



EAST BAY DISCHARGERS AUTHORITY
2651 Grant Avenue
San Lorenzo, CA 94580-1841
(510) 278-5910
FAX (510) 278-6547

A Joint Powers Public Agency

ITEM NO. 10

**FINANCIAL MANAGEMENT COMMITTEE
AGENDA**

Monday, December 16, 2019

4:00 p.m.

**East Bay Dischargers Authority
2651 Grant Avenue
San Lorenzo, CA 94580**

Committee Members: Mendall (Chair); Johnson

FM1. Call to Order

FM2. Roll Call

FM3. Public Forum

FM4. List of Disbursements for November 2019

(The Committee will review the List of Disbursements.)

FM5. Treasurer's Report for November 2019

(The Committee will review the Preliminary Treasurer's Report.)

FM6. Resolution Authorizing the General Manager to Amend the Agreement with Hanson Bridgett, LLP in the Amount of \$50,000 for a Total Contract Value of \$150,000

(The Committee will review the proposed resolution.)

FM7. Resolution Authorizing the General Manager to Make Lump Sum Payments to the Authority's OPEB and Pension Accounts, to Apply FY2018-19 Credits To Each Agency's Share of those Lump Sum Payments, and to Invoice the Agencies for Any Outstanding Portion of their Lump Sum Allocation

(The Committee will review the proposed resolution.)

FM8. Adjournment

(Any member of the public may address the Commission at the commencement of the meeting on any matter within the jurisdiction of the Commission. This should not relate to any item on the agenda. It is the policy of the Authority that each person addressing the Commission limit their presentation to three minutes. Non-English speakers using a translator will have a time limit of six minutes. Any member of the public desiring to provide comments to the Commission on an agenda item should do so at the time the item is considered. It is the policy of the Authority that oral comments be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available in the Boardroom and are to be completed prior to speaking.)

(In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in an Authority meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Administrative Assistant at the EBDA office at (510) 278-5910 or kyambao@ebda.org. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the Authority staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.)

(In compliance with SB 343, related writings of open session items are available for public inspection at East Bay Dischargers Authority, 2651 Grant Avenue, San Lorenzo, CA 94580. For your convenience, agenda items are posted on the East Bay Dischargers Authority website located at <http://www.ebda.org>.)

**The next Financial Management Committee meeting will be held
Monday, January 13, 2020 at 3:00 p.m.**

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
November 2019

CHECKS (SORTED BY AMOUNT)

