



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 May 18, 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. #959 6850 0178. Members of the public are encouraged to dial in to the meeting using the same number.

ITEM NO. 11

**FINANCIAL MANAGEMENT COMMITTEE
AGENDA**

Monday, May 18, 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 April 2020

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

FM5. Treasurer's Report for April 2020

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

FM6. Third Quarter Expense Summary, Fiscal Year 2019/2020

(The Committee will review the third quarter expenses for fiscal year 2019/2020.)

FM7. State Controller's Office Special Districts Local Government Compensation Report for Calendar Year 2019

(The Committee will review the Local Government Compensation report for calendar year 2019.)

FM8. Updates to the Authority's Bank Accounts

(The Committee will receive updates on changes to the Authority's Wells Fargo accounts.)

FM9. Review of the Authority's Policies on Internal Controls and Fraud Prevention and Reporting

(The Committee will review the Policies.)

FM10. Review of the Authority's Brine Policy

(The Committee will review revisions to the Policy.)

FM11. Resolution Adopting the East Bay Dischargers Authority's Fiscal Year 2020/2021 Budget and Appointing the General Manager to the Position of Treasurer

(A resolution will be considered adopting the Authority's FY 2020/2021 budget and appointing the GM as Treasurer.)

FM12. Resolution Approving an Increase to the Annual Contribution to the Renewal and Replacement Fund for Fiscal Year 2020/2021 to the Amount of \$750,000

(A resolution will be considered approving the RRF annual contribution.)

FM13. LAVWMA Negotiation Discussion

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

FM14. Resolution Authorizing the General Manager to Suspend Recycled Water Charges to Hayward Area Recreation and Park District (HARD) for Skywest Golf Course for May and June 2020

(A resolution will be considered to suspend recycled water charges to Hayward Area Recreation and Park District for the remainder of FY 2019/2020.)

FM15. Resolution Establishing the Price of Recycled Water for Skywest Golf Course in Fiscal Year 2020/2021

(A resolution will be considered establishing the price of recycled water for Hayward Area Recreation and Park District in FY 2020/2021.)

FM16. Resolution Approving Revisions to the Authority's Investment Policy

(A resolution will be considered adopting the Authority's Investment Policy.)

FM17. Adjournment

(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. 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, June 15, 2020 at 3:00 p.m.**

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
May 18, 2020

ITEM NO. FM4 LIST OF DISBURSEMENTS FOR APRIL 2020

The itemized List of Disbursements for the month of April 2020 totaled \$1,344,897.40

Reviewed and Approved by:

Sara Lamnin, Chair
Financial Management Committee

_____ Date

Jacqueline T. Zipkin
Treasurer

_____ Date

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
April 2020

CHECKS (SORTED BY AMOUNT)

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24673	4/30/2020	FY 2019/2020	CALPERS	OPEB UAL LUMP SUM PAYMENT		492,331.00	492,331.00
24656	4/16/2020	2/21/2932	CITY OF SAN LEANDRO	O&M - FEBRUARY		29,824.09	29,824.09
24674	4/30/2020	06290	ORO LOMA SANITARY DISTRICT	O&M - MARCH		22,681.25	22,681.25
24684	4/30/2020	48550213	UNIVAR	SODIUM BISULFITE DELIVERED 04/08/20		6,057.32	10,575.73
24684	4/30/2020	48561771	UNIVAR	SODIUM BISULFITE DELIVERED 04/20/20		4,518.41	
24667	4/16/2020	48536341	UNIVAR	SODIUM BISULFITE - DELIVERED 03/27/20		5,713.16	5,713.16
24666	4/16/2020	2020010180	MEYERS NAVE	LEGAL SERVICES - JANUARY		5,623.80	5,623.80
24659	4/16/2020	46315	CALCON	OPS CENTER GENERATOR PM & REPAIR		1,179.43	5,219.61
24659	4/16/2020	46313	CALCON	SKYWEST REPAIRED COMMUNICATION & CONTROL ISSUES		1,149.00	
24659	4/16/2020	46311	CALCON	OPS CENTER SCADA DATA BACKUP		811.37	
24659	4/16/2020	46314	CALCON	HEPS INSTALL NEW SURGE TOWER LIGHTING		761.99	
24659	4/16/2020	46310	CALCON	LAVWMA PLC & DATA UPGRADE		675.00	
24659	4/16/2020	46312	CALCON	OLEPS GENERATOR CONTROL PANEL REPAIR		642.82	
24683	4/30/2020	2020030479	MEYERS NAVE	LEGAL SERVICES - MARCH		2,400.00	4,552.80
24666	4/16/2020	2020020366	MEYERS NAVE	LEGAL SERVICES - FEBRUARY		2,152.80	
24652	4/16/2020	JAN-MAR	KARL ROYER	QUARTERLY RETIREE MEDICAL REIMBURSEMENT - JAN - MARCH		3,191.94	3,191.94
24661	4/16/2020	Dec-19	DEBORAH QUINN	ACCOUNTING SERVICES - DECEMBER		3,000.00	3,000.00
24655	4/16/2020	457-303166	VANTAGEPOINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 04/15/20		2,430.76	2,430.76
24672	4/30/2020	457-303166	VANTAGE POINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 04/30/20		2,430.76	2,430.76
24690	4/30/2020	008	KERMANI CONSULTING GROUP	DISASTER COST RECOVERY TRAINING 02/05/20		2,169.00	2,169.00
24653	4/16/2020	JAN-MAR	CHARLES WEIR	QUARTERLY RETIREE MEDICAL REIMBURSEMENT - JAN - MARCH		1,904.76	1,904.76
24665	4/16/2020	4246044555687620	US BANK	REMOTE DATA BACKUPS	423.00	1,769.32	1,769.32
24665	4/16/2020	4246044555687620	US BANK	OFFICE DEPOT	205.48		
24665	4/16/2020	4246044555687620	US BANK	OFFICE DEPOT	196.64		
24665	4/16/2020	4246044555687620	US BANK	2X COMPUTER DRIVES	174.78		
24665	4/16/2020	4246044555687620	US BANK	ZOOM ANNUAL SUBSCRIPTION	149.90		
24665	4/16/2020	4246044555687620	US BANK	FEDEX	106.32		
24665	4/16/2020	4246044555687620	US BANK	SAN LEANDRO SMOG CHECK - EBDA TRUCK	99.95		
24665	4/16/2020	4246044555687620	US BANK	CSDA BROWN ACT WEBINAR	95.00		
24665	4/16/2020	4246044555687620	US BANK	INTERMEDIA.NET	86.41		
24665	4/16/2020	4246044555687620	US BANK	SHELL OIL - FUEL FOR EBDA TRUCK	47.07		
24665	4/16/2020	4246044555687620	US BANK	CSMFO CONFERENCE RESTAURANT EXPENSE	37.86		
24665	4/16/2020	4246044555687620	US BANK	KEURIG FILTER	34.94		
24665	4/16/2020	4246044555687620	US BANK	CABLE PROTECTORS	28.36		
24665	4/16/2020	4246044555687620	US BANK	DOUGLAS GARAGE PARKING FEES	24.00		
24665	4/16/2020	4246044555687620	US BANK	BLUE JEANS NETWORK VIDEO STREAMING	12.49		
24665	4/16/2020	4246044555687620	US BANK	OFFICE MAX	14.74		
24665	4/16/2020	4246044555687620	US BANK	EAST BAY TIMES	9.95		
24665	4/16/2020	4246044555687620	US BANK	HOME DEPOT - ADMIN BUILDING MAINTENANCE	7.54		
24665	4/16/2020	4246044555687620	US BANK	USPS	6.95		
24665	4/16/2020	4246044555687620	US BANK	USPS	6.95		
24663	4/16/2020	8187	CAYUGA INFORMATION SYSTEMS	IT SERVICES - MARCH		1,620.00	1,620.00
24675	4/30/2020	52205710	CITY OF HAYWARD	INSURANCE PREMIUMS - APRIL		1,510.38	1,510.38
24686	4/30/2020	1/30/2020	EVERARDO OROZCO LANDSCAPING	LANDSCAPING - JANUARY		350.00	1,400.00
24686	4/30/2020	2/28/2020	EVERARDO OROZCO LANDSCAPING	LANDSCAPING - FEBRUARY		350.00	
24686	4/30/2020	3/30/2020	EVERARDO OROZCO LANDSCAPING	LANDSCAPING - MARCH		350.00	
24686	4/30/2020	4/30/2020	EVERARDO OROZCO LANDSCAPING	LANDSCAPING - APRIL		350.00	

