



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

*A Joint Powers Public Agency*

Pursuant to the Governor's Executive Order N-25-20 the Finance Meeting scheduled for April 13, 2020 at 3:00 p.m. will be telephonic. The dial-in number for the meeting is +1 669 900 6833 with meeting I.D. # 956 113 069. Members of the public are encouraged to dial in to the meeting using the same number.

**ITEM NO. 10**

**FINANCIAL MANAGEMENT COMMITTEE  
AGENDA**

**Monday, April 13, 2020**

**3:00 P.M.**

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

**Committee Members: Lamnin (Chair); Johnson**

**FM1. Call to Order**

**FM2. Roll Call**

**FM3. Public Forum**

**FM4. List of Disbursements for March 2020**

(The Committee will review the List of Disbursements for the month of March 2020.)

**FM5. Treasurer's Report for March 2020**

(The Committee will review the Treasurer's Report for the month of March 2020.)

**FM6. Public Official Bond Renewal**

(The Committee will provide direction on renewal of the O&M Manager's bond.)

**FM7. Resolution Authorizing the General Manager to Issue Amendment No. 1 to the Agreement with Maze & Associates for Independent Audit Services in the Amount of \$9,342 for a Total Not to Exceed Amount of \$50,572**

(The Committee will consider a resolution amending the agreement.)

**FM8. OPEB/Pension Prefunding**

(The Committee will discuss options for Authority prefunding of OPEB and Pension obligations.)

**FM9. LAVWMA Negotiation Discussion**

(The Committee will discuss the status of the LAVWMA Agreement extension negotiations.)

**FM10. Adjournment**

Agenda Explanation  
East Bay Dischargers Authority  
Financial Management Committee  
April 13, 2020

(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 (510) 278-5910 or [jvillasenor@ebda.org](mailto:jvillasenor@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 also posted on the East Bay Dischargers Authority website located at <http://www.ebda.org>.

(Any member of the public may address the Committee at the commencement of the meeting on any matter within the jurisdiction of the Committee. This should not relate to any item on the agenda. Each person addressing the Committee should 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 Committee on any agenda item should do so at the time the item is considered. Oral comments should be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available and are to be completed prior to speaking.)

**The next Financial Management Committee meeting is scheduled on  
Monday, May 18, 2020 at 3:00 p.m.**

**ITEM NO. FM4 LIST OF DISBURSEMENTS FOR MARCH 2020**

The itemized List of Disbursements for the month of March 2020 totaled \$303,051.52

Reviewed and Approved by:

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Sara Lamnin, Chair                                      Date  
Financial Management Committee

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Jacqueline T. Zipkin                                      Date  
Treasurer