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24465	11/14/2019	WD-0167389	STATE WATER RESOURCES CONTROL BOARD	ANNUAL PERMIT FEE FOR WASTE DISCHARGE REQUIREMENTS		492,846.00	492,846.00
24470	11/14/2019	3020071	REGIONAL MONITORING PROGRAM C/O SFEI	FIRST QUARTERLY RMP CORE AND AMR YEAR 4		61,082.50	61,082.50
24468	11/14/2019	45380	CALCON	HEPS MCC PLC & SCADA SYSTEM UPGRADE		34,176.00	49,916.72
24468	11/14/2019	45382	CALCON	OLEPS - PUMPS 1 & 4 VALVE ACTUATORS		14,600.00	
24468	11/14/2019	45453	CALCON	OLEPS - NEW SAFETY LIGHTING		650.92	
24468	11/14/2019	45410	CALCON	AEPS COMMUNICATION ISSUES		489.80	
24463	11/14/2019	374507	CITY OF SAN LEANDRO	O&M SEPTEMBER		33,597.36	33,597.36
24466	11/14/2019	4007	CASA	ANNUAL DUES		8,913.00	8,913.00
24476	11/14/2019	2019080172	MEYERS NAVE	LEGAL COUNSEL AUGUST		5,855.18	7,973.20
24476	11/14/2019	2019090514	MEYERS NAVE	LEGAL COUNSEL SEPTEMBER		2,101.20	
24476	11/14/2019	2019080172	MEYERS NAVE	LEGAL COUNSEL AUGUST		16.82	
24478	11/14/2019	SJ970710	UNIVAR	SODIUM BISULFITE DELIVERED 11/1		5,813.91	5,813.91
24480	11/14/2019	22-Mar	MAZE & ASSOCIATES	BASIC FINANCIAL STATEMENT AUDIT FY 18/19		4,470.00	4,470.00
24482	11/14/2019	00014	CURRIE ENGINEERS	HEPS MCC REPLACEMENT PROJECT CONSTRUCTION MANAGEMENT		3,741.00	4,224.75
24482	11/14/2019	00015	CURRIE ENGINEERS	OLEPS ELECTRICAL UPGRADE CONSTRUCTION MANAGEMENT		483.75	
24475	11/14/2019	55687627	US BANK	KINZIE HOTEL CHICAGO	537.70	2,352.19	2,352.19
24475	11/14/2019	55687627	US BANK	CALPERS FORUM 2019	499.00		
24475	11/14/2019	55687627	US BANK	REMOTE DATA BACKUPS	402.00		
24475	11/14/2019	55687627	US BANK	OFFICE SUPPLIES	291.89		
24475	11/14/2019	55687627	US BANK	AMAZON - HEADSET	150.72		
24475	11/14/2019	55687627	US BANK	DOMINOS	97.74		
24475	11/14/2019	55687627	US BANK	INTERMEDIA.NET	86.41		
24475	11/14/2019	55687627	US BANK	TOGOS	65.00		
24475	11/14/2019	55687627	US BANK	DALZIEL GARAGE OAKLAND	36.00		
24475	11/14/2019	55687627	US BANK	CHEVRON	29.92		
24475	11/14/2019	55687627	US BANK	LYFT	21.84		
24475	11/14/2019	55687627	US BANK	LAZ PARKING BERKELEY	17.00		
24475	11/14/2019	55687627	US BANK	PEERLESS ACE HARDWARE	16.52		
24475	11/14/2019	55687627	US BANK	MCCORMICK PLACE CHICAGO	15.50		
24475	11/14/2019	55687627	US BANK	TRUEBURGER CHICAGO	15.31		
24475	11/14/2019	55687627	US BANK	DUNKIN DONUTS	13.99		
24475	11/14/2019	55687627	US BANK	OFFICE SUPPLIES	12.41		
24475	11/14/2019	55687627	US BANK	DALZIEL GARAGE OAKLAND	12.00		
24475	11/14/2019	55687627	US BANK	EAST BAY TIMES	9.95		
24475	11/14/2019	55687627	US BANK	PACIFIC RENAISSANCE GARAGE OAKLAND	9.00		
24475	11/14/2019	55687627	US BANK	EINSTEIN BROS BAGELS CHICAGO	6.85		
24475	11/14/2019	55687627	US BANK	JACK IN BOX CHICAGO	4.45		
24475	11/14/2019	55687627	US BANK	APPLE ITUNES	0.99		
