel C and they continue to express a strong interest in the long-term lease for that parcel. In 2012, staff evaluated the benefits of directly leasing Parcel C to a concessionaire and found that there was no significant financial or operational benefit and determined that maintaining Parcel C under the EBRPD master lease would more cost effectively meet our land management goals for the area.

NEXT STEPS

Staff will continue work on the draft long-term lease for the Chabot Watershed and anticipates bringing it to the Board for consideration in 2015.

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Attachment

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: November 6, 2014

MEMO TO: Board of Directors

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

FROM: Cheryl A. Farr, Special Assistant to the General Manager *Chief*

SUBJECT: Water Shortage Emergency Action Plan Update

SUMMARY

This memo provides an update on the Water Shortage Emergency Action Plan. Through October, based on water production, EBMUD customers are saving 11.8 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 October was 15.2% less than October 2013. Three special meetings on drought actions and drought rates occurred in the last few weeks and the Board received valuable input from customers about drought concerns. There have been no significant variances from the adopted Water Shortage Emergency Action Plan.

DISCUSSION

Outreach Activities. The Board held special meetings on drought on October 23 (Walnut Creek), October 29 (Richmond) and November 5 (Oakland). Another meeting is scheduled for November 19 (Castro Valley). There were 16 – 30 members of the public in attendance at the various locations. At each meeting, staff provided a brief overview of EBMUD's water supply situation, proposed drought rate structure and water conservation services. Frequently-raised topics at the meetings were:

- How EBMUD is using supply alternatives such as desalination or recycling,
- How drought rates would affect non-residential customers and opinions about drought-related incentives and penalties,
- How EBMUD considers household size in water rates,
- How EBMUD is addressing water leaks, and
- What services are available for low-income customers.

At the meetings, staff has been reporting that if weather patterns continue to result in less-than-needed replenishment (or further diminishment) of water supplies, then staff would recommend that the Board consider actions on December 9, 2014 to purchase additional supplies beginning in January 2015 and begin applying the supplemental water supply surcharge to customer bills. Staff is preparing an outreach plan for the Board's consideration should these and other actions be necessary.

Customer Outreach and Activity. Staff has developed a new fact sheet for homeowner associations (HOAs) that offers water conserving tips and summarizes state laws affecting HOA landscaping practices (see Attachment 1). In November, we will mail the fact sheet with a cover letter to service area HOAs to draw their attention to laws affecting their landscaping actions, especially during declared water shortages, and to the water conservation services we offer. The fact sheet also will be available on our website.

Conservation activities completed in October are summarized in Attachment 2, which provides an update on customer contacts made, rebates approved and items distributed (water saving devices and drought reminder cards, table tents and stickers, nursery plant tags and other materials). The WaterSmart plant tags are being used by 11 East Bay nurseries in Alameda and Contra Costa counties and are being featured in some nurseries' lobby displays and end aisle posters. Recent and upcoming speaking engagements are shown in Attachment 3. The District continues to work with community organizations and business partners to promote water-efficient practices and conservation services to customers.

Since July staff has responded to more than 1,750 water waste reports submitted via the website and Contact Center. Water waste reports continue to come in steadily each week. Since the drought began in February, staff has responded to more than 3,100 water conservation inquiries.

As of October 31, 11,271 customers are receiving customized Home Water Reports comparing their water use to similar households. An additional 5,000 households are scheduled to begin receiving reports each week beginning in December toward a target of 50,000 households in total by January 2015.

District Operations. Staff continues to actively monitor and manage water use and to report water production and conservation savings in 2014 as compared to 2013. Ninety-five percent of District facilities are meeting the goal of twenty percent savings. Staff has identified problem areas and is determining potential fixes. The Fixed Network Leak Detection Pilot Study in Kensington is underway with acoustic monitoring equipment and testing to be completed in November. The automated remote data collection and reporting for leak response is scheduled to be operational by December. 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 will continue to update the Board regularly on the status of the Water Shortage Emergency Action Plan.

Attachments:

1. Homeowners' Association Fact Sheet
2. Water Conservation Outreach Update as of October 31
3. Speakers Bureau Update



Water Conservation for Homeowners Associations

Let us help! Contact us for one of our free conservation services.

WaterSmart Home Surveys

Free home water-use self-surveys kits include information on how to check for leaks and flow rates, water-saving devices (as needed), instruction on how to read a water meter, and recommendations for water efficiency.

Landscape Water Budgets

Water budgets inform property managers about how efficiently water is being used in the landscape. Daily reports based on consumption and budget data are emailed directly to irrigation managers. Budgets are free to HOAs with irrigation meters.

Water-Saving Devices

Free faucet aerators, showerheads, and hoze nozzles are available, as needed, to replace old devices. See limits at ebmud.com/watersmart.

Rebates

Lawn Conversion and Irrigation Upgrades

Multi-family properties: up to \$20,000 for 5 units or more; up to \$2,500 for 4 units or less. Includes drip irrigation, high-efficiency nozzles, pressure regulators, submeters, and lawn conversion.

Clotheswashers

\$75 per qualifying high-efficiency washer

Toilets

Up to \$50 per qualifying high-efficiency toilet

Submeter Retrofits

Up to \$250 for the installation of submeters. Submeters allow residents and property owners to track water use for separate units.

State Laws Governing HOAs and Landscaping

Assembly Bill 1881 (2006)

This bill established that the architectural guidelines of a common interest development shall not prohibit or include conditions that have the effect of prohibiting the use of low water-using plants as a group.

Assembly Bill 1061 (2009)

Precludes HOAs from prohibiting or restricting residents' compliance with local water-efficient landscape ordinances and local water use restrictions.

Assembly Bill 2100 (effective 7/21/14)

Prohibits HOAs from imposing a fine or assessment on property owners for reducing or eliminating watering of plants and lawns if the governor or local government has declared a drought emergency.

Senate Bill No. 992 (effective 9/18/14)

Prohibits HOAs from requiring power washing of exterior surfaces during a governor or local government declared drought and clarifies that a common interest development cannot penalize property owners for reducing or eliminating watering of plants and lawns during a drought emergency unless the development uses recycled water for landscape irrigation.

Assembly Bill No. 2104 (effective 1/1/15)

Bars a common interest development from prohibiting the replacement of existing turf with low water-using plants. This measure preserves the authority of a common interest development to impose design and quality standards.



9 Water Saving Tips for HOAs

1. Find and Fix Leaks

A small faucet drip can waste 75 gallons per day. Toilet leaks, often silent, can waste over 200 gallons per day. A steady irrigation or house line leak can waste more than 1,000 gallons per day.

2. Don't Overwater

During the drought, water no more than two days per week and turn off irrigation when winter rains arrive. Early morning is the best time to water to reduce evaporation and avoid windy conditions. EBMUD's water budget program gives you a baseline and lets you know when you are overwatering.

3. Adjust and Repair Sprinkler Heads

To prevent overspray and runoff, regularly check, adjust and repair irrigation equipment. EBMUD offers rebates for water-efficient sprinkler heads.

4. Apply Mulch

At least 3 inches of mulch will keep soil moist and provide nutrients to plants. Keep mulch at least 6 inches away from tree trunks and plant stems to avoid mildew.

5. Install Drip Irrigation

Drip technology gets water to the roots more efficiently and more slowly so it percolates into the soil.

6. Upgrade to a Smart Controller

Conventional controllers can overwater by as much as 50 percent. EBMUD offers up to \$300 in rebates, depending on the number of stations.

7. Don't Clean Hardscape with Water

Use a broom to clean sidewalks, driveways, parking lots, tennis courts and other areas. Use water only as necessary for health and sanitation.



Be WaterSmart! Regular checks of an irrigation system prevent leaks, overwatering, runoff and overspray in common area landscapes.

8. Educate Your Residents

Use HOA newsletters and post signage in common areas to promote a conservation ethic and raise awareness. Our "Save Like a Pro" posters are available free of charge on our website at: ebmud.com/SaveLikeaPro.

EBMUD has the following informational materials available for distribution to residents, free of charge:

- Top Tips for Saving Water in the Home
- Residential Conservation Rebates and Services
- Looking for Leaks

9. Water-Use Calculator

EBMUD's easy-to-use online calculator lets HOA residents learn how much water they use. Find it at ebmud.com/SaveLikeaPro.