**EAST BAY DISCHARGERS AUTHORITY**  
**Cash Disbursement**  
**March 2020**

**CHECKS (SORTED BY AMOUNT)**

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24625	3/16/2020	3020071	REGIONAL MONITORING PROGRAM	THIRD QUARTERLY RMP CORE AND AMR YEAR 4		61,082.50	61,082.50
24610	3/16/2020	376875	CITY OF SAN LEANDRO	O&M - JANUARY		40,320.99	40,320.99
24611	3/16/2020	06275	ORO LOMA SANITARY DISTRICT	O&M - FEBRUARY		26,257.08	26,257.08
24640	3/31/2020	02572	UNION SANITARY DISTRICT	O&M - FEBRUARY		22,929.45	22,929.45
24613	3/16/2020	02566	UNION SANITARY DISTRICT	O&M - JANUARY		22,109.08	22,109.08
24629	3/16/2020	48505740	UNIVAR	SODIUM BISULFITE - DELIVERY 03/04/20		5,850.83	5,850.83
24648	3/31/2020	48521425	UNIVAR	SODIUM BISULFITE - DELIVERY 03/16/20		5,568.11	5,568.11
24636	3/16/2020	1259204	HANSON BRIDGETT	LEGAL SERVICES - JANUARY		5,065.00	5,065.00
24626	3/16/2020	16296	PACIFIC ECORISK	TOXICITY TESTING		4,824.00	4,824.00
24620	3/16/2020	44154	DEBORAH QUINN	ACCOUNTING SERVICES - NOVEMBER 2019		4,743.75	4,743.75
24651	3/31/2020	1261388	HANSON BRIDGETT	LEGAL SERVICES - FEBRUARY		4,530.00	4,530.00
24618	3/16/2020	46143	CALCON	LAVWMA PLC & DATA UPGRADE		2,641.94	3,756.44
24618	3/16/2020	46145	CALCON	OLEPS DECHLORINATION SYSTEM REPAIR		844.50	
24618	3/16/2020	46144	CALCON	OLEPS DECHLORINATION SYSTEM REPAIR		270.00	
24632	3/16/2020	2/28/2020	AZYURA	1ST QUARTER WATERBITS LICENSING		3,750.00	3,750.00
24644	3/31/2020	4HA87	BAAQMD	OLEPS PERMIT# 13187 05/2020-05/2022		3,256.00	3,256.00
24635	3/16/2020	020	CURRIE ENGINEERS	HEPS MCC CONSTRUCTION MANAGEMENT - FEBRUARY		3,128.25	3,128.25
24650	3/31/2020	00007	KERMANI	DISASTER COST RECOVERY		2,950.50	2,950.50
24609	3/16/2020	457-303166	VANTAGE POINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 03/15/20		2,430.76	2,430.76
24639	3/31/2020	457-303166	VANTAGEPOINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 03/31/20		2,430.76	2,430.76
24628	3/16/2020	55687627	USBANK	HOTEL - CSMFO CONFERENCE	856.44	2,357.80	2,357.80
24628	3/16/2020	55687627	USBANK	REMOTE DATA BACKUPS	417.00		
24628	3/16/2020	55687627	USBANK	ACROBAT SUBSCRIPTION	179.88		
24628	3/16/2020	55687627	USBANK	AURORA TRAINING WEBINAR	149.00		
24628	3/16/2020	55687627	USBANK	OFFICE DEPOT	135.57		
24628	3/16/2020	55687627	USBANK	OFFICE DEPOT	123.32		
24628	3/16/2020	55687627	USBANK	OFFICE DEPOT	107.56		
24628	3/16/2020	55687627	USBANK	INTERMEDIA.NET	86.41		
24628	3/16/2020	55687627	USBANK	TOGO'S - BACWA INTERVIEWS	56.50		
24628	3/16/2020	55687627	USBANK	OFFICE DEPOT	40.60		
24628	3/16/2020	55687627	USBANK	LYFT - CSMFO CONFERENCE	30.66		
24628	3/16/2020	55687627	USBANK	FOOD EXPENSE - CSMFO CONFERENCE	25.43		
24628	3/16/2020	55687627	USBANK	FOOD EXPENSE - CSMFO CONFERENCE	18.21		
24628	3/16/2020	55687627	USBANK	REFRESHMENTS - COMMISSION MEETING	15.98		
24628	3/16/2020	55687627	USBANK	USPS	15.80		
24628	3/16/2020	55687627	USBANK	FOOD EXPENSE - CSMFO CONFERENCE	14.06		
24628	3/16/2020	55687627	USBANK	USPS	14.05		
24628	3/16/2020	55687627	USBANK	SAFEWAY - MAC MEETING	13.99		
24628	3/16/2020	55687627	USBANK	SAFEWAY - COMMISSION MEETING	12.97		
24628	3/16/2020	55687627	USBANK	LUCKYS - KERMANI DISASTER COST RECOVERY TRAINING	11.99		
24628	3/16/2020	55687627	USBANK	EAST BAY TIMES	9.95		
24628	3/16/2020	55687627	USBANK	USPS	7.80		
24628	3/16/2020	55687627	USBANK	OFFICE DEPOT	7.64		
24628	3/16/2020	55687627	USBANK	SELECT- A - SPOT - BACWA MEETING	6.00		
24628	3/16/2020	55687627	USBANK	APPLE CLOUD DATA BACKUP	0.99		
24633	3/16/2020	608486	CALTEST	LAB TESTING SERVICES - FEBRUARY		1,842.80	1,842.80
24623	3/16/2020	RETAINAGE	CAROLLO	RETAINAGE		1,780.00	1,780.00

