EAST BAY DISCHARGERS AUTHORITY
COMMISSION MEETING MINUTES

May 16, 2019

1. Call to Order
Chair Handley called the meeting to order at 9:35 A.M. on Thursday, May 16, 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
Maria Buckley East Bay Dischargers Authority
Howard Cin East Bay Dischargers Authority
John Bakker Legal Counsel
Alex Ameri City of Hayward
Jan Lee City of Hayward
Jason Warner Oro Loma Sanitary District
Justin Jenson City of San Leandro
Paul Eldredge Union Sanitary District
Roland Williams Castro Valley Sanitary District

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

C O N S E N T C A L E N D A R

5. Commission Meeting Minutes of April 18, 2019
6. Special Meeting Minutes of April 18, 2019 (Facilities Tour)
7. List of Disbursements for April 2019
8. Treasurer’s Report for April 2019
9. Third Quarter Expense Summary, FY 2018/2019
Commissioner Walters 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).

10. General Manager’s Report
The General Manager attended the Bay Planning Coalition Spring Summit where there was a panel discussion on sea level rise. She mentioned that the MAC is beginning to review the draft Asset Management Plan.
REGULAR CALENDAR

11. Report from the Managers Advisory Committee (MAC)
The MAC discussed the Asset Management Plan Update and the RRF Project List which will come to the Commission next month. The MAC is looking at long-term funding needs. The MAC also discussed JPA next steps.

12. Report from the Ad Hoc Committee
The Ad Hoc Committee discussed two main items, hiring attorneys Hanson Bridgett and the Term Sheet. Hanson Bridgett would provide legal support for the JPA revisions. Regarding scheduling, the Commissioners mentioned that City of San Leandro does not meet in August, nor does City of Hayward. Ad Hoc may need to meet more often in the coming months to talk about language and concepts, which staff will then discuss with the attorneys. Staff is targeting completion of negotiations in August, and the JPA will be adopted by the Member Agencies by the end of the calendar year.

13. Resolution Authorizing the General Manager to Enter into an Agreement with Hanson Bridgett, LLP in the Amount not to Exceed $100,000 for Legal Services Associated with Joint Powers Agreement Renewal
The General Manager introduced information about Hanson Bridgett, who will assist with legal aspects of the JPA renewal.

Commissioner Mendall moved to approve the resolution authorizing the GM to enter into an agreement with Hanson Bridgett. 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

14. Resolution Approving the Term Sheet for Joint Powers Agreement Renewal
The General Manager presented information about the Term Sheet. The Term Sheet is silent on when the terms begin. The Commission agreed that July 1, 2020 is when the term will begin on all items. The percentages of 65-35 OLSD/CV will be provided to the attorneys with the direction that they be incorporated as appropriate in the JPA.

Commissioner Walters moved the resolution approving the Term Sheet for Joint Powers Agreement Renewal, with the addition that all terms will begin July 1, 2020. The motion was seconded by Commissioner Mendall, and approved unanimously, 5-0.

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

15. Report from the Financial Management Committee
The Financial Management Committee met with the General Manager on May 15, 2019. The Committee reviewed the List of Disbursements, Treasurer’s Report, the third quarter Expense Report, the final Audit Policy, a draft Reporting Policy, and a draft Internal
Controls Policy. The General Manager reviewed the third quarter Expense Report and explained that EBDA will be closer to budget after the PG&E credit is cleared up. It is anticipated that EBDA will be under budget overall. The GM complimented Operations Manager Howard Cin and the Member Agencies for looking for ways to save money throughout the year.

The Commission directed staff to use the current amounts on page 50 (OPEB and Pension Funding) of the Agenda Packet as a lump sum (a catch-up payment) and maintain target ratios going forward.

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

16. Resolution Adopting the Authority’s Audit Policy
The Financial Management Committee recommended approval of the Audit Policy. The Commission asked if there is flexibility in the language to add an additional year, if necessary, and the response was affirmative.

