EAST BAY DISCHARGERS AUTHORITY
COMMISSION MEETING MINUTES

March 21, 2019

1. Call to Order
Chair Handley called the meeting to order at 9:35 A.M. on Thursday, March 21, 2019, at the Oro Loma Sanitary District Boardroom, 2655 Grant Avenue, San Lorenzo, CA 94580.

2. Pledge of Allegiance

3. Roll Call
PRESENT: Al Mendall, City of Hayward; Pauline Russo Cutter, City of San Leandro; Thomas Handley, Union Sanitary District; Dan Walters, Oro Loma Sanitary District; Ralph Johnson, Castro Valley Sanitary District

ABSENT: None

OTHERS
PRESENT: Jackie Zipkin East Bay Dischargers Authority
Eric Casher Legal Counsel
Howard Cin East Bay Dischargers Authority
Juanita Villasenor East Bay Dischargers Authority
Maria Buckley East Bay Dischargers Authority
Alex Ameri City of Hayward
Paul Eldredge Union Sanitary District
Roland Williams Castro Valley Sanitary District
Justin Jenson City of San Leandro
Jason Warner Oro Loma Sanitary District

4. Public Forum
No member of the public requested to address the Commission at the meeting.

CONSENT CALENDAR

5. Commission Workshop Minutes of February 14, 2019
6. Commission Meeting Minutes of February 21, 2019
7. Commission Workshop Minutes of March 7, 2019
8. List of Disbursements for February 2019
9. Treasurer’s Report for February 2019
10. Second Quarter Expense Summary, FY 2018/19

Commissioner Cutter moved to approve the Consent Calendar items. The motion was seconded by Commissioner Johnson and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).
11. **General Manager's Report**
The General Manager (GM) attended a steering committee meeting for CHARG (Climate Hazards Adaptation Working Group), which is a group of flood control agencies that are focusing on adaption to sea level rise around the San Francisco Bay. The GM also relayed that there are two pieces of legislation that have the potential to negatively impact EBDA: 1) SB 332 (Hertberg) calls for the significant reduction of discharges to Bay and ocean outfalls and 2) SB 69 (Wiener) would require nitrogen reduction and is inconsistent with the collaborative approach to nutrient management underway for the Bay. CASA is engaged in discussions with the authors and BACWA has provided technical information.

12. **Report from the Managers Advisory Committee (MAC)**
The MAC reviewed the proposed budget and supports suggested Special Studies. MAC continues to meet more frequently to talk through the JPA next tier issues.

13. **Report from the Ad Hoc Committee**
The Ad Hoc discussed the JPA Term Sheet. The next step is for Commissioners to have their respective Boards/Councils review the Term Sheet and provide any comments by April 2019. The goal is to have the EBDA Commission adopt the JPA Term Sheet in May. Staff will run the numbers to compare implementing new budget allocations in January 2020 vs. July 2020.

14. **Report from the Financial Management Committee**
The Financial Management Committee met with the GM on March 20, 2019. They reviewed the FY 2018/19 Second Quarter Expense Summary. Spending is under budget due to the dry weather through December. A Draft FY 2019/20 Budget was presented to the Committee. Staff was directed to review the Consumer Price Index used and compare to member agencies COLA rates and report to the Personnel Committee in April. The Committee recommended paying down the Authority's Pension and OPEB liabilities and clearing out the Renewal and Replacement Fund (RRF) under the current JPA allocations. Staff will perform an account analysis of the RRF, taking into consideration current project obligations, to assess the amount of funds that may be available for use towards the unfunded liabilities. Another option is to use the remaining O&M funds at the end of the fiscal year towards the liabilities, as has been done in the past.

Commissioner Cutter moved to approve the report from the Financial Management Committee. The motion was seconded by Commissioner Mendall and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).

15. **Resolution Approving Revisions to the Authority’s Investment Policy**
The Financial Management Committee recommended approval of revisions to the Investment Policy. The changes included adding sections for Performance Standards and Internal Controls, and adding a glossary.
Commissioner Mendall moved to approve the resolution approving revisions to the Authority’s Investment Policy. The motion was seconded by Commissioner Cutter, and approved unanimously, 5-0.

Ayes: Commissioners Mendall, Cutter, Walters, Johnson, and Chair Handley
Noes: None
Absent: None
Abstain: None

16. Resolution for Adoption of Investment Strategy for East Bay Dischargers Authority
The Financial Management Committee recommended adoption of the Investment Strategy with two changes; 1) add the words “less than” to the second bullet and 2) strike the reference to the issue size of $50,000 from the third bullet. The Commission further discussed the Strategy and requested that it be noted that CDs must be FDIC insured and asked to strike the bullet regarding fossil fuel investments from the Strategy. Commissioner Cutter expressed a preference for socially conscious investments.