FY15 Demand Reduction Program

As of October 31 2014

Monthly Water Conservation Activity	Current Month	Activity Level to Date
Customer Outreach (on-site audits, self-survey kits, landscape consultations, high-bill inquiries, new account review, WaterSmart Home Water Reports¹) - Residential³	4682	14,962
<i>Single Family</i>	4672	14,408
<i>Multi Family (number of dwelling units audited)</i>	10	554
Customer Outreach (on-site audits, landscape consultations, high bill inquiries) - Non Residential³	1684	13,981
<i>Commercial</i>	6	126
<i>Industrial</i>	0	2
<i>Institutional</i>	0	6
<i>Irrigation and IRIS Water Budget Program</i>	1678	13,847
Devices, Materials and Information Distributed	1023	13,855
Water Saving Devices (showerheads, aerators, dye tabs, toilet bags, hose nozzles) ³	689	3,638
Table tents, hotel cards, shower stickers	238	8,031
Plant Books	96	2,186
Water Waste Response³	373	1,701
<i>Residential</i>	235	1,036
<i>Commercial</i>	64	325
<i>Institutional</i>	28	110
<i>Street and Misc.²</i>	46	230
Rebates and Leak Adjustments³	984	8,947
Rebates Paid (toilets, clotheswashers, irrigation controllers, landscape, etc.) :		-
<i>Residential</i>	936	8,030
<i>Non-Residential</i>	48	917
Community Outreach Presentations/Events³	5	120
Contact Center Activity	Current Month	Activity Level to Date
No. of Leak Adjustments	436	3,147
Drought Related Calls	35	501
Drought Related Emails	6	209

¹ WaterSmart Home Water Reports added in September 2014

² Note this is a new category as of August 2014

³ Information through October 29, 2014

SPEAKERS' BUREAU and OUTREACH RECORD CY14

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
TBD	Oakland City Council Desley Brooks	Ben Horenstein, Jackie Kepke, Sophia Skoda, Steve Sherman	Tour	Wastewater Treatment Plant - Food waste to energy	
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	
12/4/14 7am	Contra Costa College Sustainability Committee	TBD	Presentation	Water conservation methods at home and business, drought effects on schools and businesses	
11/20/14 12pm	El Cerrito Rotary Club	Richard Harris	Presentation	Drought and status of EBMUD	
11/19/14 6:30pm- 8:30pm	EBMUD Board Special Meeting Castro Valley Library	Board and Staff	Presentation	Drought response and rates	
11/18/14 12:15pm	Castro Valley Rotary Club	Frank Mellon	Presentation	Water conservation and drought	
11/13/14	Oakland Youth-Friendly Award	Bill Patterson	Award	Receive award for intern program	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
11/6/14 10am-3pm	Build It Green Water Conservation Conference	Charles Bohlig	Panel Presentation	Water conservation	
11/5/14 6:30pm-8:30pm	EBMUD Board Special Meeting Administrative Building	Board and Staff	Presentation	Drought response and rates	16
10/29/14 6:30pm-8:30pm	EBMUD Board Special Meeting Richmond Council Chambers	Board and Staff	Presentation	Drought response and rates	20
10/28/14	Friends of San Leandro Creek	Bert Mulchaey	Presentation	Species and habitat enhancement efforts in East Bay under Habitat Conservation Plan	15-20
10/28/14 12pm	Hillside Gardeners of Oakland	Scott Sommerfeld	Presentation	Water conservation in the garden	
10/25/14 12pm	Neighborhood House of North Richmond	Salbra James	Presentation/ Booth	Water conservation and green topics	25
10/23/14 6:30pm-8:30pm	EBMUD Board Special Meeting Walnut Creek Civic Park Community Center	Board and Staff	Presentation	Drought response and rates	30
10/22/14 3pm-7pm	East Bay Rental Housing Association - Trade Expo	Mike Hazinski	Booth	Water conservation for property managers	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
10/16/14 1pm-2pm	ABAG, USGS, Structural Engineering Association of Northern CA - Infrastructure Resiliency Policy	Serge Terentieff	Panel Presentation	Loma Prieta 25: Still on Shaky Ground Symposium	
10/15/14	American Council of Engineering Companies	John Coleman	Presentation	Drought and water conservation	
10/14/14 7:00pm	Marina Bay CERT	Steve Frew	Presentation	Lessons Learned from the Napa Earthquake	20
10/13/14 6:30pm	Commonwealth Club of California	John Coleman	Presentation	Future of freshwater in CA and drought	
10/12/14 11am-5pm	Downtown Berkeley Association - Sunday Streets Festival	Jessica Woodard, Joseph Lerma	Booth	Water conservation	
10/10/14 11:30am-1:00pm	Director Bill Patterson's Ward Event	Bill Patterson	Presentation	Drought, water supply, infrastructure	
10/9/14 10am	Ed Baxter (Media)	John Coleman	Interview on radio	Latest customer waster use savings figures	
10/8/14 11:30am	Moraga Sons in Retirement (Branch 174) Holy Trinity Serbian Orthodox Church	Katy Foulkes	Presentation		125

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
10/6/14 10am-3pm	Lafayette Bringing Back the Natives Sheet Mulching Workshop	Lauren de Boer	Workshop	Sheet Mulching	
10/3/14 11am-1pm	Pardee BBQ	Andy Katz, Katy Foulkes, Frank Mellon, Bill Patterson	Presentation	EBMUD update	250
10/11/14 1pm	Danville Congregational Church Sister Parish Exchange	Stephen Lackenbauer	Tour	Walnut Creek Water Treatment Plant tour	15-20
9/27-28/14	East Bay Home Show	Rolando Gonzalez, Jolene Bertetto, Salbra James, Jessica Woodard	Booth	Water conservation	
9/25/14 12:30pm	Kaiser Permanente Regional Laboratory	Charles Bohlig	Presentation	Water conservation	
9/24/14 12pm-1:30pm	San Leandro Rotary Club	Frank Mellon	Presentation	Water conservation and drought	
9/22/14 7pm	Widowed Persons Support Lafayette Orinda Presbyterian Church	Dave Wallenstein	Presentation	Water conservation in the home	40
9/21/14 11am-4pm	El Sobrante Stroll	Rolando Gonzalez, Nanci Miller	Booth	Water conservation	

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
9/20-21/14 10am-7pm	Lafayette Chamber of Commerce's Lafayette Art & Wine Festival	Water Conservation	Booth	Water conservation services and rebates	
9/20/14 12:30pm-2pm	Kaiser Health & Wellness Fair San Leandro	Joelen Bertetto	Booth	Water conservation and drought	
9/19/14 11am-1pm	Community Association Institute (CAI)	Dave Langridge	Panel Presentation	Drought, EBMUD programs	
9/18/14 7pm	Oakland Heritage Alliance	Michelle Blackwell	Presentation	History of water service	
9/14/14 10am-6pm	Solano Avenue Associaton Solano Avenue Stroll	Water Conservation & Pollution Prevention Representatives	Booth	Water conservation and water quality	
9/13-14/14 10am-6pm	Castro Valley Fall Festival	Joe Lerma Rolando Gonzalez Dave Langridge Nanci Miller	Booth	Water conservation and drought	
9/13/14 9am-2pm	San Ramon Valley Emergency Preparedness Fair	Salbra James	Booth	Water conservation	
9/12/14 7:15am-8:15am	Lamorinda Sunrise Rotary	John Coleman	Presentation	Water issues, challenges and EBMUD's approach	
9/10/14 10am-2pm	Berkeley Future Leaders Institute	Charles Bohlig	Presentation	Water conservation, water resources and water management	20

Date/Time	Group	Speaker/BOD Attendee	Presentation Type	Topics Requested	Estimated Audience
9/10/14 6pm-8pm	EBMUD Hosted at AB Presented by Graywater Action	Lauren de Boer	Workshop	Graywater: Laundry to Landscape Nuts & Bolts	
9/7/14 10am-4pm	LaMorinda Web Danville Home Expo	Rolando Gonzalez Jolene Bertetto	Booth	Water conservation for home improvement	
9/6/14 10am-3pm	Contra Costa Master Gardeners Sustainability Fair	Scott Sommerfeld	Booth	Sustainable gardens	

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: November 6, 2014

MEMO TO: Board of Directors

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

SUBJECT: Monthly Report – October 2014

HIGHLIGHTS

Water Sales. Overall billed water consumption for FY15 through September 2014 was 188.7 MGD as compared to 212.7 MGD for the same period in FY14 for an 11.3% reduction. Reductions are occurring in all customer categories.