**EAST BAY DISCHARGERS AUTHORITY**  
**Cash Disbursement**  
**March 2020**

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24646	3/31/2020	00013.10-1	LARRY WALKER	BRINE PROJECT		1,592.00	1,592.00
24612	3/16/2020	52205709	CITY OF HAYWARD	HEALTH INSURANCE PREMIUMS - MARCH		1,510.38	1,510.38
24630	3/16/2020	0220-22	BEECHER	OLEPS ELECTRICAL UPGRADE		1,400.00	1,400.00
24608	3/6/2020	1010975	ALLIANT INSURANCE SERVICES	POLUTION LIABILITY INSURANCE PREMIUM		722.75	722.75
24617	3/16/2020	1746192-19	SCIF	WORKERS COMPENSATION PREMIUM - MARCH		603.25	603.25
24627	3/16/2020	08175	CAYUGA	IT SERVICES - FEBRUARY		315.00	315.00
24615	3/16/2020	5102785910	AT&T	TELEPHONE SERVICE ADMIN BUILDING - FEBRUARY		289.94	289.94
24614	3/16/2020	10110000001	EBMUD	WATER & SEWER AT MDF		284.34	284.34
24621	3/16/2020	9849499035	VERIZON WIRELESS	CELLPHONES - FEBRUARY		191.85	191.85
24631	3/16/2020	EBD3057	ALPHA ANALYTICAL LABORATORIES	LAB SAMPLES FEBRUARY		165.00	165.00
24647	3/31/2020	08363	TOWN & COUNTRY	JANITORIAL SERVICES - MARCH		165.00	165.00
24624	3/16/2020	3103802446	PITNEY BOWES	POSTAGE METER LEASE FEES		162.96	162.96
24634	3/16/2020	2981733	CALTRONICS	COPIER USAGE - JANUARY - FEBRUARY		149.95	149.95
24641	3/31/2020	447777800001	EBMUD	WATER & SEWER ADMIN BUILDING		113.31	113.31
24616	3/16/2020	1-Jan-2020	CSMFO	ANNUAL DUES		110.00	110.00
24642	3/31/2020	510-483-0439 716 6	AT&T	TELEPHONE SERVICE AT MDF - MARCH		106.61	106.61
24638	3/31/2020	February-20	JACQUELINE ZIPKIN	EXPENSE & MILEAGE REIMBURSEMENT - FEBRUARY		92.47	92.47
24649	3/31/2020	3002314	CALTRONICS	COPIER USAGE - FEBRUARY - MARCH		84.68	84.68
24643	3/31/2020	6-963-26013	FEDEX	MAIL AGENDA		69.90	69.90
24619	3/16/2020	6-957-06094	FEDEX	OVERNIGHT CHECK TO ALLIANT		41.33	41.33
24622	3/16/2020	9461306970	GRAINGER	SUPPLIES		31.68	31.68
24637	3/16/2020	37232951283	DIRECT TV	AT&T BUNDLE DISCOUNT		30.64	30.64
24645	3/31/2020	9850286590	VERIZON	MODEM FOR SCADA - 02/11-03/10/20		22.70	22.70
<b>TOTAL CHECK PAYMENTS</b>							<b>239,219.84</b>
<b>ELECTRONIC PAYMENTS</b>							
	3/3/2020	15957415	PERS HEALTH	HEALTH PREMIUMS - MARCH		7,794.28	7,794.28
	3/18/2020	03-2020-1	CALPERS	PENSION PAYMENT FOR PERIOD 03/01/20-03/15/20 - CLASSIC		3,757.71	3,757.71
	3/10/2020	15967096	CALPERS	MONTHLY UNFUNDED LIABILITY - MARCH		3,503.42	3,503.42
	3/4/2020	02-2020-2	CALPERS	PENSION PAYMENT FOR PERIOD 02/16/20-02/29/20 - CLASSIC		3,358.46	3,358.46
	3/4/2020	02-2020-2	CALPERS	PENSION PAYMENT FOR PERIOD 02/16/20-02/29/20 - PEPRA		496.80	496.80
	3/18/2020	03-2020-1	CALPERS	PENSION PAYMENT FOR PERIOD 03/01/20-03/15/20 - PEPRA		496.80	496.80
<b>TOTAL ELECTRONIC PAYMENTS</b>							<b>19,407.47</b>
<b>PAYROLL</b>							
	3/30/2020	3/31/2020	PAYROLL	03/16-31/2020		20,439.47	23,799.47
	3/31/2020	Mar-20	CUTTER, PAULINE RUSSO	DIRECT DEPOSIT		720.00	
	3/31/2020	Mar-20	WALTERS, DAN	DIRECT DEPOSIT		480.00	
	3/31/2020	Mar-20	LAMNIN, SARA	DIRECT DEPOSIT		720.00	
	3/31/2020	Mar-20	JOHNSON, RALPH	DIRECT DEPOSIT		720.00	
	3/31/2020	Mar-20	HANDLEY, THOMAS	DIRECT DEPOSIT		720.00	
	3/12/2020	3/15/2020	PAYROLL	03/01-15/2020		20,095.74	20,095.74
	3/6/2020	2/29/2020	PAYROLL FEE	02/16-29/2020		60.25	60.25
	3/20/2020	3/15/2020	PAYROLL FEE	03/01-15/2020		49.00	49.00
	3/2/2020	N/A	PAYROLL FEE	ADP CREDIT FOR FEES		(60.25)	(60.25)
<b>TOTAL PAYROLL</b>							<b>43,944.21*</b>
<b>TOTAL DISBURSEMENTS</b>							<b>302,571.52*</b>

\*Total payroll disbursements and total disbursements are less \$480.00 from March's Treasurer's reports due to two live payroll checks, debited in March, but reflected in February's disbursement register and incorrectly coded as direct deposit.

**ITEM NO. FM5 TREASURER'S REPORT FOR MARCH 2020**

The beginning cash balance on March 1, 2020 was \$4,254,279.98 The ending cash balance on March 31, 2020 was \$ 4,246,109.84 Total receipts for the month were \$294,881.38 and disbursements were \$303,051.52