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
April 2020

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount	
24679	4/30/2020	00013.10-2	LARRY WALKER	PROFESSIONAL SERVICES - MARCH		1,294.75	1,294.75	
24680	4/30/2020	1336148	ALLIANT INSURANCE SERVICES	PUBLIC OFFICAL BOND RENEWAL FOR O&M MANAGER		875.00	875.00	
24687	4/30/2020	609494	CALTEST	LAB TESTING SERVICES - MARCH		864.90	864.90	
24689	4/30/2020	021	CURRIE ENGINEERS	HEPS MCC CONSTRUCTION MANAGEMENT - MARCH		838.50	838.50	
24658	4/16/2020	1746192-19	SCIF	WORKERS COMPENSATION PREMIUM - APRIL		603.25	603.25	
24668	4/16/2020	0320-22	BEECHER ENGINEERING, INC	OLEPS ELECTRICAL UPGRADE		600.00	600.00	
24660	4/16/2020	144530	ARROW FIRE PROTECTION CO.	ANNUAL FIRE EXTINGUISHER MAINTENANCE AT MDF		546.63	546.63	
24691	4/30/2020	1264598	HANSON BRIDGETT	LEGAL SERVICES - MARCH		540.00	540.00	
24682	4/30/2020	197864297	ORKIN	PEST CONTROL - MDF		290.00	510.00	
24682	4/30/2020	195355226	ORKIN	PEST CONTROL - SLEPS		220.00		
24664	4/16/2020	519581	R-COMPUTER	COMPUTER PARTS		469.01	469.01	
24657	4/16/2020	5102785910 914 3	AT&T	TELEPHONE SERVICE ADMIN BUILDING - MARCH		289.09	289.09	
24685	4/30/2020	0420-23	BEECHER ENGINEERING, INC	HEPS MCC		200.00	200.00	
24662	4/16/2020	9851599255	VERIZON WIRELESS	CELLPHONES - MARCH		191.40	191.40	
24681	4/30/2020	08959	TOWN & COUNTRY	JANITORIAL SERVICES - APRIL		165.00	165.00	
24654	4/16/2020	Mar-20	JACQUELINE ZIPKIN	EXPENSE & MILEAGE REIMBURSEMENT - MARCH		129.15	129.15	
24669	4/16/2020	EBD3058	ALPHA ANALYTICAL LABORATORIES	LAB SAMPLES MARCH		110.00	110.00	
24676	4/30/2020	5104830439	AT&T	TELEPHONE SERVICE AT MDF - MARCH		106.08	106.08	
24688	4/30/2020	3019135	CALTRONICS	COPIER USAGE -MARCH - APRIL		73.66	73.66	
24677	4/30/2020	6-988-28450	FEDEX	AGENDA MAILOUT - APRIL DEL 04/09		51.24	51.24	
24671	4/16/2020	37322768323	DIRECTV	AT&T BUNDLE DISCOUNT		30.64	30.64	
24678	4/30/2020	942039340-00001	VERIZON	MODEM FOR SCADA 03/11-04/10/20		22.70	22.70	
24670	4/16/2020	3013490	CALTRONICS	FREIGHT FOR TONER		12.00	12.00	
TOTAL CHECK PAYMENTS								606,471.36
ELECTRONIC PAYMENTS								
4/21/2020	16018833	CALPERS	PENSION UAL LUMP SUM CONTRIBUTION			645,000.00	645,000.00	
4/1/2020	5105948980-0	PACIFIC GAS & ELECTRIC	GAS AND ELECTRIC			29,848.18	29,848.18	
4/2/2020	15986644	PERS HEALTH	HEALTH PREMIUMS - APRIL 2020			7,794.28	7,794.28	
4/20/2020	04-2020-1	CALPERS	PENSION PAYMENT FOR PERIOD 04/01/20-04/15/20 - CLASSIC			3,890.79	3,890.79	
4/3/2020	03-2020-2	CALPERS	PENSION PAYMENT FOR PERIOD 03/16/20-03/31/20 - CLASSIC			3,841.50	3,841.50	
4/13/2020	15995764	CALPERS	MONTHLY UNFUNDED LIABILITY - APRIL 2020			3,503.42	3,503.42	
4/3/2020	03-2020-2	CALPERS	PENSION PAYMENT FOR PERIOD 03/16/20-03/31/20 - PEPRA			496.80	496.80	
4/20/2020	04-2020-1	CALPERS	PENSION PAYMENT FOR PERIOD 04/01/20-04/15/20 - PEPRA			496.80	496.80	
4/28/2020	N/A	WELLS FARGO	LAIF WIRE TRANSFER FEE			15.00	15.00	
TOTAL ELECTRONIC PAYMENTS								694,886.77
PAYROLL								
4/29/2020	4/30/2020	PAYROLL	04/16-30/2020			20,534.29	22,694.29	
4/30/2020	Apr-20	CUTTER, PAULINE RUSSO	DIRECT DEPOSIT			480.00		
4/30/2020	Apr-20	WALTERS. DAN	DIRECT DEPOSIT			480.00		
4/30/2020	Apr-20	LAMNIN, SARA	DIRECT DEPOSIT			480.00		
4/30/2020	Apr-20	JOHNSON, RALPH	DIRECT DEPOSIT			480.00		
4/30/2020	Apr-20	HANDLEY, THOMAS	DIRECT DEPOSIT			240.00		
4/14/2020	4/15/2020	PAYROLL	04/01-15/2020			20,735.73	20,735.73	
4/3/2020	3/30/2020	PAYROLL FEES	03/16-30/2020			60.25	60.25	
4/24/2020	4/15/2020	PAYROLL FEES	04/01-15/2020			49.00	49.00	
TOTAL PAYROLL								43,539.27
TOTAL DISBURSEMENTS								1,344,897.40