24481	11/14/2019	OE01880886	AEROTEK	SUPPLEMENTAL STAFFING SERVICES - PERIOD ENDING 10/26/2019		2,158.75	2,158.75

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
November 2019

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24462	11/14/2019	457-303166	VANTAGEPOINT TRANSFER AGENTS	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 11/15/19		1,767.85	1,767.85
24464	11/14/2019	52205705	CITY OF HAYWARD	HEALTH PREMIUMS - NOVEMBER 2019		1,507.83	1,507.83
24471	11/14/2019	3607886000	MRC GLOBAL	OLEPS ELECTRICAL UPGRADE CONSTRUCTION MANAGEMENT		1,250.00	1,250.00
24472	11/14/2019	8123	CAYUGA	IT SERVICES SEPT/OCT		1,035.00	1,035.00
24479	11/14/2019	EBD3055	ALPHA ANALYTICAL	LAB SAMPLES SEPT/OCT		770.00	770.00
24467	11/14/2019	1746192-19	SCIF	WORKERS COMP PREMIUM FOR NOVEMBER		603.25	603.25
24477	11/14/2019	37585	BA MORRISON	HVAC MAINTENANCE		235.00	235.00
24474	11/14/2019	518485	R-COMPUTER	HARD DRIVE FOR HOWARD CIN OFFICE COMPUTER		97.23	143.91
24474	11/14/2019	518435	R-COMPUTER	KEYBOARD		46.68	
24473	11/14/2019	115786	CALCHAMBER	2020 CA EMPLOYEE POSTER/NEWSLETTER REGULATORY UPDATES		139.31	139.31
24469	11/14/2019	S1939179.001	SAN LEANDRO ELECTRIC SUPPLY	LIGHT BULBS MDF FACILITY		100.75	100.75
24484	11/14/2019	545295271	ADP	PAYROLL FEES		60.25	60.25
24461	11/14/2019	19-Oct	KALENA YAMBAO	PARKING EXPENSES CALPERS FORUM		60.00	60.00
24483	11/14/2019	36863565673	DIRECT TV	BUNDLE DISCOUNT SERVICE WITH AT&T & DIRECT TV - ADMIN 11/3-12/2		30.64	30.64
TOTAL CHECK PAYMENTS							681,052.17
ELECTRONIC PAYMENTS							
11/4/2019	5105948980-1	PG&E		GAS & ELECTRIC CHARGES 08/31/19-10/09/19		33,884.45	33,884.45
11/29/2019	5105948980-1	PG&E		GAS & ELECTRIC CHARGES 10/01/19-11/07/19		32,733.66	32,733.66
11/7/2019	15837691	PERS HEALTH		HEALTH PREMIUMS - NOVEMBER 2019		7,026.35	7,026.35
11/7/2019	15849076	CALPERS		MONTHLY UNFUNDED LIABILITY - NOVEMBER 2019		3,503.42	3,503.42
11/1/2019	10-2019-1	CALPERS		PENSION PAYMENT FOR PERIOD 10/1/19-10/15/19		3,434.87	3,434.87
11/27/2019	11-2019-1	CALPERS		PENSION PAYMENT FOR PERIOD 11/1/19-11/15/19		3,429.94	3,429.94
11/15/2019	10-2019-2	CALPERS		PENSION PAYMENT FOR PERIOD 10/16/19-10/31/19		3,422.54	3,422.54
TOTAL ELECTRONIC PAYMENTS							87,435.23
PAYROLL							
11/15/2019	11/15/2019	PAYROLL		11/01-15/2019		17,141.54	17,141.54
11/30/2019	11/30/2019	PAYROLL		11/16-30/2019		15,858.39	18,268.83
11/30/2019	Nov-19	CUTTER, PAULINE RUSSO		DIRECT DEPOSIT		720.00	
11/30/2019	Nov-19	JOHNSON, RALPH		DIRECT DEPOSIT		720.00	
11/30/2019	Nov-19	WALTERS, DAN		DIRECT DEPOSIT		480.00	
11/30/2019	Nov-19	MENDALL, AL		DIRECT DEPOSIT		250.44	
11/30/2019	Nov-19	HANDLEY, THOMAS		DIRECT DEPOSIT		240.00	
TOTAL PAYROLL							35,410.37
TOTAL DISBURSEMENTS							803,897.77