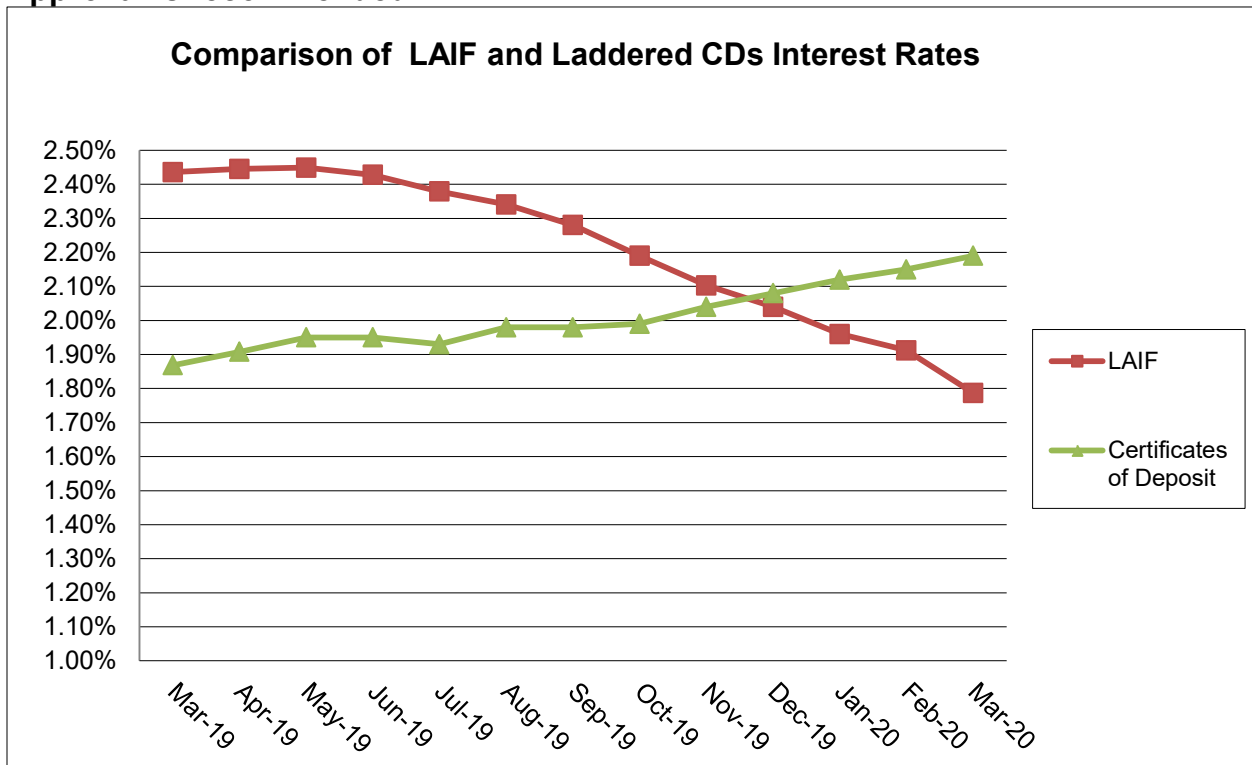
EBDA currently has a three-pronged investment approach that includes laddered CDs, Local Agency Investment Fund (LAIF), and a Wells Fargo savings account. As directed by the Financial Management Committee, funds are currently being transferred to savings and/or LAIF as CDs mature. Staff will continue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

Current market value of laddered CD investments is \$459,470.82. One CD matured in March in the amount of \$50,451.23 and the balance will be transferred to savings. The average annual yield of the CDs is 2.19%.

EBDA's LAIF balance beginning March 1, 2020 was \$2,534,855.79. The ending balance on March 31, 2020 remained the same at \$2,534,855.79. The LAIF interest rate for period ending February 29, 2020 is 1.79%.

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  
MARCH 31, 2020**

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	1,845,776.83	271,550.68	197,957.53	1,919,369.98
13	PLANNING & SPECIAL STUDIES	38,144.85	(22,545.85)	89,628.00	(74,029.00)
14	RECLAMATION O & M (SKYWEST)	161,045.29	10,000.00	1,340.65	169,704.64
31	REPLACEMENT	2,197,543.51	35,876.55	14,125.34	2,219,294.72
41	CONSTRUCTION	11,769.50			11,769.50
	TOTALS	4,254,279.98	294,881.38	303,051.52	4,246,109.84