ITEM NO. FM5 TREASURER'S REPORT FOR APRIL 2020

The beginning cash balance on April 1, 2020 was \$4,246,109.84. The ending cash balance on April 30, 2020 was \$ 3,815,953.45. Total receipts for the month were \$914,741.01, and disbursements were \$1,344,897.40

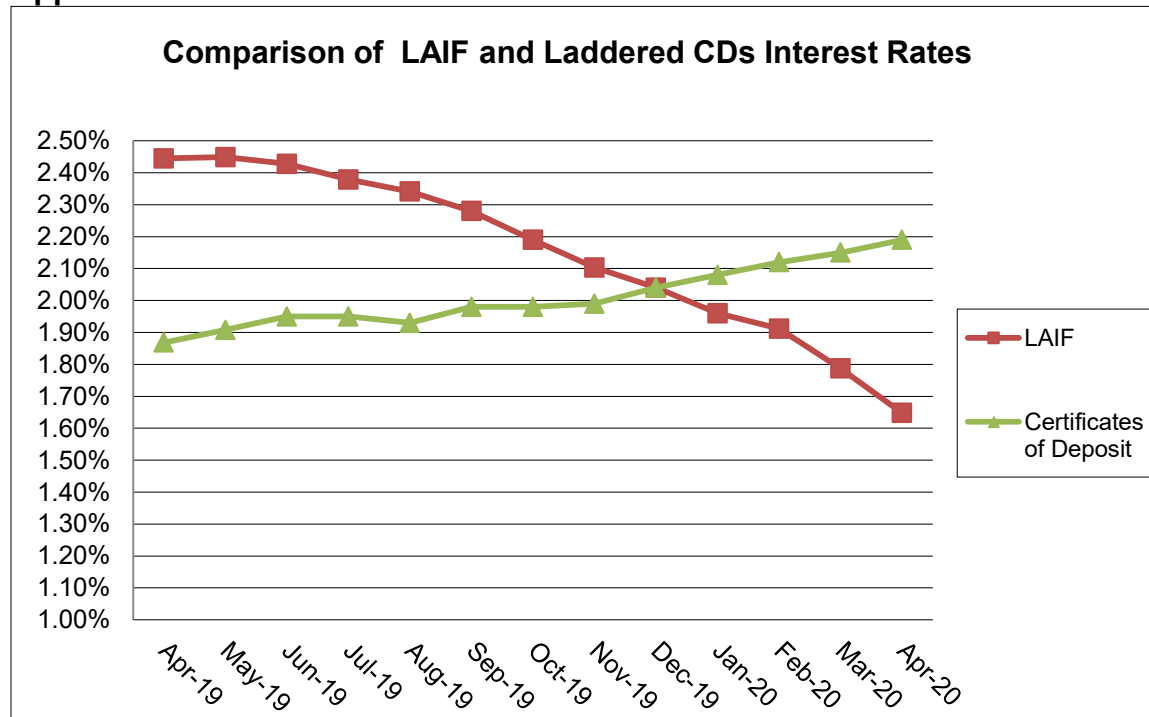
EBDA currently has a three-pronged investment approach that includes laddered CDs, Local Agency Investment Fund (LAIF), and Wells Fargo accounts. As directed by the Financial Management Committee, funds are currently being transferred to savings and/or LAIF as CDs mature. Staff will continue to work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

Current market value of laddered CD investments is \$459,886.24. One CD matured in April in the amount of \$50,441.10 and the balance was transferred to savings in May. The average annual yield of the CDs is 2.25%.

EBDA's LAIF balance beginning April 1, 2020 was \$2,534,855.79. The ending balance on April 30, 2020 was \$2,237,610.52. The LAIF account was credited \$12,754.78 in interest earned for the quarter ending March 31, 2020. \$310,000.00 was transferred to checking to cover cash flow needs associated with the lump-sum payments toward OPEB and Pension unfunded liabilities. The LAIF interest rate for period ending April 30, 2020 is 1.65%.

The Wells Fargo State/Local Government account interest rate for this period was 0.01%.

Approval is recommended.



EAST BAY DISCHARGERS AUTHORITY
TREASURER'S REPORT
APRIL 30, 2020

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	1,919,369.98	626,960.67	1,337,441.99	1,208,888.66
13	PLANNING & SPECIAL STUDIES	(74,029.00)	273,711.19	2,709.00	196,973.19
14	RECLAMATION O & M (SKYWEST)	169,704.64		1,905.91	167,798.73
31	REPLACEMENT	2,219,294.72	14,069.15	2,840.50	2,230,523.37
41	CONSTRUCTION	11,769.50			11,769.50
	TOTALS	4,246,109.84	914,741.01	1,344,897.40	3,815,953.45