Commissioner Walters moved to approve the resolution adopting the Authority’s Investment Strategy, with two modifications. The third bullet will be extended to include the words “and be FDIC insured” and the fifth bullet will be removed. The motion was seconded by Chair Handley, and approved by majority vote, 4-1.

Ayes: Commissioners Mendall, Walters, Johnson, and Chair Handley
Noes: Commissioner Cutter
Absent: None
Abstain: None

17. Report from the Regulatory Affairs Committee
The Regulatory Affairs Committee met with the GM on March 19, 2019. The Committee reviewed BACWA’s key regulatory issue summary and was updated on the status of the Nutrients Watershed Permit renewal.

Commissioner Mendall moved to approve the report from the Regulatory Affairs Committee. The motion was seconded by Commissioner Johnson and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).

18. Report from the Operations & Maintenance Committee
The Operations & Maintenance Committee met with the GM on March 18, 2019. The O&M Manager provided an update on the HEPS MCC project. The Committee discussed the Environmental Health inspection at OLEPS, wet weather events, and the Asset Management Plan.

Commissioner Cutter moved to approve the report from the Operations & Maintenance Committee. The motion was seconded by Commissioner Walters and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).
19. Resolution Authorizing the General Manager to Issue Amendment No. 5 to the Contract with Brown & Caldwell for Additional Engineering Services Associated with the Transport System Condition Assessment in the Amount of $60,000 for a Total Contract not to Exceed Amount of $570,000

The Operations & Maintenance Committee recommended authorization for Amendment No. 5 to the contract with Brown and Caldwell in the amount of $60,000 for additional engineering services associated with the Transport System Condition Assessment.

Commissioner Cutter moved to approve the resolution authorizing Amendment No. 5 to the Brown & Caldwell contract for engineering services. The motion was seconded by Commissioner Walters, and approved unanimously, 5-0.

Ayes: Commissioners Mendall, Cutter, Walters, Johnson, and Chair Handley
Noes: None
Absent: None
Abstain: None

20. Report from the Personnel Committee
The Personnel Committee met with the GM on March 18, 2019. The Committee discussed the General Manager’s travel report and performance plan for 19/20. Completed performance reviews for 19/20 will be submitted to the Commission Chair for compiling.

Commissioner Cutter moved to approve the report from the Personnel Committee. The motion was seconded by Commissioner Mendall and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).

21. Closed Session
The Commission met in closed session to discuss the General Manager’s employment.

22. Reconvene Open Session / Report from Closed Session
The Commission Chair requested that Section 3 Paragraph 4 if the General Manager’s Employment Agreement be revised to state, “with a value of Employee’s annual salary.”

23. Resolution Approving Amendments to the General Manager’s Employment Agreement
The Personnel Committee recommends approval of the General Manager’s Employment Agreement.

Commissioner Mendall moved to approve the resolution with the addition of the word “annual” to Section 3 Paragraph 4. The motion was seconded by Commissioner Cutter, and approved unanimously, 5-0.

Ayes: Commissioners Mendall, Cutter, Walters, Johnson, and Chair Handley
Noes: None
Absent: None
Abstain: None
24. Resolution to Adopt IRC Section 125 Flexible Benefits Plan
EBDA's IRC Section 125 Flexible Benefits Plan (Cafeteria Plan) formalizes current practices regarding employee benefits and adds flexible spending accounts for staff. The Personnel Committee recommended adoption of the Cafeteria Plan.

Commissioner Mendall moved to approve the resolution. The motion was seconded by Commissioner Cutter, and approved unanimously, 5-0.

Ayes: Commissioners Mendall, Cutter, Walters, Johnson, and Chair Handley
Noes: None
Absent: None
Abstain: None

25. Regular Commission Meeting Time Discussion
The Commission decided to remove this item from further consideration.

26. Items From the Commission and Staff
Commissioner Cutter advised that the City of San Leandro is now using Western States Oil biofuel. The City of Hayward is also studying the viability of using biofuel. Lastly, Staff reminded Commissioners that FPPC Form 700 filings are due by April 1, 2019.

27. Adjournment
With no further business, Chair Handley adjourned the meeting at 11:35 a.m.

Jacqueline Zipkin
General Manager