Mar-20  
4/8/20

## 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
02/29/20	BALANCE									1,101,396.96	53,363.78	109,906.61	2,534,855.79	454,756.84	4,254,279.98
03/02/20	DEPOSIT	2,180.64								1,103,577.60	53,363.78	109,906.61	2,534,855.79	454,756.84	4,256,460.62
03/02/20	PAYROLL FEE			(60.25)						1,103,577.60	53,424.03	109,906.61	2,534,855.79	454,756.84	4,256,520.87
03/02/20	INTEREST	451.23						451.23		1,103,577.60	53,424.03	109,906.61	2,534,855.79	455,208.07	4,256,972.10
03/03/20	ELECTRONIC BILL PAY		7,794.28							1,095,783.32	53,424.03	109,906.61	2,534,855.79	455,208.07	4,249,177.82
03/03/20	PAYROLL			240.00						1,095,783.32	53,184.03	109,906.61	2,534,855.79	455,208.07	4,248,937.82
03/04/20	ELECTRONIC BILL PAY		496.80							1,095,286.52	53,184.03	109,906.61	2,534,855.79	455,208.07	4,248,441.02
03/04/20	ELECTRONIC BILL PAY		3,358.46							1,091,928.06	53,184.03	109,906.61	2,534,855.79	455,208.07	4,245,082.56
03/05/20	PAYROLL			240.00						1,091,928.06	52,944.03	109,906.61	2,534,855.79	455,208.07	4,244,842.56
03/06/20	PAYROLL FEE			60.25						1,091,928.06	52,883.78	109,906.61	2,534,855.79	455,208.07	4,244,782.31
03/09/20	DEPOSIT - CVSD	145,852.69								1,237,780.75	52,883.78	109,906.61	2,534,855.79	455,208.07	4,390,635.00
03/06/20	DISBURSEMENT		722.75							1,237,058.00	52,883.78	109,906.61	2,534,855.79	455,208.07	4,389,912.25
03/10/20	ELECTRONIC BILL PAY		3,503.42							1,233,554.58	52,883.78	109,906.61	2,534,855.79	455,208.07	4,386,408.83
03/12/20	DEPOSIT - HARD	10,000.00								1,243,554.58	52,883.78	109,906.61	2,534,855.79	455,208.07	4,396,408.83
03/12/20	PAYROLL TRANSFER				20,000.00					1,223,554.58	72,883.78	109,906.61	2,534,855.79	455,208.07	4,396,408.83
03/12/20	PAYROLL TAX			4,953.94						1,223,554.58	67,929.84	109,906.61	2,534,855.79	455,208.07	4,391,454.89
03/12/20	PAYROLL			15,141.80						1,223,554.58	52,788.04	109,906.61	2,534,855.79	455,208.07	4,376,313.09
03/16/20	DISBURSEMENT		194,585.60							1,028,968.98	52,788.04	109,906.61	2,534,855.79	455,208.07	4,181,727.49
03/18/20	ELECTRONIC BILL PAY		3,757.71							1,025,211.27	52,788.04	109,906.61	2,534,855.79	455,208.07	4,177,969.78
03/18/20	ELECTRONIC BILL PAY		496.80							1,024,714.47	52,788.04	109,906.61	2,534,855.79	455,208.07	4,177,472.98
03/20/20	EFT DEPOSIT - LAVWMA	135,708.62								1,160,423.09	52,788.04	109,906.61	2,534,855.79	455,208.07	4,313,181.60
03/20/20	PAYROLL FEE			49.00						1,160,423.09	52,739.04	109,906.61	2,534,855.79	455,208.07	4,313,132.60
03/20/20	INTEREST	486.16						486.16		1,160,423.09	52,739.04	109,906.61	2,534,855.79	455,694.23	4,313,618.76
03/25/20	PAYROLL TRANSFER				20,000.00					1,140,423.09	72,739.04	109,906.61	2,534,855.79	455,694.23	4,313,618.76
03/30/20	PAYROLL TAX			5,091.99						1,140,423.09	67,647.05	109,906.61	2,534,855.79	455,694.23	4,308,526.77
03/30/20	PAYROLL			18,707.48						1,140,423.09	48,939.57	109,906.61	2,534,855.79	455,694.23	4,289,819.29
03/30/20	INTEREST	156.16						156.16		1,140,423.09	48,939.57	109,906.61	2,534,855.79	455,850.39	4,289,975.45
03/31/20	DISBURSEMENT		43,911.49							1,096,511.60	48,939.57	109,906.61	2,534,855.79	455,850.39	4,246,063.96
03/31/20	INTEREST	28.12								1,096,539.72	48,939.57	109,906.61	2,534,855.79	455,850.39	4,246,092.08
03/31/20	INTEREST	2.56				2.56				1,096,539.72	48,939.57	109,909.17	2,534,855.79	455,850.39	4,246,094.64
03/31/20	INTEREST	1.29			1.29					1,096,539.72	48,940.86	109,909.17	2,534,855.79	455,850.39	4,246,095.93
03/31/20	DIVIDEND	13.91							13.91	1,096,539.72	48,940.86	109,909.17	2,534,855.79	455,864.30	4,246,109.84

<b>TOTAL</b>		<b>294,881.38</b>	<b>258,627.31</b>	<b>44,424.21</b>	<b>40,001.29</b>	<b>2.56</b>	<b>-</b>	<b>-</b>	<b>1,107.46</b>						
<b>CURRENT BALANCE</b>										<b>1,096,539.72</b>	<b>48,940.86</b>	<b>109,909.17</b>	<b>2,534,855.79</b>	<b>455,864.30</b>	<b>4,246,109.84</b>

Reconciliation

① Per Bank Statement @03/31/20	\$ 1,150,705.86
Less: Outstanding Checks	54,166.14
	\$ 1,096,539.72
② Per Bank Statement @03/31/20	\$ 48,940.86
③ Per Bank Statement @03/31/20	\$ 109,909.17
④ Per LAIF Statement @03/31/20	\$ 2,534,855.79
⑤ Per Treasurer's Report @03/31/20	\$ 455,864.30
Estimated Accrued Interest 03/31/20	2,271.70
Fair Market Value Increase/Decrease	1,334.82
Per Investment Statement @03/31/20	\$ 459,470.82