Apr-20
5/14/20

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
04/01/20	BALANCE									1,096,539.72	48,940.86	109,909.17	2,534,855.79	455,864.30	4,246,109.84
04/01/20	ELECTRONIC BILL PAY		29,848.18							1,066,691.54	48,940.86	109,909.17	2,534,855.79	455,864.30	4,216,261.66
04/02/20	ELECTRONIC BILL PAY		7,794.28							1,058,897.26	48,940.86	109,909.17	2,534,855.79	455,864.30	4,208,467.38
04/03/20	ELECTRONIC BILL PAY		496.80							1,058,400.46	48,940.86	109,909.17	2,534,855.79	455,864.30	4,207,970.58
04/03/20	ELECTRONIC BILL PAY		3,841.50							1,054,558.96	48,940.86	109,909.17	2,534,855.79	455,864.30	4,204,129.08
04/03/20	PAYROLL FEE			60.25						1,054,558.96	48,880.61	109,909.17	2,534,855.79	455,864.30	4,204,068.83
04/06/20	INTEREST	701.92						701.92		1,054,558.96	48,880.61	109,909.17	2,534,855.79	456,566.22	4,204,770.75
04/13/20	PAYROLL TRANSFER				20,000.00					1,034,558.96	68,880.61	109,909.17	2,534,855.79	456,566.22	4,204,770.75
04/13/20	INTEREST	441.10						441.10		1,034,558.96	68,880.61	109,909.17	2,534,855.79	457,007.32	4,205,211.85
04/13/20	ELECTRONIC BILL PAY		3,503.42							1,031,055.54	68,880.61	109,909.17	2,534,855.79	457,007.32	4,201,708.43
04/14/20	DEPOSIT	87.51								1,031,143.05	68,880.61	109,909.17	2,534,855.79	457,007.32	4,201,795.94
04/14/20	PAYROLL			20,735.73						1,031,143.05	48,144.88	109,909.17	2,534,855.79	457,007.32	4,181,060.21
04/15/20	INTEREST - LAIF	12,754.78					12,754.78			1,031,143.05	48,144.88	109,909.17	2,547,610.57	457,007.32	4,193,814.99
04/16/20	DISBURSEMENT		65,431.41							965,711.64	48,144.88	109,909.17	2,547,610.57	457,007.32	4,128,383.58
04/20/20	ELECTRONIC BILL PAY		496.80							965,214.84	48,144.88	109,909.17	2,547,610.57	457,007.32	4,127,886.78
04/20/20	ELECTRONIC BILL PAY		3,890.79							961,324.05	48,144.88	109,909.17	2,547,610.57	457,007.32	4,123,995.99
04/21/20	ELECTRONIC BILL PAY		645,000.00							316,324.05	48,144.88	109,909.17	2,547,610.57	457,007.32	3,478,995.99
04/23/20	LAIF ADJUSTMENT	(0.05)					(0.05)			316,324.05	48,144.88	109,909.17	2,547,610.52	457,007.32	3,478,995.94
04/24/20	DEPOSIT - LAIF	176,303.05								492,627.10	48,144.88	109,909.17	2,547,610.52	457,007.32	3,655,298.99
04/24/20	PAYROLL FEE			49.00						492,627.10	48,095.88	109,909.17	2,547,610.52	457,007.32	3,655,249.99
04/27/20	DEPOSIT - OLSD	213,701.16								706,328.26	48,095.88	109,909.17	2,547,610.52	457,007.32	3,868,951.15
04/27/20	DEPOSIT - USD	389,269.18								1,095,597.44	48,095.88	109,909.17	2,547,610.52	457,007.32	4,258,220.33
04/27/20	DEPOSIT - CSL	121,310.96								1,216,908.40	48,095.88	109,909.17	2,547,610.52	457,007.32	4,379,531.29
04/27/20	PAYROLL TRANSFER				20,000.00					1,196,908.40	68,095.88	109,909.17	2,547,610.52	457,007.32	4,379,531.29
04/28/20	LAIF TRANSFER						(310,000.00)			1,506,908.40	68,095.88	109,909.17	2,237,610.52	457,007.32	4,379,531.29
04/28/20	TRANSFER FEE		15.00							1,506,893.40	68,095.88	109,909.17	2,237,610.52	457,007.32	4,379,516.29
04/29/20	PAYROLL			22,694.29						1,506,893.40	45,401.59	109,909.17	2,237,610.52	457,007.32	4,356,822.00
04/30/20	DISBURSEMENT		541,039.95							965,853.45	45,401.59	109,909.17	2,237,610.52	457,007.32	3,815,782.05
04/30/20	INTEREST	161.37							161.37	965,853.45	45,401.59	109,909.17	2,237,610.52	457,168.69	3,815,943.42
04/30/20	INTEREST	8.04								965,861.49	45,401.59	109,909.17	2,237,610.52	457,168.69	3,815,951.46
04/30/20	INTEREST	0.42			0.42					965,861.49	45,402.01	109,909.17	2,237,610.52	457,168.69	3,815,951.88
04/30/20	INTEREST	0.91				0.91				965,861.49	45,402.01	109,910.08	2,237,610.52	457,168.69	3,815,952.79
04/30/20	DIVIDEND	0.66							0.66	965,861.49	45,402.01	109,910.08	2,237,610.52	457,169.35	3,815,953.45
	TOTAL CURRENT BALANCE	914,741.01	1,301,358.13	43,539.27	40,000.42	0.91	(297,245.27)	-	1,305.05	965,861.49	45,402.01	109,910.08	2,237,610.52	457,169.35	3,815,953.45

Reconciliation

① Per Bank Statement @04/30/20 \$ 1,513,515.71
Less: Outstanding Checks 547,654.22
\$ 965,861.49

② Per Bank Statement @ 04/30/20 \$ 45,402.01

③ Per Bank Statement @ 04/30/20 \$ 109,910.08

④ Per LAIF Statement @ 04/30/20 \$ 2,237,610.52

⑤ Per Treasurer's Report @04/30/20 \$ 457,169.35

Fair Market Value Increase/Decrease 2,716.89

Per Investment Statement @04/30/20 \$ 459,886.24

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	1.93%	50,000	50,319.00
BARCLAYS BANK Total						50,319.00
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	50,417.50
CAPITAL ONE BK USA NA Total						50,417.50
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	2.82%	50,000	51,267.50
CITIBANK NA Total						51,267.50
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	100,338.00
COMENITY BANK Total						100,338.00
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	3,006.81
GOLDMAN SACHS BK USA Total						3,006.81
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	2.45%	50,000	50,859.50
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	2.73%	50,000	51,107.00
MORGAN STANLEY BK NA Total						101,966.50
Grand Total						357,315.31
Average Estimated Annual Yield				2.25%		
Cash & Sweep Balances						102,570.93
Snapshot Market Value on April 30th 2020						459,886.24

ITEM NO. FM6 THIRD QUARTER EXPENSE SUMMARY, FISCAL YEAR 2019/2020

Recommendation

Review and recommend approval of the Third Quarter Expense Summary.

Background

The Third Quarter Expense Summary for FY 2019/2020 is attached for the Committee's review. Expenses are presented by Program and by Account Number. These categories have been grouped to provide an overview of Authority expenses. The tables include discussion of particular items that varied significantly (>10%) from the budget.

At the end of the third quarter, EBDA's spending is under budget, at 66% spent. Higher chemical costs to address high fecal coliform values in Q2 were more than offset by the lack of wet weather, resulting in the O&M Fund being 12% under budget. The Special Projects fund is right on target at 74% spent. This fund is likely to ultimately be under budget at year end due to underspending and deferral on several Special Projects.

East Bay Dischargers Authority

EXPENSE SUMMARY BY PROGRAM

FY 2019/20 THROUGH MARCH 31, 2020 (75% of YEAR)