ITEM NO. FM5 TREASURER'S REPORT FOR NOVEMBER 2019

The beginning cash balance on November 1, 2019 was \$4,795,169.65. The ending cash balance on November 30, 2019 was \$4,124,414.23 Total receipts for the month were \$133,142.35 and disbursements were \$803,897.77

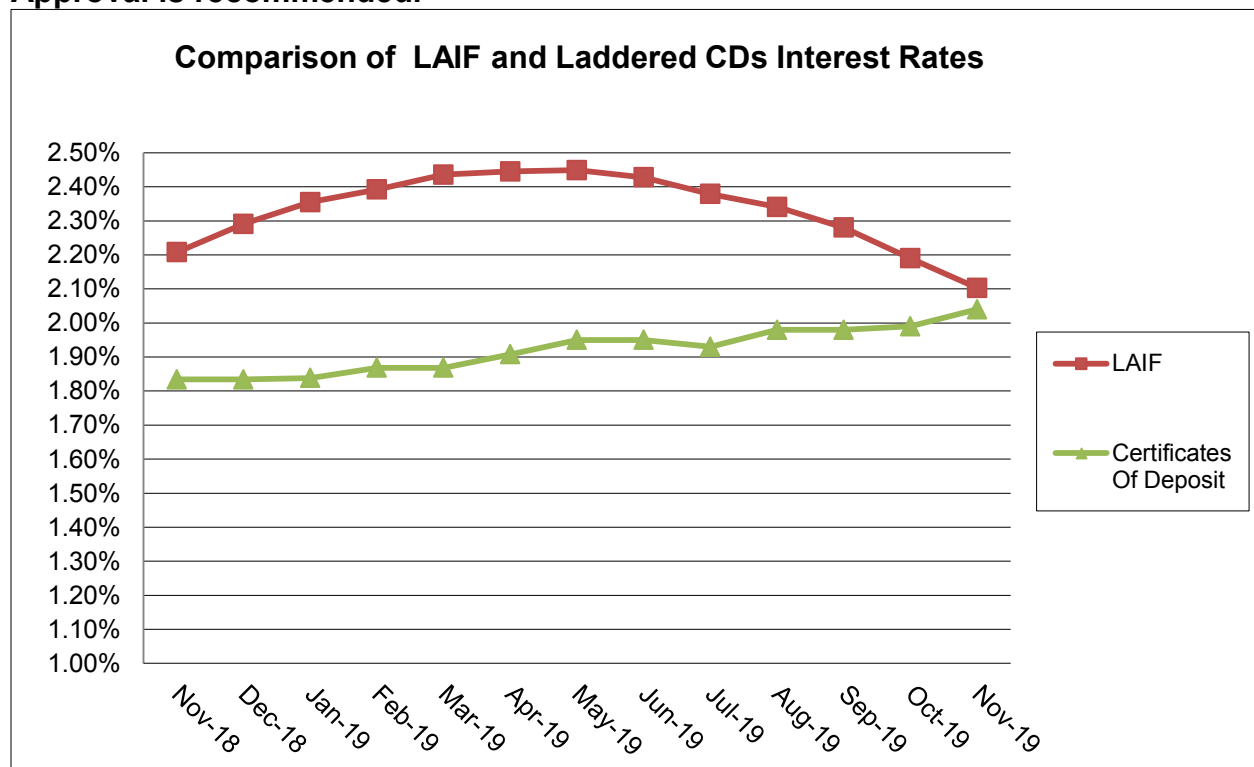
EBDA currently has a three-pronged investment approach that includes laddered CDs, Local Agency Investment Fund (LAIF), and a Wells Fargo savings account. As directed by the Financial Management Committee, funds are currently being transferred to savings and/or LAIF as CDs mature. Staff will continue to work with the Committee on investment strategy.