Billed Water Consumption		
Usage Type	FY15 (MGD)	FY14 (MGD)
Residential	98.7	113.7
Commercial	63.9	70.6
Industrial	17.1	18.0
Public Authority	9.0	10.4
Total Billed Water Consumption	188.7	212.7

The Camanche Reservoir pulse flow operation to attract Chinook salmon from the Delta into the Mokelumne River started the week of October 6. The District completed four pulse flow releases totaling 3,625 acre-feet (AF) in October. 3,050 AF was water saved from spring releases through the adaptive management program and 575 AF of the water released was from “gainshare” operation of the FSCC system from April through July 2014. A final pulse release will start on November 4 and end on November 7. In early October, adult salmon passed the Woodbridge Dam fish ladder and by October 28 over 2,000 fish had entered the lower Mokelumne River above Woodbridge.

WATER SUPPLY AND WATER RIGHTS PROGRAMS AND ACTIVITIES

State Water Resources Control Board (SWRCB) drought curtailment update.

On October 14 the SWRCB requested recommendations to improve the implementation and enforcement of actions during drought conditions. Staff recommended exceptions for streams that have protective flow-related agreements with resource agencies such as the Mokelumne River, continued exceptions for health and safety, exceptions for short-term transfers with de minimis thresholds, earlier notification of temporary exceptions by the SWRCB and weekly updates based on DWR runoff projections. Staff expects a temporary lifting of curtailment for the Mokelumne watershed if storms produce significant runoff.

Work continues on the Placer County Water Agency (PCWA) and EBMUD long-term water transfer. The technical team is developing modeling alternatives to analyze the environmental effects of PCWA's American River water rights permit extension, which also includes the long-term transfer of water to EBMUD in dry years. On October 17 PCWA, EBMUD and USBR discussed the status of EBMUD's proposed Warren Act contract. The USBR Mid-Pacific Region needs its commissioner's approval for a basis of negotiation before negotiations on the Warren Act contract can begin. The next discussion with USBR is scheduled for mid-November.

WATER SUPPLY AND WATER RIGHTS PROGRAMS AND ACTIVITIES

Precipitation. The East Bay precipitation for October was 0.80 inches (54% of average) and the season total was 1.23 inches (66% of average). The Mokelumne precipitation for October was 1.01 inches (38% of average) and the season total was 3.23 inches (82% of average).

Releases from Camanche Reservoir. The average rate of Camanche release for October was 290 cfs (45 cfs generation, 200 cfs sluice, and 45 cfs through the hatchery), and the average flow below Woodbridge Dam was 144 cfs, both in accordance with the Joint Settlement Agreement "Dry" criteria.

Camanche Reservoir hypolimnion successfully maintained through October 31. As of noon on October 31st, based on the Camanche Reservoir auto-profiler at CAMD, the hypolimnion volume was approximately 34 TAF.

Mokelumne reservoirs storage is 69% of average. As of October 31, 2014, Pardee was at 549.7 feet or 96% of average, and Camanche was at 186.7 feet or 51% of average. Combined Pardee and Camanche reservoir storage was 293,000 AF compared to 432,000 AF last year.

Releases from East Bay Reservoirs. There were no East Bay reservoir releases in October.

East Bay reservoirs storage is 90% of average. As of October 31, 2014, USL was at 441.2 feet or 101% of average, San Pablo was at 297.9 feet or 101% of average, and Briones was at 545.8 feet or 79% of average. Total terminal reservoir storage was 103,000 AF compared to 97,000 AF last year.

Mokelumne Aqueducts and Raw Water Pumping Plants. The average rate of Mokelumne Aqueduct draft for October 2014 was 124 MGD. Walnut Creek, Moraga and Briones Raw Water Pumping Plants remained out of service for the month.

Water Production. Average rate of gross water production for October:

	October 2014	October 2013	October 2012	Average of FY 2005-2007
East of Hills	51 MGD	63 MGD	56 MGD	64 MGD
West of Hills	122 MGD	141 MGD	131 MGD	155 MGD
Total	173 MGD	204 MGD	187 MGD	219 MGD
Max Day Production	215 MGD (10/6/2014)	225 MGD (10/7/2013)	235 MGD (10/1/2012)	

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

CUSTOMER EVENTS AND PUBLIC OUTREACH

Ranger-Led Environmental Education Program (RLEEP) returns for new school year.

On October 1, District staff provided the first RLEEP program to 3rd and 4th graders from Valley Springs Elementary School. The students cleaned a quarter-mile of shoreline as a service learning project and heard an interpretive talk on the impacts of litter on the environment. The students also learned about orienteering and watersheds and participated in a nature scavenger hunt. The activities were well received by the students, parents, teachers and staff.

Annual Pardee BBQ held on October 3. Approximately 250 people attended the annual event, including elected and appointed officials, representatives of non-government organizations, and neighbors along the Mokelumne River. This year’s keynote speaker, San Joaquin County Supervisor Ken Vogel, highlighted significant Mokelumne watershed collaboration efforts.

On October 8, the California Department of Fish and Wildlife Game Warden participated with EBMUD staff in a regulatory panel training session at the Pipeline Training Academy.

The panel provided information on programs and tools to support compliance efforts in the field. The panel was well received by the students and the game warden appreciated the opportunity to engage field staff. She expressed interest in participating in future trainings and supported inviting participants from other regulatory agencies.

On October 11, staff provided a tour of the Main Wastewater Treatment Plant for over 20 students from UC Berkeley. The tour and information provided was well received with a number of students citing interest in pursuing a career in the environmental engineering field.

Clean-up Day at Pinole Creek a success. On October 12, Grizzly Peak Flyfishers held a creek clean-up in the Pinole Creek. Ten volunteers collected 2.5 tons of trash, furniture, bicycles and other debris from a section of the creek on Alhambra Valley Road between Bear Creek Road and the Simas main gate.

On October 17, staff conducted a tour of Pardee Reservoir for the Amador Arts Council and selected artists.

District staff led 17 local artists on a guided boat tour of Pardee Reservoir. The tour was provided in support of artists selected by the Amador Arts Council to compete in an exhibition to artistically interpret the Mokelumne River. The tour included a close up viewing of Pardee Dam. Staff provided information about EBMUD tour opportunities and the reservoir and watershed with the goal to provide the group with inspiration to be used in their art projects.

On October 21 the City of Alameda held the first reading of an amended Private Sewer Lateral (PSL) Ordinance. If approved, the amended ordinance will allow them to participate in the District's Regional PSL Program. District staff assisted City staff in answering questions about the program. There were no public comments, and the City Council was supportive of staff's recommendation to join the regional program. A second reading and adoption of the ordinance is scheduled for November 18, 2014, and if approved, be implemented in Alameda on January 1, 2015.

On October 22, approximately 50 people toured the Freeport Regional Water Project as part of the Water Education Foundation's Sacramento Valley Tour.

San Pablo Reservoir Family Fishing Day held on October 25. Staff planted about 350, 1-2 pound trout in a netted area to improve the odds for the participants, who were mostly children. Around 100 participants, including approximately 17 EBMUD employees, practiced their angling skills during the event.

On October 26, San Pablo Reservoir hosts youth time-trial rowing regatta. The Oakland Strokes Rowing Club sponsored a time-trial rowing regatta. Approximately 250 rowers and 500 spectators attended the event.

On October 27, staff provided a tour of upcountry facilities to State Water Board member DeeDee D'Adamo and Lee Mao of the Bureau of Reclamation. The tour included visits to the Pardee Dam overlook and powerhouse, Mokelumne River Fish Hatchery, Camanche Dam and the Woodbridge Irrigation District fish passage facility.

Lafayette community outreach on pumping plant project continues. On October 8 staff and the District's architectural and landscape consultants presented the Sunnyside Pumping Plant Project at a fourth and final Citizens Liaison Committee (CLC) meeting with adjacent neighbors to the proposed pumping plant site located off of Upper Happy Valley Road in Lafayette; five people attended the meeting. Staff and consultants responded to questions. All attendees expressed satisfaction with the final architectural and landscape plan. No additional CLC meetings for the Happy Valley and Donald Pumping Plants and Ardith Reservoir are needed as all concerns were addressed and a final architectural and landscape plan was selected.