	YTD Expenses	Budget	Variance	% of Budget	Last FY Q3 Expenses	Explanations for Variance Over 10%
O&M EFFLUENT DISPOSAL						
General Administration	\$739,421.75	\$1,204,602.00	(\$465,180)	61%	\$738,907.64	Under budget due to salary savings associated with Administrative Assistant's medical leave.
Outfall & Forcemains	\$77,755.69	\$181,181.00	(\$103,425)	43%	\$109,270.10	Under budget due to certain maintenance activities deferred until after wet weather and Shelter-in-Place.
San Leandro Pump Station	\$68,468.52	\$110,636.00	(\$42,167)	62%	\$70,830.64	Under budget due to minimal wet weather.
Marina Dechlor Facility	\$283,213.30	\$479,771.00	(\$196,558)	59%	\$304,098.08	Under budget due to operational efficiencies and minimal wet weather.
Oro Loma Pump Station	\$320,466.37	\$480,726.00	(\$160,260)	67%	\$281,639.58	Under budget due to minimal wet weather.
Hayward Pump Station	\$91,921.26	\$142,181.00	(\$50,260)	65%	\$95,200.83	Under budget due to minimal wet weather.
Alvarado Pump Station	\$214,678.79	\$358,181.00	(\$143,502)	60%	\$221,897.99	Under budget due to minimal wet weather.
Bay & Effluent Monitoring	\$393,887.10	\$500,090.00	(\$106,203)	79%	\$359,374.74	
TOTAL O&M EFFLUENT DISPOSAL	\$2,189,813	\$3,457,368	(\$1,267,555)	63%	\$2,181,220	
SPECIAL PROJECTS						
NPDES Permit Fees	\$492,846.00	\$500,000	(\$7,154)	99%	\$434,654.00	Annual dues were paid in second quarter.
Regional Monitoring Program	\$181,447.50	\$280,000	(\$98,553)	65%	\$177,847.50	
Nutrient Surcharge	\$273,461.00	\$273,000	\$461	100%	\$106,667.00	Annual fee was paid in first quarter.
Water Environment Research Foundation	\$22,276.92	\$25,000	(\$2,723)	89%	\$19,780.00	Annual dues were paid in first quarter.
Transport System Evaluation	\$11,759.32	\$70,000	(\$58,241)	17%	\$46,715.99	Some of the seismic evaluation work was completed in FY 18/19.
JPA Evaluation Studies	\$0.00	\$50,000	(\$50,000)	0%	\$8,291.25	Studies were not identified.
JPA Legal Support	\$100,045.00	\$150,000	(\$49,955)	67%	\$0.00	Of the total \$150k contract for legal support, a significant portion was incurred in FY18/19.
Website Update	\$17,768.70	\$20,000	(\$2,231)	89%	\$0.00	Project is nearing completion.
AQPI	\$0.00	\$29,000	(\$29,000)	0%	\$0.00	One-time payment will be carried over to next year due to project delays.
Disaster Cost Recovery Plan Implementation	\$12,194.50	\$50,000	(\$37,806)	24%	\$0.00	Bulk of expenses were billed in FY 18/19.
Operator Training Modules	\$16,000.00	\$32,000	(\$16,000)	50%	\$0.00	Project is 50% complete. 50% of budget will be carried over to next year.
NPDES Testing - CSL	\$2,408.00	\$16,500	(\$14,092)	15%	\$8,774.20	Agencies are being billed directly for testing beginning in September 2019.
NPDES Testing - OLSLD	\$2,169.10	\$15,500	(\$13,331)	14%	\$10,421.70	Agencies are being billed directly for testing beginning in September 2019.
NPDES Testing - HAY	\$5,044.10	\$18,500	(\$13,456)	27%	\$15,186.70	Agencies are being billed directly for testing beginning in September 2019.
NPDES Testing - USD	\$4,551.00	\$18,500	(\$13,949)	25%	\$11,210.80	Agencies are being billed directly for testing beginning in September 2019.
TOTAL SPECIAL PROJECTS	\$1,141,971	\$1,548,000	(\$406,029)	74%	\$839,549	
WATER RECYCLING						
Skywest Golf Course	\$31,228.95	\$120,000	(\$88,771)	26%	\$60,391.53	Under budget as a result of optimization of operations and deferral of capital projects.
TOTAL WATER RECYCLING	\$31,229	\$120,000	(\$88,771)	26%	\$60,392	
TOTAL PROGRAMS	\$3,363,013	\$5,125,368	(\$1,762,355)	66%	\$3,081,160	

East Bay Dischargers Authority

EXPENSE SUMMARY BY ACCOUNT

FY 2019/20 THROUGH MARCH 31, 2020 (75% OF YEAR)

	YTD Expenses	Budget	Variance	% of Budget	Last FY Expenses	Explanations for Variance Over 10%
4010 - Salary	\$339,345.81	\$546,019.00	(\$206,673)	62%	\$356,209.11	Under budget due to the Administrative Assistant's (AA) medical leave. The temporary AA was billed via contract for the first two quarters.
4020 - Benefits	\$174,649.91	\$285,649.00	(110,999)	61%	\$174,321.35	Under budget due to reduced AA payroll contributions to deferred comp and pension, as well as reduction in Workers Comp rate.
4030 - Commissioner Compensation	\$26,640.00	\$45,000.00	(18,360)	59%	\$30,030.00	Budget is based on maximum number of meetings, which is higher than what has been held this year.
4070 - Insurance	\$47,338.75	\$54,000.00	(6,661)	88%	\$43,643.90	Major insurance payments have been made for the year.
4080 - Memberships & Subscriptions	\$137,475.16	\$171,550.00	(34,075)	80%	\$141,052.01	
4100 - Supplies, Variable	\$172,375.26	\$274,000.00	(101,625)	63%	\$162,356.26	Chemical use has been lower this year due to minimal wet weather.
4100 - Supplies, Fixed	\$7,760.56	\$24,000.00	(16,239)	32%	\$10,315.90	Significant spending on supplies for office and facilities has not been required.
4110 - Contract Services	\$31,323.87	\$76,000.00	(44,676)	41%	\$47,966.70	Some maintenance activities were deferred until after the wet season.
4120 - Professional Services	\$460,868.07	\$905,750.00	(444,882)	51%	\$360,360.94	Under budget due to underspending on Special Projects (see by Program table for additional detail).
4140 - Rents & Fees	\$958,321.43	\$1,105,400.00	(147,079)	87%	\$749,757.01	NPDES Permit Fee (\$491k) and Nutrient Surcharge (\$273k) have been paid for the year.
4141 - NPDES Fines	\$0.00	\$9,000.00	(9,000)	0%	\$0.00	No violations occurred through Q3. These funds are contingency.
4150 - Maintenance & Repair	\$431,627.41	\$752,500.00	(320,873)	57%	\$485,900.55	Member Agency labor at the pump stations is down due to dry weather and some deferred maintenance activities due to Shelter-in-Place.
4160 - Monitoring	\$121,152.19	\$170,000.00	(48,848)	71%	\$104,141.10	
4170 - Travel	\$7,844.79	\$18,000.00	(10,155)	44%	\$5,037.46	Several conferences will be occurring in the following quarters.
4190 - Utility, Fixed	\$10,452.30	\$21,500.00	(11,048)	49%	\$11,581.90	Savings due to bundling of phone plans.
4191 - Utility, Variable (PG&E)	\$435,777.11	\$627,000.00	(191,223)	69.5%	\$396,654.58	
4200 - Acquisitions & Other	\$60.25	\$40,000.00	(39,940)	0.2%	\$1,831.50	Under budget due to deferred capital for Skywest.
TOTAL ALL ACCOUNTS	\$3,363,013	\$5,125,368	(\$1,762,355)	66%	\$3,081,160	

ITEM NO. FM7 STATE CONTROLLER'S OFFICE SPECIAL DISTRICTS LOCAL GOVERNMENT COMPENSATION REPORT FOR CALENDAR YEAR 2019

Recommendation

This report is for the Committee's information only and no action is needed.