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

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

The Financial Management Committee recommended approval of the Resolution to establish the price of recycled water at Skywest. The Commission agreed to keep the current rate of $10,000 per month. Skywest funds will be included in later discussions on a Reserve policy. Staff thanked Skywest staff for making operational changes that have improved efficiency.

Commissioner Cutter moved to approve the resolution establishing the price of recycled water for Skywest Golf Course in FY 2019/20. 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

18. Resolution Adopting the East Bay Dischargers Authority’s Fiscal Year 2019/20 Budget
Note that this item was discussed after item #19, since item #19 is an item included in the 2019/20 Budget and should be addressed separately before budget approval consideration.
The General Manager reminded the Commission that the budget was first brought to the Commission in March, and there have been only minor changes. There will be a 2% increase over last year’s budget, or $115,030. Major items include increases in NPDES and nutrients fees, Special Studies, and legal fees. The Commission directed staff to remove the final paragraph of the Budget Resolution regarding signing contracts since it conflicts with the JPA document.

Commissioner Mendall moved to approve the resolution adopting EBDA’s budget for fiscal year 2019/20. The motion was seconded by Commissioner Johnson, and approved unanimously, 5-0.

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

19. Resolution Approving the Annual Contribution to the Renewal and Replacement Fund for FY 2019/20 in the amount of $225,000

The Financial Management Committee recommended approval of the Resolution to approve the annual contribution to the RRF in the amount of $225,000. The GM noted that the $400,000 for Seismic Preparedness is a placeholder until more information is received from Brown & Caldwell.

Commissioner Walters moved to approve the Resolution approving the annual contribution to the Renewal and Replacement Fund for FY 2019/20 in the amount of $225,000. The motion was seconded by Commissioner Johnson, and approved unanimously, 5-0.

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

20. Report from the Regulatory Affairs Committee

The Regulatory Affairs Committee met with the General Manager on May 14, 2019. The Committee was updated on the status of the Nutrients Watershed Permit, and the Adaptation Atlas. The Permit was adopted May 6th. The Commission requested that staff not include the full DMR report in the Agenda, but instead keep the charts and add summary bullets. They requested that in general, where there are “nice” reports, use white paper so that the images are clear.

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

21. Report from the Operations & Maintenance Committee

The Operations & Maintenance Committee met with the General Manager on May 13, 2019. The O&M Manager provided an update on the HEPS MCC Replacement project, reviewing photos of the MCC building installation. He acknowledged OLSD staff for their work on the Skywest Chlorine Contact Tank. He also provided an update on the cyber
security assessment of OLSD and EBDA. The Committee also discussed the Seismic Reliability report, completion of the draft Asset Management Plan, and the second training session with the Disaster Cost Recovery consultants.

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

22. **FY 2019/20 Commission Chair Rotation**
The Commission discussed the recent history of Chair rotation. Commissioner Mendall requested that staff provide a list of past Chairs the next time this item is presented.

Commissioner Mendall moved to approve the rotation of the Commission Chair for FY 2019/20. The motion was seconded by Commissioner Johnson and carried unanimously, 5-0 (Mendall, Cutter, Walters, Johnson, Handley; ayes).

23. **Committee Preference Form for FY 2019/20**
The Commissioners discussed the Preference form and agreed that the topic of Committee alternates should be discussed in Personnel Committee at a later date. The Committee Preference Form provided in the packet on page 140 should be returned with contact information to Juanita, and cc'd to the GM, if returned electronically.

24. **Items From the Commission and Staff**
Commissioner Mendall announced that Alex Ameri has been promoted to Public Works Director. Commissioner Cutter thanked staff for coordinating the tour of the facilities last month.

25. **Adjournment**
With no further business, Chair Handley adjourned the meeting at 10:55 a.m.

[Signature]
Jacqueline Zipkin
General Manager