Current market value of laddered CD investments total \$602,674.43. One CD matured in November in the amount of \$52,941.75 and the balance was transferred to savings. The average annual yield of the CDs is 2.04%.

EBDA's LAIF balance beginning November 1, 2019 was \$3,249,827.82. The ending balance on November 30, 2019 remained the same with no interest credited. The LAIF interest rate for the period ending November 30th, 2019 was 2.10%.

The Wells Fargo State/Local Government account interest rate for this period was 0.03%.

Approval is recommended.



**EAST BAY DISCHARGERS AUTHORITY
TREASURER'S REPORT
NOVEMBER 30, 2019**

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	1,443,625.50	85,137.98	194,948.52	1,333,814.96
13	PLANNING & SPECIAL STUDIES	609,408.52	36,172.98	553,928.50	91,653.00
14	RECLAMATION O & M (SKYWEST)	117,447.54	10,000.00	770.00	126,677.54
31	REPLACEMENT	2,612,918.59	1,831.39	54,250.75	2,560,499.23
41	CONSTRUCTION	11,769.50			11,769.50
	TOTALS	4,795,169.65	133,142.35	803,897.77	4,124,414.23

Nov-19
12/11/19

SUPPLEMENTAL TREASURERS REPORT

DATE	TRANSACTION	RECEIPT	DISBURSEMENT REGULAR	DISBURSEMENT PAYROLL	PAYROLL TRANSFER	SAVINGS TRANSFER	LAIF TRANSFER	CD TRANSFER	CD INTEREST & EXPENSES	WELLS FARGO REGULAR CHECKING BALANCE	WELLS FARGO PAYROLL CHECKING BALANCE	WELLS FARGO REGULAR SAVINGS BALANCE	LAIF BALANCE	WELLS FARGO CERTIFICATES OF DEPOSIT	TOTAL CASH
10/31/19	BALANCE									712,203.33	73,930.08	105,517.59	3,249,827.82	653,690.83	4,795,169.65
11/01/19	DEPOSIT - CSL	121,310.96								833,514.29	73,930.08	105,517.59	3,249,827.82	653,690.83	4,916,480.61
11/01/19	INTEREST	504.11							504.11	833,514.29	73,930.08	105,517.59	3,249,827.82	654,194.94	4,916,984.72
11/01/19	ELECTRONIC BILL PAY		3,434.87							830,079.42	73,930.08	105,517.59	3,249,827.82	654,194.94	4,913,549.85
11/04/19	ELECTRONIC BILL PAY PG&E		33,884.45							796,194.97	73,930.08	105,517.59	3,249,827.82	654,194.94	4,879,665.40
11/04/19	INTEREST	342.12							342.12	796,194.97	73,930.08	105,517.59	3,249,827.82	654,537.06	4,880,007.52
11/06/19	PAYROLL CHECK FROM 10/31			733.95						796,194.97	73,196.13	105,517.59	3,249,827.82	654,537.06	4,879,273.57
11/07/19	ELECTRONIC BILL PAY		7,026.35							789,168.62	73,196.13	105,517.59	3,249,827.82	654,537.06	4,872,247.22
11/07/19	ELECTRONIC BILL PAY		3,503.42							785,665.20	73,196.13	105,517.59	3,249,827.82	654,537.06	4,868,743.80
11/07/19	TRANSFER FROM CD TO SAVINGS							(52,941.75)		785,665.20	73,196.13	158,459.34	3,249,827.82	601,595.31	4,868,743.80
11/08/19	INTEREST	4.51							4.51	785,665.20	73,196.13	158,459.34	3,249,827.82	601,599.82	4,868,748.31
11/12/19	PAYROLL TRANSFER				20,000.00					765,665.20	93,196.13	158,459.34	3,249,827.82	601,599.82	4,868,748.31
11/14/19	INTEREST	69.86							69.86	765,665.20	93,196.13	158,459.34	3,249,827.82	601,669.68	4,868,818.17
11/14/19	DEPOSIT - HARD	10,000.00								775,665.20	93,196.13	158,459.34	3,249,827.82	601,669.68	4,878,818.17
11/14/19	PAYROLL			16,358.59						775,665.20	76,837.54	158,459.34	3,249,827.82	601,669.68	4,862,459.58
11/14/19	DISBURSEMENT		681,052.17							94,613.03	76,837.54	158,459.34	3,249,827.82	601,669.68	4,181,407.41
11/15/19	ELECTRONIC BILL PAY		3,422.54							91,190.49	76,837.54	158,459.34	3,249,827.82	601,669.68	4,177,984.87
11/22/19	PAYROLL FEES			49.00						91,190.49	76,788.54	158,459.34	3,249,827.82	601,669.68	4,177,935.87
11/25/19	INTEREST	730.96							730.96	91,190.49	76,788.54	158,459.34	3,249,827.82	602,400.64	4,178,666.83
11/25/19	PAYROLL TRANSFER				20,000.00					71,190.49	96,788.54	158,459.34	3,249,827.82	602,400.64	4,178,666.83
11/27/19	ELECTRONIC BILL PAY		3,429.94							67,760.55	96,788.54	158,459.34	3,249,827.82	602,400.64	4,175,236.89
11/27/19	PAYROLL			18,268.83						67,760.55	78,519.71	158,459.34	3,249,827.82	602,400.64	4,156,968.06
11/29/19	ELECTRONIC BILL PAY PG&E		32,733.66							35,026.89	78,519.71	158,459.34	3,249,827.82	602,400.64	4,124,234.40
11/29/19	INTEREST	12.76								35,039.65	78,519.71	158,459.34	3,249,827.82	602,400.64	4,124,247.16
11/29/19	INTEREST	3.65				3.65				35,039.65	78,519.71	158,462.99	3,249,827.82	602,400.64	4,124,250.81
11/29/19	INTEREST	1.93			1.93					35,039.65	78,521.64	158,462.99	3,249,827.82	602,400.64	4,124,252.74
11/29/19	INTEREST	161.37							161.37	35,039.65	78,521.64	158,462.99	3,249,827.82	602,562.01	4,124,414.11
11/29/19	DIVIDEND	0.12							0.12	35,039.65	78,521.64	158,462.99	3,249,827.82	602,562.13	4,124,414.23
										35,039.65	78,521.64	158,462.99	3,249,827.82	602,562.13	4,124,414.23
	TOTAL	133,142.35	768,487.40	35,410.37	40,001.93	3.65	-	(52,941.75)	1,813.05						
	CURRENT BALANCE									35,039.65	78,521.64	158,462.99	3,249,827.82	602,562.13	4,124,414.23
										①	②	③	④	⑤	
	Reconciliation														
	① Per Bank Statement @11/30/19	\$ 35,269.92													
	Less: Outstanding Checks	(230.27)													
		\$ 35,039.65													
	② Per Bank Statement @11/30/19	\$ 78,521.64													
	③ Per Bank Statement @11/30/19	\$ 158,462.99													
	④ Per LAIF Statement @11/30/19	\$3,249,827.82													
	⑤ Per Treasurer's Report @11/30/19	\$ 602,562.13													
	Fair Market Value Increase/Decrease	1,076.01													
	Per Investment Statement @11/30/19	\$ 603,638.14													

The Supplemental Treasurer's Report is prepared monthly by the General Manager. It also serves as EBDA's cash and investments reconciliation.