Background

Government Code section 53891 requires completed Local Government Compensation in California (GCC) reports be submitted each year to the State Controller's Office (SCO) no later than April 30. The report is prepared in conformance with requirements set by the SCO and submitted electronically via the file transfer protocol process. The State Controller gathers pay and benefit information for every compensated employee and all members of the governing body compensated or uncompensated.

While this report is consistent with other reports staff provides to the Commission and provides no new information, it is attached for the Committee's review and knowledge that it was submitted.

State Controller's Office - Local Government Programs and Services Division

Special Districts - Government Compensation Report - Calendar Year 2019

Preparer Contact Information

[Refer to the 2019 GCC Reporting Instructions for more details](#)

Entity Name	Alameda - East Bay Dischargers Authority		
Human Resources Web Page	www.ebda.org		
Employees Hold more than One Position?	No	(Enter 'Yes' or 'No')	'Save As' Filename 2019-12500108500.xlsx
Do the amounts in the Defined Benefit Plan column include payment toward the pension unfunded liability?	No	(Enter 'Yes' or 'No')	

Preparer Name	Juanita Villaseñor
Phone Number	(510)278-5910
E-mail Address	juanita@ebda.org

"----- Employer Contribution: -----"

Line #	Elected Position Enter 'Y'	Department	Classification	Multiple Positions Footnote	Annual Salary Minimum	Annual Salary Maximum	-- Total Wages Subject to Medicare (Box 5 of W-2) --			Applicable Defined Benefit Pension Formula	Retirement Plan: Employees' Share Paid by Employer			Deferred Compensation /Defined Contribution Plan	Health, Dental, Vision
							Annual Regular Pay	Annual Overtime Pay	Lump Sum Pay		Other Pay	Share Paid by Employer	Employer's Share		
1.		Governing Body	Commissioner		0	0	0	0	0	8,160	N/A	N/A	N/A	N/A	N/A
2.		Governing Body	Commissioner		0	0	0	0	0	7,920	N/A	N/A	N/A	N/A	N/A
3.		Governing Body	Commissioner		0	0	0	0	0	7,680	N/A	N/A	N/A	N/A	N/A
4.		Governing Body	Commissioner		0	0	0	0	0	7,440	N/A	N/A	N/A	N/A	N/A
5.		Governing Body	Commissioner		0	0	0	0	0	7,412	N/A	N/A	N/A	N/A	N/A
6.		Governing Body	Commissioner		0	0	0	0	0	1,440	N/A	N/A	N/A	N/A	N/A
7.		Governing Body	Commissioner		0	0	0	0	0	720	N/A	N/A	N/A	N/A	N/A
8.		Governing Body	Commissioner		0	0	0	0	0	240	N/A	N/A	N/A	N/A	N/A
9.		Governing Body	Commissioner		0	0	0	0	0	240	N/A	N/A	N/A	N/A	N/A
10.		Governing Body	Commissioner		0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
11.		Governing Body	Commissioner		0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
12.		Administration	General Manager		202,663	246,339	227,775	0	0	0	2.5% @ 55	0	25,130	6,984	26,597
13.		Administration	O&M Manager		132,213	160,706	157,246	0	0	11,985	2.5% @ 55	0	17,344	4,148	2,628
14.		Administration	Administrative Assistant		86,807	105,515	52,473	0	0	0	2.5% @ 55	0	5,648	1,184	26,597
15.		Administration	AA Temp		86,807	105,515	30,868	0	0	0	N/A	N/A	N/A	N/A	N/A
16.		Administration	AA Temp		86,807	105,515	7,234	0	0	0	2% @ 62	0	505	210	0

ITEM NO. FM8 UPDATES TO THE AUTHORITY'S BANK ACCOUNTS

Recommendation

This report is for the Committee's information only and no action is needed.

Background

In accordance with its Investment Policy (see Item No. FM16) and Investment Strategy, the Authority currently manages its funds in a combination of Wells Fargo bank accounts, Wells Fargo Advisors Certificates of Deposit, and LAIF. Historically, the Authority has held three accounts with Wells Fargo – a checking account used for payroll, a checking account used for accounts payable, and a savings account. In 2019, Wells Fargo converted all three of the Authority's accounts to checking. As noted in the Treasurer's Report (see Item No. FM5), the current interest rate on the checking accounts is 0.01%. The Authority's checking accounts are managed through Wells Fargo's small business online banking interface and do not currently include fraud protection services.

Discussion

Staff is planning to implement two changes to the Authority's banking by the end of this fiscal year to improve efficiency and fraud protection:

Streamline Accounts: Historically, staff used the Authority's Wells Fargo savings account for deposits and moved money into the checking accounts as needed to cover expenses. Now that all three accounts are checking accounts, there is no longer value to maintaining a separate sweep account. Therefore, staff plans to merge the deposit account and the checking account to cut back on the need for frequent transfers. Staff plans to keep the payroll account separate for ease of tracking.

Fraud Protection: Consistent with the Authority's other efforts to improve the agency's cyber security, and in recognition of increasing financial risks from check fraud and similar crimes, staff is proposing to enroll in Wells Fargo's fraud protection program for the remaining two accounts. This program will track account activity and flag any suspicious activity for Authority approval. This move to Wells Fargo's fraud prevention program was also precipitated by a notification from Wells Fargo that effective April 23, 2020, any accounts not using their recommended fraud services will be treated as having assumed the risk of any loss that could have been prevented. In converting our accounts to this new Wells Fargo platform, they will no longer be eligible to accrue interest, however they will be provided an earnings allowance of 0.25% - higher than the interest they were accruing. Wells Fargo's proposal based on the Authority's balance and recent account activity shows that the net cost for the fraud prevention services will be approximately \$10 per month. Conversion of the accounts moves them to Wells Fargo's Commercial Electronic Office (CEO) online portal. This online portal is more secure than the Wells Fargo Small Business portal the Authority currently uses.

ITEM NO. FM9 REVIEW OF THE AUTHORITY'S POLICIES ON INTERNAL CONTROLS AND FRAUD PREVENTION AND REPORTING

Recommendation

Review policies and provide direction to staff.

Background

In 2019, Authority staff began a process of reviewing and updating the Authority's Financial Management System Policy and Procedure Manual, adopting each section as a stand-alone Authority Policy, and moving procedures to separate staff documents.

On June 20, 2019, the Commission adopted an Internal Controls and Fraud Prevention Policy and a Reporting Policy. Internal Controls and Fraud Prevention was a new policy that had not been part of the prior manual. The Reporting Policy was updated, incorporating existing concepts.

The Authority's policies are to be reviewed annually, so staff is bringing these policies to the Committee for review.

Discussion

The Internal Controls and Fraud Prevention Policy and Reporting Policy are attached for the Committee's review. Staff is not recommending any changes to the policies at this time.