Contract Equity outreach events:

On October 3, Asian Inc. and the Minority Business Development Center hosted "Sustainable Construction" seminars as part of Minority Enterprise Development Week (San Francisco). Staff participated in the "Bringing Diverse Procurement to Green Construction Practices" seminar. Information was provided on the District's current sustainable efforts, contracting practices including the Contract Equity Program and upcoming contracting opportunities. Approximately 50 people attended this event.

On October 11, Alameda County Public Works Agency, in partnership with the Bay Area Builders Exchange, hosted their “*Building Opportunity for Business Contractors Academy workshop on “Pursuing Contracting Opportunities”*” in San Leandro. Staff gave a presentation on upcoming contract opportunities and tips for bidding on District contracts and disseminated information on the Contract Equity Program. Approximately 25 local small business owners attended.

On October 21, the Alameda County Small Business Development Center, in partnership with Chevron and EBMUD, held its sixth small business seminar on “*Getting Certified and Doing Business with Government Agencies*” in Oakland. Staff gave a presentation on how to register and do business with the District, applicable certifications and upcoming contracting opportunities. There were approximately 30 attendees.

Staff participated in the following business community events:

- October 3, Asian, Inc. and the Minority Business Development Center – *43rd Anniversary Gal and MED Week 2014 Celebration* (San Francisco)
- October 7, 14, & 28, Alameda County Small Business Development Center/Chevron/EBMUD – *Growing Your Business Workshop* series (Oakland)
- October 15, Oakland African American Chamber of Commerce – *Annual Meeting and Awards Luncheon* (Oakland)
- October 20, San Francisco Public Utilities Commission – *General Contractors & Stakeholders Reception* (San Francisco)
- October 22, BART Business Advisory Council – *Monthly Meeting* (Oakland)
- October 23, San Francisco Municipal Transportation Agency – *Kick-Off Meeting on Availability & Utilization Study* (San Francisco)
- Oct 30, Bay Area Business Roundtable – *Monthly Meeting* (Oakland)

Water Conservation outreach events:

On October 5, the District sponsored a sheet mulching workshop in Lafayette with the Bringing Back the Natives Garden Tour. Staff attended the hands-on workshop, distributed information and answered questions about the lawn conversion and irrigation upgrade rebates. There was high interest in creating WaterSmart gardens and learning more about the rebate application process. Twenty-two people attended the workshop.

On October 6, staff gave a presentation to the City of Oakland’s Advisory Committee at City Hall. The presentation focused on the role of business and residential water conservation as a component of emergency preparedness.

On October 9, staff gave a presentation on the District’s single family water budget program at the WaterSmart Innovations Conference in Las Vegas, Nevada. The presentation outlined the creation of the water budget program for 325,000 single family customers utilizing the Department of Water Resources California Irrigation Management

Information System (CIMIS) weather information. The presentation was attended by approximately 75 people.

On October 12, staff hosted a booth at the Berkeley Street Festival. Information on current drought measures, water supply, rebate programs and water conservation in general was provided. Approximately 50,000 people attended the event.

On October 28, staff gave a presentation entitled “The Water Wise Garden” to the Hillside Gardner’s community group in Oakland. Water efficient irrigation, lawn conversions and low water-use plants were discussed. Approximately 70 people attended.

CAPITAL IMPROVEMENTS AND FACILITY MAINTENANCE

Corroded culvert replaced at San Pablo Recreation Area. District staff replaced a corroded culvert at San Pablo Recreation Area. The culvert had degraded underneath the roadway and the downstream side had eroded close to the roadway’s edge. The original culvert size was increased from 42” to 48” and staff replaced a 60 foot section downstream to reach the creek channel below. The site was rehabilitated using native grass seed, curlex erosion control fabric and rock.

New parking pay stations installed at Lafayette Reservoir. The new machines, manufactured by Digital Payment Technologies were installed to replace the original pay stations that had been in service for 15 months and did not provide reliable performance. The new pay stations have been in service for about one month with no down time or customer complaints. Staff is seeking a refund for the malfunctioning pay stations.

Pipeline installation and paving. On October 9, staff completed installation of 4,955 feet of 12-inch water pipe for the Normandy and Sleepy Hollow infrastructure renewal project in Orinda. On October 13, staff completed installation of 400 feet of 12-inch water pipe adjacent to this project on Ichabod Lane in Orinda. On October 15, installation of 2,350 feet of eight-inch water pipe on Crest Avenue in Oakland was completed.

On October 13, staff completed the installation of a drainage system at Blackhawk Pumping Plant. The slope behind the plant has had a drainage problem and water has appeared at the cut slope behind the plant. This has posed stability concerns and caused ponding issues at the plant. Staff excavated a trench and installed drain pipes to collect the seepage and route it to the storm drain system. The alignment of the drain line was modified in order to save a tree based on a request from an adjacent neighbor.

On October 16 and 30 staff completed the annual terminal dam safety inspections with a representative from the Division of Safety of Dams (DSOD). The inspections confirmed that Briones, Chabot, Lafayette, San Pablo and Upper San Leandro Dams are operating safely. The inspections of the dams are performed annually in conjunction with the DSOD to ensure there are no safety issues and that the dams are operated in accordance with state licensing requirements.

On October 17, staff completed the installation of soldier piles at Reliez Pumping Plant (Pleasant Hill) to stabilize the fill slope abutting the plant. The plant was constructed in fill prepared by a developer. Recent observations and evaluations concluded that the slope is moving and that continued movement will impact the intake and discharge pipelines at the plant. In addition, the movement was impacting a neighbor's fence. The work involved installing 13 soldier piles and lagging system, re-grading the plant site and repairing the fence.

Dingee Pipeline and Claremont Center Aqueducts Replacement (Oakland) pipeline work continues. The Dingee Reach 2 pipeline is complete and in service and the old Reach 2 has been removed from service. The work on the Sequoia Aqueduct under Highway 24 and over Temescal Creek continues and is expected to be completed in mid-November. The Roble Road high density polyethylene (HDPE) slip lining work is in progress. The Erba Path HDPE slip lining work is expected to begin in early November. Exploratory excavation and potholing for the Wildcat Aqueduct tee and line stop installation has begun for the Wildcat outage work.

Versailles Interceptor Rehabilitation Project (Alameda) construction completed. The work included rehabilitation of approximately 3,200 feet of pipe and 14 manholes to restore structural integrity and significantly extend remaining useful life. Staff performed the design, construction management, and inspection services and completed the project on schedule and under budget.

Dewatering Building Sludge Well Access Improvements Project construction completed. The height of the MWWTP sludge well walls was reduced from seven feet to three feet, which eliminates the need to use scaffolding to clean the sludge well. These improvements will enhance access and safety conditions while increasing staff efficiency in performing this task. Staff performed the design, construction management, and inspection services and completed the project within schedule and budget.

MWWTP Site Utility Improvements and Guard Structure Installation Project completed. The guard kiosk was replaced with a small building at the entrance which provides a safer point of contact for visitors checking in at the plant. In addition, a new parking area allows delivery trucks to park outside the roadway while waiting to enter the site. The new facilities and entry procedures decrease queuing times for trucks, visitors and staff. This work is part of ongoing efforts to improve traffic flow conditions, vehicle safety and access conditions at the plant.

WATER AND WASTEWATER SYSTEM OPERATIONS

On October 1, the State Water Resources Control Board (SWRCB) issued an updated draft of the proposed NPDES permit for Drinking Water Discharges. The revised permit is a significant improvement over previous versions and clearly reflects that SWRCB staff heard staff comments and addressed most of our concerns. The SWRCB Board held a final workshop on October 21 in Sacramento to hear oral comment on the most recent draft; no further written comments will be permitted. The Region 2 (Bay Area) partners developed a list of clarity-oriented comments that would not substantively change the permit as submitted. EBMUD staff attended the October 21 workshop to provide brief testimony supporting adoption, which is scheduled for November 4, 2014.

All discharges from the Main Wastewater Treatment Plant (MWWTP) were in compliance with the permit limits for the month of October. This is the 182nd consecutive month that the Main Wastewater Treatment Plant experienced no exceedances.