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
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	50,217.00
<b>BARCLAYS BANK Total</b>						50,217.00
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	1.98%	50,000	50,272.00
<b>CAPITAL ONE BK USA NA Total</b>						50,272.00
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	50,930.00
<b>CITIBANK NA Total</b>						50,930.00
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	1.89%	100,000	100,148.00
<b>COMENITY BANK Total</b>						100,148.00
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	3,006.24
<b>GOLDMAN SACHS BK USA Total</b>						3,006.24
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	50,014.00
<b>KEY BANK NA Total</b>						50,014.00
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	50,568.50
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	50,777.50
<b>MORGAN STANLEY BK NA Total</b>						101,346.00
<b>Grand Total</b>						405,933.24
<b>Average Estimated Annual Yield</b>				2.19%		
<b>Cash &amp; Sweep Balances</b>						51,265.88
<b>Snapshot Market Value on March 31th 2020</b>						457,199.12
<b>Estimated Accrued Interest</b>						2,271.70
<b>Total Value</b>						459,470.82

**ITEM NO. FM6 PUBLIC OFFICIAL BOND RENEWAL**

**Recommendation**

For Committee review and direction to staff.

**Background**

In February 2020, the Committee reviewed the Authority's Investment Policy, which was last adopted in March 2019. The Policy contains the following language in the section related to Standard of Care:

- **Delegation of Authority:** The authority to manage investment programs is granted to the Investment Committee which is comprised of the two members of the Financial Management Committee appointed by the Commission, and the General Manager/Treasurer. The responsibility for the operation and day-to-day maintenance of the investment program is delegated to the Authority's General Manager/Treasurer. The General Manager/Treasurer shall file with the Authority an official bond in the amount of \$250,000. The Authority shall pay the cost of said bonds.

The Authority's current practice is to hold bonds for the General Manager and the Operations & Maintenance (O&M) Manager, each in the amount of \$250,000. The bonds are paid for by the Authority.

The Committee asked staff to review the purpose, value, and approach to use of "Public Official Bonds" and provide information to the Committee. At its March 2020 meeting, the Committee discussed this information, including current practices at other agencies.

The Committee recommended that the Authority continue to require and pay for bonds for the General Manager and the O&M Manager and that the amount of said bonds be reevaluated when the bonds came up for renewal. The O&M Manager's bond requires renewal in May, so staff is seeking direction from the Committee on the amount of the bond.

**Discussion**

Staff received updated quotes for the O&M Manager's bond. Rates are as follows:

Bond Limit	Rate	Term
\$250k	\$875	Year
\$100k	\$590	Year

As discussed in March, of the agencies that continue to require bonds, many use a \$100k limit. However, in conversation with those agencies, staff has learned that those

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agencies also have crime insurance policies that cover up to several million dollars for theft, forgery, and fraud. EBDA does not have such a policy and would rely on the bond in the event of such malfeasance.

Given that it would cost the Authority only \$285 for an additional \$150k of protection, staff recommends renewing the \$250k bond. Staff looks forward to the Committee's discussion and guidance. Based on the outcome of this discussion, staff will make corresponding changes to the Investment Policy.

**ITEM NO. FM7 RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ISSUE AMENDMENT NO. 1 TO THE AGREEMENT WITH MAZE & ASSOCIATES FOR INDEPENDENT AUDIT SERVICES IN THE AMOUNT OF \$9,342 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$50,572**

**Recommendation**

Adopt a resolution authorizing the General Manager to issue Amendment No. 1 to the agreement with Maze & Associates for independent audit services for FY 2019/2020 in an amount not to exceed \$9,342.

**Background**

Each year, the Authority retains an independent auditor to review the Authority's financial documents and internal controls. In May 2015, following a competitive process, the Authority awarded a contract to Maze & Associates for independent auditing services. The contract approved audit services for FY 2014/2015, FY 2015/2016 and FY 2016/2017. The Commission adopted Resolution No. 15-05 authorizing two optional extensions for FY 2017/2018 and FY 2018/2019, which were exercised.

At its March 2020 meeting, the Financial Management Committee supported staff's recommendation to extend Maze's contract by one additional year to allow it to perform audit services for FY 2019/2020. Approving the amendment would benefit the Authority by permitting it to continue its relationship with an auditor who is familiar with the Authority's practices under the current Joint Powers Agreement ("JPA") before the Amended and Restated JPA takes effect in fiscal year 2020/2021.