POLICY NUMBER: 1.5

NAME OF POLICY: Finance – Internal Controls and Fraud Prevention

LAST REVISED: 6/20/19

PREVIOUSLY REVISED: 05/16/13

PURPOSE: The purpose of the Internal Controls Policy is to ensure that EBDA assets, including financial, capital, and intangible, are safeguarded to the best extent possible. While the staff size of the Authority is relatively small, it is important to maintain segregation of duties and other security measures while providing transparency of financial information.

POLICY: It is the policy of the Authority to implement internal financial controls so that assets are protected and incidents of fraud are mitigated.

Adopted controls include:

- Multiple sign-offs on finance-related transactions
- Timely posting of transactions to the general ledger
- Periodic physical inventory (Renewal & Replacement Fund)
- Annual independent financial audit
- Periodic replacement of independent external auditors
- Implement auditor recommendations for internal controls, to the extent possible
- Limited staff access to making banking transactions
- Timely reconciliation of all bank accounts
- Limited staff access to financial system data entry, but full view-access to reports
- Secured check stock
- Individual and guarded system logins and passwords
- Purchasing card spending limits and monthly reconciliation
- Monthly Treasurers Reports to Commission

Internal controls will be implemented with consideration of the cost of implementation.

POLICY NUMBER: 1.4

NAME OF POLICY: Finance - Reporting

LAST REVISED: 6/20/19

PREVIOUSLY REVISED: 05/16/13

PURPOSE: The purpose of the Finance - Reporting Policy is to ensure that EBDA fulfills its legal requirements for disclosure of timely and reliable financial data, providing information vital to the ongoing management of Authority business. As part of the internal control process, reporting helps assure that transactions are conducted in accordance with Generally Accepted Accounting Principles and California Government Code requirements. Financial reporting further fulfills the Authority's duty as a government agency to be transparent and publicly accountable.

POLICY: It is the policy of the Authority that the following financial reports are produced and submitted in a timely manner in order to meet the decision-making needs of the Commission and provide transparency to the public.

Annually: Fiscal Year-End Audited Financial Statements
State Controller's Report of Financial Transactions
State Controller's Government Compensation of California Report
Physical Inventory (Renewal and Replacement Fund)
Expense Reimbursements Over \$100
CalPERS Valuation of Pension Plan
CalPERS CERBT OPEB Statement
Valuation of Retiree Health Benefits (OPEB)

Quarterly: Budget-to-Actual Expense/Revenue Report

Monthly: Treasurer's Report including Schedule of Investments

Periodic: Ad hoc reports as requested by the Commission

The above listing is not meant to be comprehensive, but representative of EBDA's major financial reporting requirements. All financial reports are subject to review by the Commission and other interested parties, and subject to the California Public Records Act.

ITEM NO. FM10 REVIEW OF THE AUTHORITY'S BRINE POLICY

Recommendation

Review draft policy and provide direction to staff.

Background

In 2005, the Commission adopted Resolution 05-01 Adopting a Policy for Disposal of Brine in the East Bay Dischargers Authority's System. At the time, the Authority was contemplating accepting brine from a Zone 7 Water Agency demineralization project. The agreement with Zone 7 was not ultimately executed, and brine from the project was discharged through LAVWMA to EBDA under permit from Dublin San Ramon Services District.

It is expected that over the coming years, the need for sustainable brine discharge options will increase as the region initiates more demineralization and water recycling projects to address water scarcity. In addition, as discussed over the past several months, the Authority is currently negotiating terms for accepting brine from a salt processing facility. Authority staff and the MAC are therefore recommending that the Authority's Brine Policy be updated to reflect current conditions and opportunities.

Per the Amended and Restated Joint Powers Agreement (JPA), the Brine Policy must be approved unanimously by the Commission.

Discussion

A draft of the updated Brine Policy is attached for the Committee's review. This draft incorporates the brine language contained in the JPA and provides an additional level of detail with respect to requirements for future brine agreements and expectations for distribution of revenue from brine projects.

The draft Policy states that revenue from brine projects will be allocated to the Member Agencies based on capacity. Staff is seeking Committee input on this element, which is still under discussion by the MAC. Questions include:

- Is capacity a fair and appropriate approach to allocating revenues?
- Should further details or scenarios should be added? For example, should revenue associated with connection/capacity fees or charges from brine projects be allocated based on pipeline responsibility?

Following the Committee's review and feedback, staff will bring the Policy to the Commission for consideration.

POLICY NUMBER: 2

NAME OF POLICY: Brine

LAST REVISED: DRAFT May 13, 2020

PREVIOUSLY REVISED: April 21, 2005

PURPOSE: The purpose of the Brine Policy is to ensure that any disposal of brine through the Authority's outfall system is protective of the Authority's infrastructure and permit compliance, and that there is an equitable distribution of access for brine disposal for all Member Agencies and fair distribution of any revenue associated with such disposal.

DEFINITION: For the purposes of this policy, brine is defined as a liquid material containing more than double the typical concentration of salt in municipal wastewater. The source of brine may be the byproduct of tertiary treatment such as reverse osmosis concentrate, concentrated Bay water, or other material.

POLICY: Consistent with its Recycled Water Policy, the Authority aims to support water recycling as a component of a resilient water supply for Bay Area residents. The Authority supports use of its forcemain and outfall system as a sustainable mechanism for management and disposal of brine, in service of supporting water recycling and other climate resilient projects.

It is the policy of the Authority to accept brine disposal directly into the Authority's forcemain and outfall system, or into a system connected to the Authority's forcemain and outfall system, provided that the following conditions are met:

1. The addition of brine will not cause significant degradation of effluent quality or result in permit violations of either the Authority or its Member Agencies.
 - a. Brine must be routinely monitored for key regulated constituents to ensure that there are no negative impacts of the brine on the Authority's combined effluent.
 - b. Water quality and NPDES permit compliance issues must be addressed and resolved at no cost to the Authority.
2. The addition of brine will not negatively impact the Member Agencies' or the Authority's infrastructure.

3. For brine that is generated by an entity other than a Member Agency, a formal agreement must be unanimously approved by the Authority's Commission. The agreement will generally include the following:
 - a. Provision for the Authority to unilaterally discontinue accepting brine into the Authority's system when continued acceptance of brine is not in the best interests of the Authority. Specific conditions around such discontinuation will be outlined in the agreement.
 - b. Indemnification of the Authority against liability resulting from such disposal.

Net revenue from non-Agency generated brine shall be allocated to the Member Agencies based on Maximum Flow Rate Capacity as defined in the Amended and Restated Joint Powers Agreement (JPA).

Discharge of Agency-generated brine does not require approval by the Commission and does not require any payment to the Authority. Any discharge of Agency-generated brine to the system downstream of secondary treatment must be consistent with conditions 1 and 2 above.

Section 23(b) of the Amended and Restated JPA is provided here for reference:

(b) Disposal of Brine.