There were nine odor complaints received at the MWWTP in October. Staff investigations concluded that 8 of the 9 complaints were likely from plant odors stemming from influent pump station and primary sedimentation emissions and emissions associated with Resource Recovery Program waste receiving. Odor complaints typically increase in the autumn due to elevated temperatures and adverse atmospheric conditions. Staff is developing a plan to test whether the flow equalization has contributed to plant odors since the increase in complaints seems to coincide with the resumption of flow equalization utilizing the interceptor storage capability. Since the odor complaint hotline number was redistributed at a West Oakland neighborhood meeting in October that may have also contributed to the increased number of hotline calls.

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

ORGANIZATION EFFECTIVENESS AND EFFICIENCY

Emeryville Shellmound-Christie Recycled Water Pipeline receives \$1 million grant funding. On October 14 the Board authorized an agreement with the Association of Bay Area Government, who administers DWR Prop 84 IRWM grant funding, to accept the grant funding for the pipeline construction. Staff also has commented on the 90 percent design construction and specifications.

EBMUD partners with the California Conservation Corps (CCC) on fuel modification projects throughout the Pardee and Camanche watershed. The various fuel modification measures will include fuel load reduction, fuel breaks and shaded fuel breaks. The work will start in November and is funded under the Emergency Drought Relief Program. The CCC will set up a camp at Camanche South Shore recreation area for six months to complete the project work.

EBMUD's completed East Bay Habitat Conservation Plan (HCP) 6-year report is ready to submit to the United States Fish and Wildlife Service. The report highlights successes achieved under the HCP for sensitive and listed species and includes additional reports on newly mapped Alameda whipsnake habitat on the watershed and on a comprehensive rainbow trout habitat mapping effort that was completed this spring.

Staff attended a site visit and planning meeting for the Delta Cross Channel electric barrier project being developed by USBR and Smith Root. The project timeline calls for pre-project monitoring in the fall of 2015 and barrier installation in 2016. If effective, the barrier will help to improve salmon returns to the Mokelumne River by reducing straying through the cross channel.

On October 16, staff participated in ABAG's Public Policy Symposium. The symposium included policy experts, local, state, and federal elected officials, regional agency leaders, engineering and mitigation/resilience experts and community leaders presenting critical analyses about strengthening Bay Area communities, lifeline systems, and policies since the 1989 Loma

Prieta earthquake. Staff participated on a panel on Infrastructure Resiliency Policy which focused on issues with interconnectedness of utility systems and social ecosystems. Other panelists included representatives from PG&E, the San Francisco Lifelines Council, the Pacific Earthquake Engineering Research Institute and the California Seismic Safety Commission.

On October 3, District staff provided additional assistance to the California Office of Emergency Services (OES) in assessing residential structural damage resulting from the Napa earthquake. As members of the OES Safety Assessment Program, staff evaluated approximately 15 residences to determine whether the structures were habitable.

On October 23, staff provided a presentation at the Institute of Electrical and Electronics Engineers Electrical Safety Essentials Seminar in Pleasanton. The presentation, entitled “Electrical Hazard Prevention Program at a Water Utility” discussed the District’s electrical hazard program, which was started in 2004. The event was sponsored by the Industrial Applications Society of the Oakland East Bay.

Tuition Reimbursement

	October 2014	FY15 Total
# of Employees	18	95
# of Classes	19	111
Total Reimbursed	\$20,173	\$74, 945

Employment Information

	October 2014	FY15 Total
Retirements – Regular	2	33
Retirements – Vested	2	3
Other Separations	10	30
Hires	13	72

FINANCIAL NEWS

There were no contracts over \$70,000 and less than \$100,000 approved by the General Manager in October 2014.

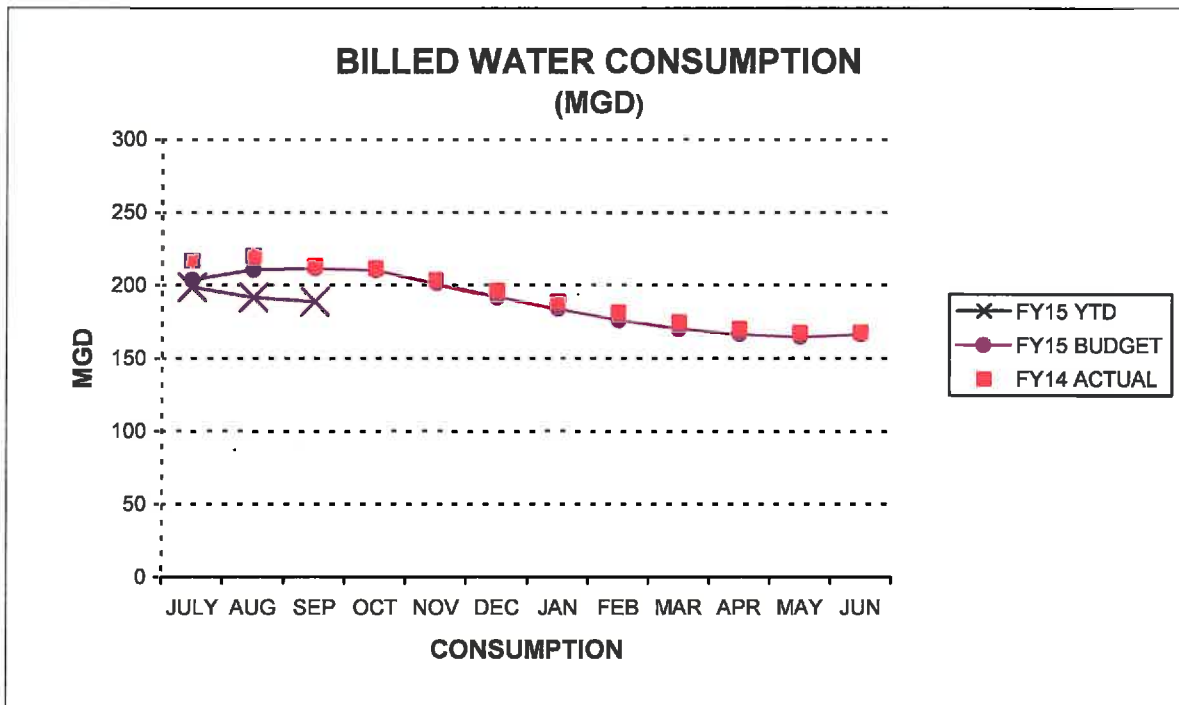
The net Mokelumne power revenue for October was \$233,528 vs the \$301,724 planned. Inflows into Pardee for October were 87% of plan and generation was 60% of plan. The average electricity price was higher than plan at \$47/MWh. Renewable power and related Renewable Energy Credits (RECs) were sold to the Sacramento Municipal Utility District under the Power Purchase Agreement. REC revenue for October was \$26,451. Total net revenue for FY15 to date is \$982,630 which is 28.1% of planned \$3,500,000 and 17.2% of the budgeted \$5,700,000.

FY15	Net Revenue		Inflow (Acre Feet)	
	Plan	Actual	Plan	Actual
August	\$185,166	\$239,053	29,000	26,740
September	\$164,882	\$272,541	28,000	23,292
October	\$301,724	\$233,528	32,700	28,384
FY15 YTD Total	\$861,911	\$982,630	108,700	98,209