CD PORTFOLIO

Institution	Description	Purchase Date	Maturity Date	Estimated Annual Yield	Quantity	Current Market Value
ALLY BANK	ALLY BANK CD MIDVALE UT ACT/365 FDIC INSURED CPN 1.600% DUE 12/16/19 DTD 12/15/16 FC 06/15/17	12/15/2016	12/16/2019	1.59%	50,000	50,001.00
ALLY BANK Total						50,001.00
BARCLAYS BANK	BARCLAYS BANK CD WILMINGTON DE ACT/365 FDIC INSURED CPN 1.950% DUE 09/21/20 DTD 09/20/17 FC 03/20/18 CUSIP 06740KKU0	9/20/2017	9/21/2020	1.94%	50,000	50,147.50
BARCLAYS BANK Total						50,147.50
CAPITAL ONE BK USA NA	CAPITAL ONE BK USA NA CD GLEN ALLEN VA ACT/365 FDIC INSURED CPN 1.750% DUE 01/13/20 DTD 01/11/17 FC 07/11/17	1/11/2017	1/13/2020	1.74%	50,000	50,011.50
CAPITAL ONE BK USA NA	CAPITAL ONE BK USA NA CD GLEN ALLEN VA ACT/365 FDIC INSD CPN 2.000% DUE 11/02/20 DTD 11/01/17 FC 05/01/18 CUSIP 1404206A3	11/1/2017	11/2/2020	1.99%	50,000	50,192.50
CAPITAL ONE BK USA NA Total						100,204.00
CITIBANK NA	CITIBANK NA CD SIOUX FALLS SD ACT/365 FDIC INSD CPN 2.900% DUE 05/24/21 DTD 05/23/18 FC 11/23/18 CUSIP 17312QM22	5/23/2018	5/24/2021	2.84%	50,000	50,929.00
CITIBANK NA Total						50,929.00
COMENITY BANK	COMENITY BANK CD WILMINGTON DE ACT/365 JUMBO CD FDIC INSURED CPN 1.900% DUE 8/31/20 DTD 8/30/17 FC 9/30/17 CUSIP 99000PTY2	8/30/2017	8/31/2020	1.90%	100,000	100,000.00
COMENITY BANK Total						100,000.00
DISCOVER BANK	DISCOVER BANK CD GREENWOOD DE ACT/365 FDIC INSURED CPN 1.800% DUE 03/02/20 DTD 03/01/17 FC 09/01/17 CUSIP 2546723K2	3/1/2017	3/2/2020	1.79%	50,000	50,026.00
DISCOVER BANK Total						50,026.00
GOLDMAN SACHS BK USA	GOLDMAN SACHS BK USA CD NEW YORK NY ACT/365 FDIC INSURED CPN 1.900% DUE 06/22/20 DTD 06/21/17 FC 12/21/17	6/21/2017	6/22/2020	1.89%	3,000	3,004.98
GOLDMAN SACHS BK USA Total						3,004.98
KEY BANK NA	KEY BANK NA CD CLEVELAND OH ACT/365 FDIC INSURED CPN 1.750% DUE 04/13/20 DTD 04/12/17 FC 10/12/17	4/12/2017	4/13/2020	1.74%	50,000	50,027.50
KEY BANK NA Total						50,027.50
LAKESIDE BANK	LAKESIDE BANK CD CHICAGO IL ACT/365 FDIC INSURED CPN 1.750% DUE 02/14/20 DTD 07/14/17 FC 08/14/17 CUSIP 51210SNL7	7/12/2017	2/14/2020	1.74%	47,000	47,016.45

CD PORTFOLIO

Institution	Description	Purchase Date	Maturity Date	Estimated Annual Yield	Quantity	Current Market Value
LAKESIDE BANK Total						47,016.45
MORGAN STANLEY BK NA	MORGAN STANLEY BK NA CD SALT LAKE CTY UT ACT/365 FDIC INSD CPN 2.500% DUE 02/08/21 DTD 02/08/18 FC 08/08/18 CUSIP 61747MJ93	1/30/2018	2/8/2021	2.47%	50,000	50,530.00
MORGAN STANLEY BK NA	MORGAN STANLEY BK NA CD SALT LAKE CTY UT ACT/365 FDIC INSD CPN 2.800% DUE 04/05/21 DTD 04/05/18 FC 10/05/18 CUSIP 61747MS69	4/5/2018	4/5/2021	2.75%	50,000	50,788.00
MORGAN STANLEY BK NA Total						101,318.00
Grand Total						602,674.43
Average Estimated Annual Yield				2.04%		

ITEM NO. FM6 RESOLUTION AUTHORIZING THE GENERAL MANAGER TO AMEND THE AGREEMENT WITH HANSON BRIDGETT, LLP IN THE AMOUNT OF \$50,000 FOR A TOTAL CONTRACT VALUE OF \$150,000

Recommendation

Adopt a resolution authorizing the General Manager to amend the agreement with Hanson Bridgett, LLP for legal services associated with renewal of the Authority's Joint Powers Agreement (JPA).

Background

The Authority's JPA is set to expire on January 1, 2020. In May 2019, the Commission approved a contract with Hanson Bridgett, LLP in the amount of \$100,000 to provide legal services for drafting the new JPA. Hanson Bridgett began their work in late May, and the drafting process culminated with the approval of the Amended and Restated JPA by the Commission on October 29, 2019. Member Agency governing body approvals are currently underway.

Recognizing the high priority of this effort, the Commission approved \$150,000 in the FY 19/20 budget for JPA legal services.