**Discussion**

Staff received a FY 2019/2020 engagement letter from Maze with a fee proposal of \$9,342. Relative to past years, Maze's fee has been adjusted to reflect the increase in the Bay Area Cost-of-Living Index of 4.5%, as discussed in their 2019 engagement letter. Maze's proposed rate for the FY 2019/2020 work is considerably lower than the average rate for this type of work based on staff's discussions with other agencies. Staff is seeking approval to amend the agreement to allow Maze to conduct this work in FY 2019/2020 for the rate proposed in its engagement letter. The Authority has spent \$41,230 for the FY 2014/2015 through FY 2018/2019 audits, thus, if the Commission authorizes the proposed amendment, the total not to exceed cost would be \$50,572.

In accordance with the Authority's Audit Policy, which encourages rotation of audit firms to ensure independence, staff proposes to begin a request for proposals process for a new audit firm beginning in late 2020 for the FY 2020/2021 audit.

**EAST BAY DISCHARGERS COMMISSION**  
**EAST BAY DISCHARGERS AUTHORITY**  
**ALAMEDA COUNTY, CALIFORNIA**

RESOLUTION NO. 20-02

INTRODUCED BY \_\_\_\_\_

**RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ISSUE AMENDMENT NO. 1 TO THE AGREEMENT WITH MAZE & ASSOCIATES FOR INDEPENDENT AUDIT SERVICES IN THE AMOUNT OF \$9,342 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$50,572**

**WHEREAS**, the East Bay Dischargers Authority requires the services of a Certified Public Accountant to perform an audit of the Authority's financial statements for the fiscal year 2019/20; and

**WHEREAS**, in 2015, through a competitive process, the Authority selected Maze & Associates to perform audits for fiscal years 2014/2015, 2015/2016, and 2016/2017, and the option to extend for 2017/2018 and 2018/2019; and

**WHEREAS**, the Commission adopted Resolution No. 15-05 approving a Agreement with Maze & Associates for such work as well as option to extend the Agreement for fiscal years 2017/2018 and 2018/2019; and

**WHEREAS**, fiscal year 2019/2020 is the last year the Authority will be operating pursuant to the current Joint Powers Agreement and its financial structure before the Amended and Restated JPA takes effect in fiscal year 2020/2021; and

**WHEREAS**, the Financial Management Committee has recommended that the Agreement be amended to allow Maze & Associates to conduct the audit for fiscal year 2019/2020 as the last year under the current JPA structure.

**NOW, THEREFORE BE IT RESOLVED**, that the Commission of the East Bay Dischargers Authority hereby approves Amendment No. 1 to the Agreement with Maze & Associates.

**BE IT FURTHER RESOLVED**, that the Commission authorizes the General Manager to execute Amendment No. 1 with Maze & Associates on behalf of the Authority in the amount of \$9,342 for a total not to exceed amount of \$50,572.

**SAN LORENZO, CALIFORNIA, APRIL 16, 2020, 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. FM8 OPEB/PENSION PREFUNDING**

### **Recommendation**

Provide direction to staff on prefunding of other post-employment benefits (OPEB) and pension in light of the current health and economic crisis.

### **Background**

Authority employees are entitled to OPEB, as well as pensions through CalPERS, and accordingly, the Authority has outstanding liability. In 2019, the Authority adopted Policy 1.2 Finance – OPEB, and Policy 1.6 Finance - Pension Funding, setting OPEB and pension funded ratio targets of 80% and 95%, respectively. In December 2019, the Commission approved Resolution 19-45, authorizing the General Manager to make lump sum contributions in FY 2019/2020 to the Authority's California Employers' Retiree Benefit Trust (CERBT) for OPEB, and to its pension fund through CalPERS to reach these targets.

The lump sum for OPEB was \$492,331 and was based on the actuarial evaluation from North Bay Pensions as of June 30, 2019. For pension, the Authority's CalPERS Actuary estimated, 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 approved lump sum payment was therefore \$1,137,331.

Contributions were collected from the Member Agencies and LAVWMA as deductions from the credit each Agency received as a result of the FY 2018/2019 budget underrun. Each Agency's contribution was proportional to their capacity under the current (Fourth Amended) Joint Powers Agreement. Authority staff's intent had been to make the payments to the CERBT and CalPERS on or near April 1, 2020.

### **Discussion**

As a result of the COVID-19 Pandemic and associated Shelter-in-Place requirements, the economy has taken a significant downturn and may continue to falter. The estimated returns on which the lump sum payments were based are therefore no longer likely to materialize in the near term.

The CalPERS actuarial estimate on which the \$645,000 additional discretionary payment was based used an expected investment rate of return of 7.00% from July 1, 2018 to June 30, 2020. However, since the downturn of equity market beginning February 2020, the investment rate of return for FY 2019/2020 was approximately -4.5% to -5.00% fiscal year to date (as of March 27, 2020). This equates to a shortfall of \$450k-\$475k from the previously projected year-end market value. If there is no significant rebound of the equity market in the last quarter of FY 2019/2020, the projected funded status would be around 72% without the payment of \$645K and 85% with the payment. The Authority's CalPERS actuary emphasized that, due to the volatility in the equity market, projected funded status as of June 30, 2020 is

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highly volatile, and these are just current estimates.