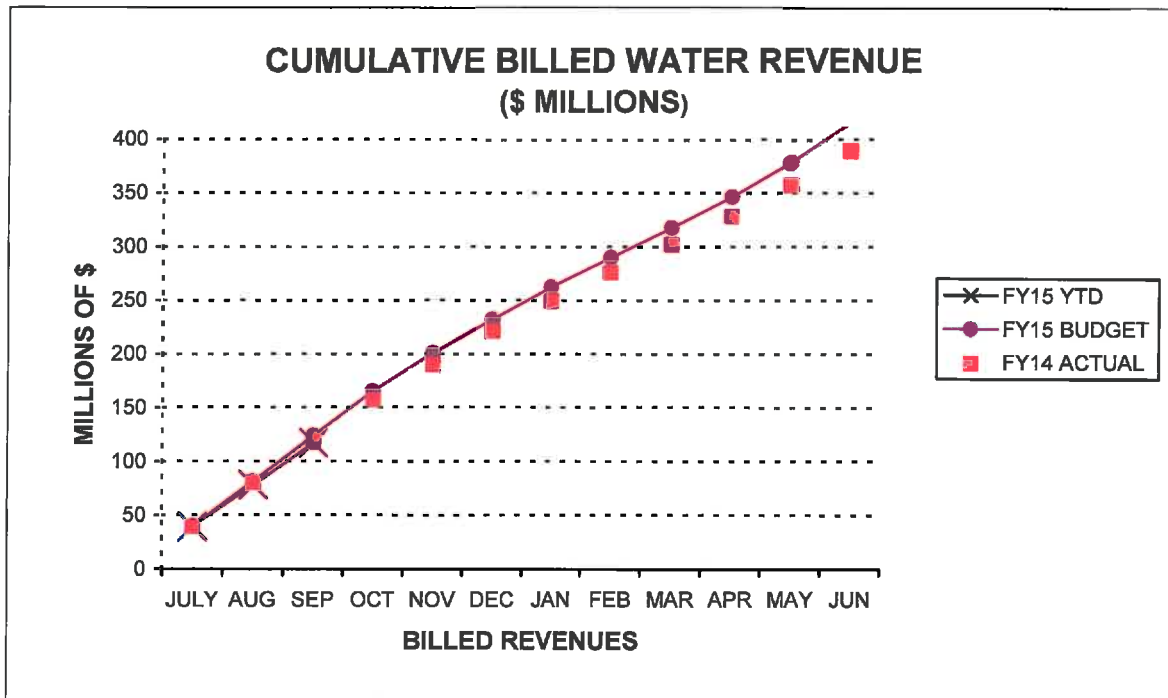
Bold items are estimated

Plant book activity for October 2014. Ninety seven books were sold in October, which increased the total plant books sold to 36,114. October plant book revenues total \$5,922.46, which increases total revenues to \$755,649.35. Total revenues as a percentage of out-of-pocket book design and production cost is at 96%.

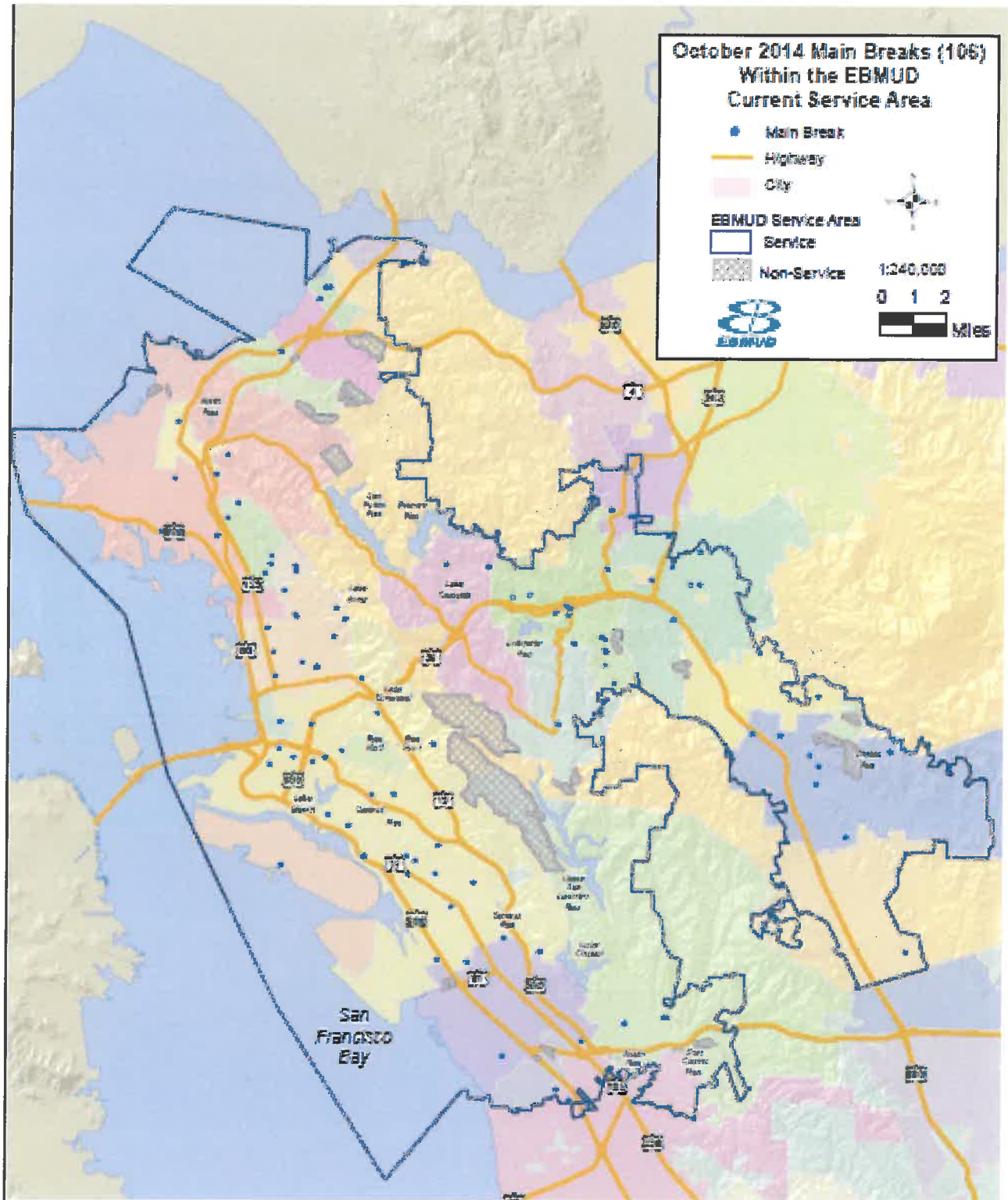
Water revenues billed for the fiscal year through September were \$116.6 million, which is 0.7% less than the FY14 revenue through September of \$117.4 million which reflects the net impact of lower current consumption and the 9.5% rate increase for services provided and billed starting July 1, 2014.



Source: Customer Information System



Source: Customer Information System



October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
1	ALAMEDA		5TH	ST	CAST IRON	4.00	1881	12,960	10/14/2014	10/22/2014
2	ALAMO		VIRGINIA	CT	ASBESTOS CEMENT	6.00	1979	450	10/10/2014	10/10/2014
3	BERKELEY		ADDISON	ST	CAST IRON	6.00	1940	1,800	10/24/2014	10/24/2014
4	BERKELEY		ALVARADO	RD	STEEL	16.00	1927	23,040	9/30/2014	10/1/2014
5	BERKELEY		AVENIDA	DR	CAST IRON	6.00	1947	36,000	9/29/2014	10/3/2014
6	BERKELEY		BEVERLY	PL	CAST IRON	6.00	1952	14,400	10/6/2014	10/6/2014
7	BERKELEY		HEARST	AVE	STEEL	16.00	1965	45,000	10/19/2014	10/20/2014
8	BERKELEY		MCKINLEY	AVE	CAST IRON	6.00	1929	1,800	10/29/2014	10/29/2014
9	BERKELEY		PARKER	ST	CAST IRON	6.00	1949	4,320	9/30/2014	10/2/2014
10	BERKELEY		PARKER	ST	CAST IRON	6.00	1949	8,640	10/2/2014	10/3/2014
11	BERKELEY		SAN PABLO	AVE	CAST IRON	4.00	1935	1,800	10/26/2014	10/26/2014
12	BERKELEY		SONOMA	AVE	CAST IRON	6.00	1926	900	10/18/2014	10/18/2014
13	BERKELEY		STANNAGE	AVE	CAST IRON	6.00	1910	9,000	10/25/2014	10/26/2014
14	BERKELEY		STERLING	AVE	CAST IRON	6.00	1937	11,520	10/15/2014	10/22/2014
15	BERKELEY		THOUSAND OAKS	BL	CAST IRON	6.00	1925	12,960	10/13/2014	10/13/2014
16	CASTRO VALLEY		CLEMANS	DR	CAST IRON	6.00	1953	10,080	10/8/2014	10/14/2014
17	CASTRO VALLEY		LENARD	DR	ASBESTOS CEMENT	6.00	1956	720	10/5/2014	10/6/2014
18	CASTRO VALLEY		LENARD	DR	ASBESTOS CEMENT	6.00	1956	900	10/7/2014	10/7/2014