Discussion

Hanson Bridgett's scope, as approved in May, assumed that the JPA drafting would be complete in September and that three complete rounds of edits would be undertaken. The first complete draft was distributed on September 6th. However, due to the controversial and consequential nature of JPA elements, drafting and negotiations continued through late October, and four additional complete JPA Agreement drafts were distributed to the MAC and agency legal counsels for review and comment. There were also many additional rounds of revised excerpts of the Agreement, including language on liability for example, that were distributed to the MAC and legal counsels. In addition, significant time was expended on calls with the MAC and agency attorneys to work through issues and ensure that all feedback was incorporated. During October, Hanson Bridgett was in almost daily contact with the General Manager to revise Agreement language and negotiate terms with the MAC and legal counsels.

The extra time and care that the Hanson Bridgett attorneys put in was invaluable in getting the agencies to consensus and creating a high quality document. Hanson Bridgett was efficient in performing the work; the process just took longer and required more iterations than allowed for in the scope. Anticipating this, the budget for the project was higher than the original contract amount, and therefore the contract can be amended as proposed and still not exceed the budget.

Through October, Hanson Bridgett has spent \$125,000. Although the final JPA Agreement is currently being considered by the Member Agencies for approval, staff believes it is prudent to allocate some additional time and funding to the approved not-

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
December 16, 2019

to-exceed budget for Hanson Bridgett in the event assistance is required for finalizing the approved Agreement and implementing the new Agreement. For example, Hanson Bridgett may advise staff and the Authority's legal counsel on drafting of Rules of the Commission and other policy documents contemplated in the JPA negotiation. Staff therefore proposes to increase Hanson Bridgett's agreement to a not-to-exceed ceiling that matches the allocated budget of \$150,000, and to extend the term of service to June 30, 2020. Hanson Bridgett will only perform additional work at the request of the General Manager and will continue to bill on an hourly rate basis.

The Financial Management Committee reviewed this proposed resolution at its November 2019 meeting and recommended adoption.

EAST BAY DISCHARGERS COMMISSION

EAST BAY DISCHARGERS AUTHORITY
ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. 19-41

INTRODUCED BY _____

RESOLUTION AUTHORIZING THE GENERAL MANAGER TO AMEND THE AGREEMENT WITH HANSON BRIDGETT, LLP IN THE AMOUNT OF \$50,000 FOR A TOTAL CONTRACT VALUE OF \$150,000

WHEREAS, the Joint Powers Agreement (JPA) governing the East Bay Dischargers Authority (the Authority) is set to expire on January 1, 2020; and

WHEREAS, the Commission directed that a neutral attorney not engaged by any Member Agency be hired by the Authority to draft the renewed agreement; and

WHEREAS, the Authority solicited proposals from attorneys with experience in joint powers authority issues; and

WHEREAS, the Managers Advisory Committee recommended Hanson Bridgett, LLP as best suited to the Authority's JPA renewal needs; and

WHEREAS, on May 16, 2019, the Authority's Commission approved a contract with Hanson Bridgett, LLP for legal services associated with renewal of the Authority's JPA in the amount of \$100,000; and

WHEREAS, to reach consensus among the Authority's Member Agencies on the language of the JPA required more meetings and iterations than allowed for in the original scope; and

WHEREAS, the product of such additional work was an Amended and Restated JPA that was unanimously approved by the Commission on October 29, 2019.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby approves an amendment to the Agreement between East Bay Dischargers Authority and Hanson Bridgett, LLP, a professional law corporation, in the amount of \$50,000 for a total contract value of \$150,000.

SAN LORENZO, CALIFORNIA, DECEMBER 19, 2019, ADOPTED BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSENT:
ABSTAIN:

CHAIR
EAST BAY DISCHARGERS COMMISSION

ATTEST: _____
GENERAL MANAGER
EAST BAY DISCHARGERS AUTHORITY
EX OFFICIO SECRETARY

ITEM NO. FM7 RESOLUTION AUTHORIZING THE GENERAL MANAGER TO MAKE LUMP SUM PAYMENTS TO THE AUTHORITY'S OPEB AND PENSION ACCOUNTS, TO APPLY FY2018-19 CREDITS TO EACH AGENCY'S SHARE OF THOSE LUMP SUM PAYMENTS, AND TO INVOICE THE AGENCIES FOR ANY OUTSTANDING PORTION OF THEIR LUMP SUM ALLOCATION

Recommendation

Approve the resolution.

Background

Earlier this year, the Commission adopted Policy 1.2 – OPEB Funding and Policy 1.6 – Pension Funding Policy. These policies set target funding ratios for these retirement obligations at 80% and 95%, respectively. The Commission also provided direction to staff that each member agency would be allocated their share of the liability associated with reaching those targets in FY 2019/20, prior to the start of the new JPA.