Because the underlying assumptions on which the Commission directed these payments in December 2019 have changed, staff wishes to confirm the path forward with the Committee.

Staff has considered the following options

1. Make the lump sum payments as planned, recognizing that they are unlikely to immediately result in reaching the Authority's funding targets.
2. Hold the funds in the Authority's bank accounts (e.g. LAIF) and make the payments in the future when the market has recovered.
3. Split payments into installments to buffer market impacts.
4. Reconsider the option of investing in the California Employers' Pension Prefunding Trust (CEPPT), as discussed at the February 2020 Committee meeting.

Authority staff, along with the MAC, recommends proceeding with Option 1 and making the payments as planned. The investments in both the CERBT and CalPERS are long term investments. While the returns in the near term may be lower than expected, over the long term, they are likely to revert to the initially projected values.

Following new actuarial assessments at the close of the fiscal year, staff would determine new funding ratios. The Commission could then consider whether to make additional payments to reach the desired funding ratio targets. The value of making those payments at that time would be considered in the context of current market conditions as well as Member Agencies' financial constraints.

**ITEM NO. FM9 LAVWMA NEGOTIATION DISCUSSION**

**Recommendation**

For the Committee's information only; no action is required.

**Background**

EBDA entered into a Master Agreement with LAVWMA in April 2007 (the "Agreement"). The Agreement allows LAVWMA to discharge through EBDA's system and lays out the conditions for such discharge. The Agreement was set to expire on January 1, 2020 concurrent with the expiration of the EBDA Joint Powers Agreement (JPA). In October 2019, the Commission adopted Resolution 19-38 extending the existing Agreement through June 30, 2020 to allow time for negotiation of new terms following JPA approval.

**Discussion**

After reaching consensus with the MAC and incorporating input from the Committee, Authority staff transmitted the attached draft Term Sheet to LAVWMA staff on March 16, 2020. LAVWMA staff and member agencies are currently in the process of reviewing the draft Term Sheet and developing a response. LAVWMA staff relayed that progress in responding has been slowed somewhat, as LAVWMA's member agencies are very short staffed due to the COVID-19 response.



## EBDA-LAVWMA Agreement Extension Term Sheet

Last Updated: March 16, 2020

### Term

20 years, with expiration coincident with EBDA JPA (June 30, 2040)

If term is extended beyond June 30, 2020 without resolution on new terms, LAVWMA will pay a premium [current rates plus 25%] until new agreement is approved.

### Capacity, Fixed Cost, and RRF

Pick a flow:

- LAVWMA fixed cost allocation based on max capacity
  - o Clause to be added stating that if EBDA member agencies increase their capacity beyond 169.4 MGD (historic capacity), LAVWMA capacity is renegotiated
- LAVWMA to participate in all cost centers, consistent with Member Agencies (except CSL)
- RRF allocation = Fixed Cost allocation

### Excess Flow Penalty

Penalty = \$0.005/gallon (consistent with JPA), subject to review of selected capacity

### Variable Cost

LAVWMA variable cost allocation to be based on proportion of total annual flow, consistent with Member Agencies. Call-out for Dechlorination Costs to be removed.

### Liability

Allocation of costs associated with a failure of the Transport System and Outfall as per JPA:

- First \$1.25M shared based on Fixed Cost allocation (excluding SL)
- Above that, LAVWMA pays a share of OLEPS to MDF segment costs based on share of flow in that segment, as well as a share of outfall costs based on capacity share

### Water Quality

LAVWMA to maintain a residual at the EBDA connection point. Value to be determined as part of the Disinfection Master Plan.

LAVWMA to sample weekly for fecal coliform and enterococcus at connection point and provide results to EBDA. If a result over EBDA's limits is detected, LAVWMA to provide EBDA with an explanation and action plan. If EBDA violates bacterial limits and LAVWMA data shows that it was the cause, LAVWMA to be responsible for any fines or liabilities.

LAVWMA to coordinate pumping with EBDA O&M Manager to ensure that representative samples can be collected for EBDA's discharge permit.

Brine

Consistent with JPA:

- Brine generated by the City of Pleasanton, the City of Livermore, or Dublin San Ramon Services District (i.e. the LAVWMA member agencies) that is not treated through their secondary process must be managed in accordance with EBDA's Brine Policy.
- Any agreement for acceptance of brine generated by an entity other than the City of Pleasanton, the City of Livermore, or Dublin San Ramon Services District for disposal through the LAVWMA-EBDA system must be approved by a unanimous vote of the EBDA Commission.
- The Zone 7 connection will not be grandfathered in, and EBDA approval will be required. EBDA agrees to negotiate in good faith toward a mutually agreeable solution and not unreasonably withhold approval.

Infrastructure

LAVWMA must participate in and share costs with EBDA for a study on reconfiguring the LAVWMA tie-in to EBDA to improve its hydraulic efficiency. If the study recommends cost-effective changes, EBDA and LAVWMA will discuss approaches to implementation and cost sharing.