October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
19	CASTRO VALLEY		VANNOY	AVE	NON METALLIC / PLASTIC	8.00	1954	4,050	10/24/2014	10/24/2014
20	DANVILLE		CHRISTINE	DR	ASBESTOS CEMENT	6.00	1966	900	10/6/2014	10/6/2014
21	DANVILLE		EL PINTADO	RD	ASBESTOS CEMENT	6.00	1960	1,440	10/18/2014	10/18/2014
22	DANVILLE		EL PORTAL		ASBESTOS CEMENT	8.00	1960	1,080	10/6/2014	10/6/2014
23	DANVILLE		GATETREE	CT	ASBESTOS CEMENT	6.00	1979	2,700	10/3/2014	10/3/2014
24	DANVILLE		LAKESIDE	CT	ASBESTOS CEMENT	6.00	1977	12,960	10/22/2014	10/24/2014
25	DANVILLE		MOSSY OAK	DR	ASBESTOS CEMENT	6.00	1977	4,500	10/27/2014	10/28/2014
26	DANVILLE		OLD ORCHARD	DR	ASBESTOS CEMENT	8.00	1967	450	10/14/2014	10/14/2014
27	EL CERRITO		BARRETT	AVE	CAST IRON	6.00	1941	11,520	10/8/2014	10/15/2014
28	EL CERRITO		BONNIE	DR	ASBESTOS CEMENT	4.00	1948	4,500	10/14/2014	10/14/2014
29	EL CERRITO		CENTRAL	AVE	CAST IRON	6.00	1948	450	10/15/2014	10/16/2014
30	EL CERRITO		HAGEN	BL	CAST IRON	16.00	1954	37,440	10/3/2014	10/28/2014
31	EL CERRITO		LASSEN	ST	ASBESTOS CEMENT	6.00	1960	4,320	10/1/2014	10/3/2014
32	EL CERRITO		TERRACE	DR	CAST IRON	6.00	1926	450	10/30/2014	10/30/2014
33	EMERYVILLE		TEMESCAL	CIR	ASBESTOS CEMENT	6.00	1980	1,080	10/21/2014	10/21/2014
34	HAYWARD		ROYAL	AVE	STEEL	2.00	1999	11,520	10/1/2014	10/8/2014
35	KENSINGTON		AMHERST	AVE	CAST IRON	6.00	1948	8,640	10/7/2014	10/7/2014
36	KENSINGTON		AMHERST	AVE	CAST IRON	6.00	1948	1,800	10/23/2014	10/23/2014

October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
37	LAFAYETTE		BELL	ST	CAST IRON	2.00	1946	4,500	10/13/2014	10/13/2014
38	LAFAYETTE		BURTON VISTA	CT	NON METALLIC / PLASTIC	2.00	1980	6,750	10/8/2014	10/8/2014
39	LAFAYETTE		CASTELLO	RD	ASBESTOS CEMENT	6.00	1956	720	10/7/2014	10/7/2014
40	LAFAYETTE		LAFAYETTE	CIR	CAST IRON	4.00	1932	4,500	10/6/2014	10/6/2014
41	LAFAYETTE		LOS ARABIS	DR	CAST IRON	6.00	1940	2,250	10/5/2014	10/5/2014
42	LAFAYETTE		LOS ARABIS	DR	ASBESTOS CEMENT	6.00	1978	2,700	10/8/2014	10/8/2014
43	LAFAYETTE		MT DIABLO	BL	CAST IRON	8.00	1936	4,500	10/6/2014	10/6/2014
44	LAFAYETTE		PLEASANT HILL	RD	CAST IRON	8.00	1941	2,250	10/26/2014	10/27/2014
45	LAFAYETTE		SKY RANCH	CT	ASBESTOS CEMENT	6.00	1974	4,320	10/29/2014	10/31/2014
46	LAFAYETTE		ST MARYS	RD	CAST IRON	6.00	1942	18,000	8/29/2014	10/14/2014
47	LAFAYETTE		ST MARYS	RD	CAST IRON	6.00	1941	14,400	10/26/2014	10/26/2014
48	LAFAYETTE		SWEET	DR	CAST IRON	12.00	1949	80,640	9/24/2014	10/1/2014
49	LAFAYETTE		WEST	RD	CAST IRON	4.00	1947	7,200	10/14/2014	10/15/2014
50	LAFAYETTE		WITHERS	AVE	STEEL	6.00	1961	1,800	10/17/2014	10/18/2014
51	LAFAYETTE		WOODVIEW	DR	CAST IRON	12.00	1949	74,880	10/9/2014	10/21/2014
52	MORAGA		MORAGA	RD	ASBESTOS CEMENT	8.00	1969	4,500	9/30/2014	10/1/2014
53	OAKLAND		109TH	AVE	CAST IRON	6.00	1939	540	10/24/2014	10/25/2014
54	OAKLAND	E	15TH	ST	CAST IRON	20.00	1916	14,400	10/15/2014	10/24/2014

October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
55	OAKLAND		27TH	AVE	ASBESTOS CEMENT	6.00	1967	3,600	10/28/2014	10/28/2014
56	OAKLAND		27TH	AVE	ASBESTOS CEMENT	6.00	1967	2,880	10/30/2014	10/30/2014
57	OAKLAND		30TH	ST	CAST IRON	6.00	1954	450	10/29/2014	10/30/2014
58	OAKLAND		42ND	AVE	CAST IRON	6.00	1949	45,000	10/12/2014	10/12/2014
59	OAKLAND		48TH	AVE	CAST IRON	4.00	1909	15,840	10/13/2014	10/23/2014
60	OAKLAND		49TH	AVE	CAST IRON	6.00	1932	4,500	10/12/2014	10/13/2014
61	OAKLAND		4TH	AVE	STEEL	30.00	1936	1,350	10/15/2014	10/15/2014
62	OAKLAND		77TH	AVE	CAST IRON	4.00	1916	24,480	9/29/2014	10/15/2014
63	OAKLAND		80TH	AVE	CAST IRON	6.00	1925	21,600	10/21/2014	10/23/2014
64	OAKLAND		98TH	AVE	STEEL	12.00	1962	14,400	10/14/2014	10/22/2014
65	OAKLAND		ALTA	RD	CAST IRON	6.00	1927	1,350	10/7/2014	10/7/2014
66	OAKLAND		CROXTON	AVE	CAST IRON	6.00	1939	9,000	10/11/2014	10/11/2014
67	OAKLAND	W	GRAND	AVE	ASBESTOS CEMENT	8.00	1939	1,350	10/8/2014	10/8/2014
68	OAKLAND		HAYES	ST	CAST IRON	6.00	1938	14,400	10/1/2014	10/10/2014
69	OAKLAND		JORDAN	RD	CAST IRON	8.00	1938	2,880	10/27/2014	10/28/2014
70	OAKLAND		KINGSLAND	AVE	CAST IRON	6.00	1950	2,700	10/9/2014	10/9/2014
71	OAKLAND		KINGSLEY	ST	CAST IRON	6.00	1953	9,000	10/7/2014	10/8/2014
72	OAKLAND		LA CRESTA	AVE	CAST IRON	4.00	1935	31,680	9/23/2014	10/14/2014