At last month's Committee and Commission meetings, staff was given direction to prepare a resolution authorizing the General Manager to:

- Make lump sum payments to the Authority's California Employers' Retirement Benefits Trust (CERBT) and Pension Fund to reach the policy targets
- Allocate those lump sums to the agencies based on the current JPA fixed cost allocations
- Apply agencies' FY 18/19 budget underrun credits against those allocations
- Invoice agencies whose OPEB/pension lump sum liability exceeds their credit

The Committee also directed staff to begin pursuing withdrawals from the CERBT for current retiree OPEB costs once the lump sum contribution is made.

Discussion

Based on the actuarial evaluation from North Bay Pensions as of June 30, 2019 for OPEB, the lump sum payment required to reach the 80% funding target is \$492,331. For pension, the Authority's CalPERS Actuary estimates, projecting forward from June 30, 2018 to June 30, 2020 at an investment return of 7.00%, that a payment of \$645,000 made on April 1, 2020 would achieve the 95% funding target at the end of this fiscal year. The total recommended lump sum payment is therefore \$1,137,331.

The following table allocates that liability per each agency's fixed cost allocation, which is based on current capacity. This table also shows each agency's credit per the FY 18/19 budget underrun, and any outstanding payment required. Note that LAVWMA's allocation is fixed and calculated first, and then the member agencies share the remainder – hence the total allocations add to 118.6%.

Agenda Explanation
 East Bay Dischargers Authority
 Financial Management Committee
 December 16, 2019

	San Leandro	OLSD	CVSan	Hayward	USD	LAVWMA
Capacity Allocation	13.2%	26.5%	14.3%	20.7%	25.4%	18.6%
Liability	\$ 122,016	\$ 245,126	\$ 132,412	\$ 191,504	\$ 234,730	\$ 211,544
FY 18-19 Credit	\$ (102,503)	\$ (196,881)	\$ (89,165)	\$ (241,152)	\$ (244,685)	\$ (75,835)
Lump Sum	\$ 19,512	\$ 48,245	\$ 43,247	\$ (49,648)	\$ (9,955)	\$ 135,708

If approved, staff proposes to include a line item on the agencies' January quarterly invoices for any outstanding balance or credit. Staff will subsequently make the lump sum payments to the CERBT and Pension Funds in Q3 of FY 19/20.

Based on Committee direction, staff proposes to seek an initial withdrawal from the Authority's CERBT at the end of FY 19/20 to reimburse the Authority for OPEB payments made during the year. With continued Committee concurrence, this will be an annual process.

In addition, on an annual basis as part of the budget process, staff will recommend lump sum payments to the CERBT and Pension Funds if needed to maintain the target funding levels.

EAST BAY DISCHARGERS COMMISSION

EAST BAY DISCHARGERS AUTHORITY
ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. 19-45

INTRODUCED BY _____

RESOLUTION AUTHORIZING THE GENERAL MANAGER TO MAKE LUMP SUM PAYMENTS TO THE AUTHORITY'S OPEB AND PENSION ACCOUNTS, TO APPLY FY2018-19 CREDITS TO EACH AGENCY'S SHARE OF THOSE LUMP SUM PAYMENTS, AND TO INVOICE THE AGENCIES FOR ANY OUTSTANDING PORTION OF THEIR LUMP SUM ALLOCATION

WHEREAS, per its approved Compensation Plan, the East Bay Dischargers Authority (Authority) provides pensions and other post-employment benefits (OPEB) to its retirees; and

WHEREAS, the Commission adopted Policy 1.2 – OPEB Funding and Policy 1.6 – Pension Funding Policy, which set target funding ratios for these retirement obligations at 80% and 95%, respectively; and

WHEREAS, the Commission desires to make lump sum payments to the Authority's Pension Fund and California Employers' Retirement Benefits Trust (CERBT) for OPEB to meet these target funding levels; and

WHEREAS, the Commission has directed that each Member Agency's allocation of the lump sum shall be consistent with the fixed cost allocation under the Third Amended Joint Powers Agreement; and

WHEREAS, because the Authority underspent its approved budget in FY18/19, each Member Agency is owed a credit, which they have elected to apply to this lump sum.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby authorizes the General Manager to make lump sum payments to the Authority's Pension Fund in the amount of \$645,000 and CERBT in the amount of \$492,331; and

BE IT FURTHER RESOLVED, that the General Manager is authorized to apply FY18/19 budget credits to each Member Agency's share of the lump sum and to invoice each Member Agency for any outstanding amount.

SAN LORENZO, CALIFORNIA, DECEMBER 19, 2019, ADOPTED BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSENT:
ABSTAIN:

CHAIR
EAST BAY DISCHARGERS COMMISSION

ATTEST: _____
GENERAL MANAGER
EAST BAY DISCHARGERS AUTHORITY
EX OFFICIO SECRETARY