October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
73	OAKLAND		LOUISE	ST	CAST IRON	6.00	1933	11,520	10/7/2014	10/8/2014
74	OAKLAND		M.L.KING JR	WAY	ASBESTOS CEMENT	8.00	1966	2,700	10/16/2014	10/16/2014
75	OAKLAND		MARKET	ST	CAST IRON	8.00	1894	21,600	10/5/2014	10/9/2014
76	OAKLAND		MONTE CRESTA	AVE	CAST IRON	6.00	1938	20,160	10/10/2014	10/23/2014
77	OAKLAND		NOVELDA	DR	CAST IRON	6.00	1944	1,350	10/16/2014	10/16/2014
78	OAKLAND		REVERE	AVE	CAST IRON	6.00	1950	31,680	9/29/2014	10/20/2014
79	OAKLAND		THACKERAY	DR	CAST IRON	4.00	1937	630	10/20/2014	10/21/2014
80	ORINDA		CANYON VIEW	DR	CAST IRON	6.00	1948	11,520	10/6/2014	10/13/2014
81	ORINDA		TARRY	LN	CAST IRON	6.00	1946	1,350	10/4/2014	10/4/2014
82	PINOLE		SAN PABLO	AVE	CAST IRON	6.00	1953	5,850	10/8/2014	10/8/2014
83	PLEASANT HILL		PARADISE	LN	CAST IRON	4.00	1949	1,350	10/15/2014	10/15/2014
84	PLEASANT HILL		PLEASANT HILL	RD	CAST IRON	6.00	1941	13,500	10/10/2014	10/10/2014
85	RICHMOND	S	15TH	ST	ASBESTOS CEMENT	4.00	1943	4,500	10/2/2014	10/3/2014
86	RICHMOND	S	49TH	ST	ASBESTOS CEMENT	6.00	1965	90	10/20/2014	10/20/2014
87	RICHMOND		BONITA	RD	ASBESTOS CEMENT	6.00	1965	90	10/20/2014	10/21/2014
88	RICHMOND		VISALIA	AVE	CAST IRON	6.00	1941	450	10/23/2014	10/23/2014
89	RODEO		3RD	ST	ASBESTOS CEMENT	6.00	1954	4,500	10/14/2014	10/14/2014
90	RODEO		3RD	ST	ASBESTOS CEMENT	6.00	1954	2,700	10/16/2014	10/16/2014

October 2014 Main Breaks

	City	Pre	Street	Suf	Pipe Material	Pipe Diameter	Year Installed	Est Water Loss (Gal)	Identified On	Completed On
91	RODEO		3RD	ST	CAST IRON	6.00	1946	45,000	10/29/2014	10/31/2014
92	RODEO		LAKE	AVE	ASBESTOS CEMENT	6.00	1959	1,350	10/25/2014	10/25/2014
93	SAN LEANDRO	E	14TH	ST	CAST IRON	6.00	1967	7,200	10/24/2014	10/28/2014
94	SAN LEANDRO		166TH	AVE	CAST IRON	4.00	1938	10,080	10/10/2014	10/10/2014
95	SAN LEANDRO		INVERNESS	ST	ASBESTOS CEMENT	6.00	1951	7,200	10/2/2014	10/6/2014
96	SAN LORENZO		HESPERIAN	BL	CAST IRON	8.00	1947	11,520	9/25/2014	10/2/2014
97	SAN PABLO		17TH	ST	CAST IRON	6.00	1941	4,500	10/23/2014	10/23/2014
98	SAN PABLO		MCBRYDE	AVE	ASBESTOS CEMENT	6.00	1941	4,320	10/27/2014	10/29/2014
99	SAN RAMON		OLD RANCH	CT	ASBESTOS CEMENT	6.00	1981	900	10/13/2014	10/13/2014
100	WALNUT CREEK		ALEGRA	CT	ASBESTOS CEMENT	6.00	1957	900	10/5/2014	10/5/2014
101	WALNUT CREEK		ARLENE	LN	ASBESTOS CEMENT	6.00	1959	6,750	10/15/2014	10/15/2014
102	WALNUT CREEK		MIRAMONTE	RD	CAST IRON	6.00	1942	11,520	10/26/2014	10/29/2014
103	WALNUT CREEK		PINE	ST	ASBESTOS CEMENT	8.00	1964	45,000	10/20/2014	10/20/2014
104	WALNUT CREEK		PIONEER	AVE	CAST IRON	4.00	1940	11,520	10/23/2014	10/24/2014
105	WALNUT CREEK		SAND WEDGE	PL	ASBESTOS CEMENT	6.00	1971	4,500	10/16/2014	10/16/2014
106	WALNUT CREEK		WALNUT	BL	ASBESTOS CEMENT	8.00	1956	12,960	9/30/2014	10/8/2014
TOTAL									1,082,160	

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: November 6, 2014

MEMO TO: Board of Directors

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

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

SUBJECT: Finance/Administration Committee Minutes – October 28, 2014

Chair John A. Coleman called to order the Finance/Administration Committee in the Training Resource Center at 9:46 a.m. Director Doug Linney was present at roll call. Director Patterson was absent. Staff present included: General Manager Alexander R. Coate, General Counsel Jylana Collins, Director of Finance Eric L. Sandler, Director of Water and Natural Resources Richard G. Sykes, Operations and Maintenance Department Manager Eileen M. White, Principal Management Analyst Dari Barzel, Internal Auditor Supervisor Barry N. Gardin, Senior Civil Engineer David H. Katzev, Construction and Maintenance Superintendent Margo Schueler, Senior Civil Engineer David V. Beyer, Special Assistant to the General Manager Cheryl A. Farr, and Secretary of the District Lynelle M. Lewis.

Public Comment. None.

Quarterly Investment 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 July 1, 2014 through September 30, 2014. The Committee raised no questions. It was moved by Director Linney and seconded by Director Coleman to accept the reports, carried (2-0) unanimously.

Proposed Fiscal Year 2015 Financing Plan and De-Risking and Refunding Transactions. Principal Management Analyst Dari Barzel presented a proposed financing plan for Fiscal Year 2015. The planned transactions include market opportunities for de-risking and refunding, administration of existing debt portfolio and issuance of new money bonds to fund projects in the Capital Improvement Program (CIP). The Committee requested that staff provide a summary of the \$1.025 billion of CIP-funded projects anticipated for FY14-18, total savings from refundings in past few years and the assumed interest rate to be paid on refinancing actions. It was moved by Director Linney and seconded by Director Coleman to accept the report, and it carried (2-0) unanimously.

Adopt New Policy: Municipal Securities Disclosure, and Review of Revisions to District Policies. Internal Auditor Supervisor Barry N. Gardin reported that seven policies were presented for consideration; however, staff was pulling Policy 4.20 for further review. It was noted that a new policy, Municipal Securities Disclosure, was created in order to codify the District's commitment to transparency, thoroughness, and accuracy of financial disclosures related to the issuance of securities. The Committee had no questions. It was moved by Director Linney and seconded by Director Coleman to forward the one new and six revised policies to the full Board, carried (2-0) unanimously.

Pipeline Renewal Ramp-Up: Project Update. Senior Civil Engineer David H. Katzev and Construction and Maintenance Superintendent Margo Schueler presented an update on the Pipeline Renewal Program and future pipeline replacement levels. The April 2014 Pipeline Replacement Study recommended increasing the replacement rate from 10 miles per year to approximately 40 miles per year to ensure continued high service reliability. To implement an increase in infrastructure renewal, the District is proposing an initial ramp-up from 10 to 15 miles per year beginning in FY16, and sustaining this higher replacement rate through FY19. To accomplish the renewal of an additional 5 miles per year, it is anticipated that District forces will install 3-4 miles using current construction methods and that contract staff will install 1-2 miles using alternative pipeline renewal methods such as cured-in-place pipe or pipe bursting. At this increased rate of replacement, the initial FY16-FY19 program will replace an estimated additional 20 miles of high priority replacement small-diameter pipelines anticipated to consist of up to 12 miles of asbestos cement mains and 8 miles of cast iron mains. The Committee had no questions.

Staff reported that a pilot study focused on improving efficiencies in planning, design, and construction of small-diameter infrastructure renewals will be completed as part of the initial program. The study will assess different ways of completing infrastructure renewals and evaluate process improvements in all phases of work. Results from the pilot study will guide the District's long-term increase in pipeline renewal. Resources to initiate the program, conduct the pilot study and renew an additional 5 miles of pipeline per year will be needed at the beginning of FY16. Next steps include finalizing a comprehensive staffing proposal for the initial program by December 2014, continuing discussions with stakeholders and developing an implementation plan. Staff responded to questions raised by the Committee about costs and staffing levels. AFSCME Local 444 President John Briceno expressed the union's opposition to using contract staff for pipeline replacement work.

FY14 Annual Power Sales Report. Senior Civil Engineer David V. Beyer reported that the FY14 net power revenue of \$1.4 million was less than the planned revenue of \$3.4 million and the budgeted revenue of \$5.7 million due to lower than expected runoff. The FY14 highlights were completion of a major overhaul of Pardee Generator Units No. 1 and 2 and the sale of renewable energy credits which increased revenue by \$155,000. The Committee had no questions.

Adjournment. Chair Coleman adjourned the meeting at 10:37 a.m.