The Authority and the Agencies acknowledge that use of the Authority's Bay Outfall may provide an environmentally beneficial and cost-effective method of disposing of brine. The Agencies desire that both volume and pollutant loading capacity in the Facilities be available for disposal of brine generated from an Agency's production of recycled water.

(1) Non-Agency Generated Brine

Any project or activity that results in utilization of the Facilities to dispose of brine generated outside the Authority's boundaries or from source water not already treated by an Agency will be conducted in accordance with the Authority's Brine Policy, as it may be updated from time to time, and any other relevant Policies and Procedures. The Brine Policy will include a provision that the Commission unanimously approve any agreement that results in utilization of the Facilities for disposal of such brine, including any agreement to which the Authority may not be a party. Such approval will not be unreasonably withheld. The purpose of such approval is, among other things, to ensure that acceptance of brine from non-Agency sources does not limit an Agency's right to a

share of capacity, both volume and pollutant loading, in the Authority Facilities to develop recycled water projects and dispose of brine. Such agreements may also provide for the Authority to receive appropriate revenue from disposal of brine, assurances that the discharge will not lead to effluent violations, and appropriate indemnification against liability resulting from such disposal.

(2) Agency-generated Brine that is not Treated Through an Agency's Full Secondary Treatment Process

Utilization of the Facilities to discharge brine that is generated by an Agency that is not treated through an Agency's full secondary treatment process will be conducted in accordance with the Authority's Brine Policy, as it may be updated from time to time, and any other relevant Policies and Procedures. The Brine Policy will provide a framework that encourages development of recycled water while addressing the possible impacts of Agency brine discharges on other Agencies, the Facilities, and the Authority's regulatory compliance. The requirement for Commission approval in subsection 23(b)(1) does not apply to brine generated by an Agency.

(3) Agency-generated Brine Treated through an Agency's Full Secondary Treatment Process

Brine generated by an Agency that is treated through an Agency's full secondary treatment process will not be subject to approval by the Authority. The requirement for Commission approval in subsection 23(b)(1) does not apply to wastewater treated by an Agency.

ITEM NO. FM11 RESOLUTION ADOPTING THE EAST BAY DISCHARGERS AUTHORITY'S FISCAL YEAR 2020/2021 BUDGET AND APPOINTING THE GENERAL MANAGER TO THE POSITION OF TREASURER

Recommendation

Adopt a resolution approving the Authority's FY 2020/2021 Budget.

Background

The FY 2020/2021 Proposed Budget is attached for the Committee's approval and recommendation to the Commission. The proposed budget reflects only minor changes from the preliminary budget discussed in March.

The budget is presented in the following format:

1. By Program
2. By Account Number

Allocation of the budget to the individual Member Agencies has not been provided at this time because it is highly impacted by LAVWMA's allocation, which is still being negotiated. Item No. FM12 presents allocation options for the Committee's consideration.

Discussion

In summary, expenses are expected to increase by 8% overall, or \$442k as compared to FY 2019/2020. Details of changes by line item are provided in the budget tables. The overall increase is driven by a significant increase to the Renewal and Replacement Fund (RRF) contribution, which is increasing from \$225k to \$750k. This year's RRF contribution reflects the annual contribution called for in the Authority's recently updated Asset Management Plan (\$330k), plus the \$420k that the Authority committed to USD for Union Effluent Pump Station capital expenses under the new JPA. The RRF contribution is further discussed in Item No. FM11. In addition, staff has added a contingency line item of \$200,000 for NPDES Permit Issues to cover any fines that might be assessed as a result of permit violations (see Item No. OM6).

Operations & Maintenance (O&M) expenses are expected to be essentially flat relative to last year, with a very slight decrease of \$28k. Transfer of the San Leandro Pump Station from EBDA to the City of San Leandro per the terms of the new JPA results in savings. However, these savings are offset by increases in labor costs (both EBDA's and the Member Agencies'). Staff has also increased the O&M contracts budget slightly to address small projects that were historically considered capital and funded through the RRF. Under the new JPA, where the capital threshold has been increased from \$3k to \$10k, these projects will be performed as O&M. Only one change was made to the O&M budget following the March review – the insurance cost was increased from \$50k to \$60k in light of projections from CSRMA.

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The proposed Special Studies for FY 2020/2021 represent a significant decrease relative to spending in FY 2019/2020 – from \$401k last year to \$157k this year. The project list below was reviewed with the March budget:

Laboratory Information Management System (LIMS)	\$40,000
Brine Project Development	\$30,000
Strategic Planning	\$10,000
Disinfection Master Plan	\$40,000
Contingency – Admin Support	\$22,246

Staff recommends including one additional line item for monitoring of PFAS (Per- and polyfluoroalkyl substances) at an estimated cost of \$15k. As has been discussed in the past with the Regulatory Affairs Committee, the State Water Resources Control Board (State Water Board) is going through a process to collect information on PFAS in California. Mandated sampling was already conducted at airports, landfills, and industrial facilities, and wastewater facilities are slated for Phase 3. Based on recent information from State Water Board staff, EBDA staff expects a mandatory order to be released this Spring or Summer requiring all wastewater treatment facilities to analyze their influent, effluent, and biosolids for PFAS quarterly for one year. San Francisco Bay Regional Water Quality Control Board staff is pushing for a regional study funded by BACWA and administered by the Regional Monitoring Program in lieu of plant by plant sampling in the Bay Area, but it is not clear whether that proposal will be accepted by State Water Board staff. EBDA staff believes it is prudent to put aside some money for this sampling effort in the likelihood that additional analysis and/or funding will be required this year.

Staff is also planning a change to the way the Special Studies fund is managed year to year. Historically, at the end of each Fiscal Year, the Special Studies fund, similar to the O&M fund, has been closed out and unspent funds returned to the Member Agencies. However, because many Special Studies span more than one fiscal year, the Authority has often had to ask for those funds back in the subsequent year's budget to continue a study for which funds were refunded but the project is not yet complete. Staff is recommending carrying over Special Studies funds for projects that are not yet complete. Any unspent funds from completed projects will be returned to the Member Agencies as part of the annual credit. This approach facilitates transparency and efficiency for projects that do not fit neatly into one fiscal year. It is also consistent with the current JPA, which states, "Funds remaining after all Planning and Special Studies are complete and all financial obligations are met shall be returned to each Agency in proportion to its contributions." The Amended and Restated JPA does not contain specific language related to how Special Studies funds are managed.

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In particular, staff proposes to carry over the following funds for ongoing projects to FY 2020/2021:

Project	Total Budget	Carryover Funds	Comments
Transport System Inspection	\$70,000	\$20,000	Approx. \$12,000 of the \$70,000 was spent this FY to date and \$20,000 will be held over to complete the project. The remainder will be returned to the Agencies at the end of this FY. If the cost to complete the project is less than \$20,000, the difference will be credited back at the end of next FY.
Operator Training Modules	\$32,000	\$16,000	A \$16,000 50% progress payment was made on 3/16/2020. Work is ongoing, and it does not appear that the Training Modules will be completed by 6/30/2020.
AQPI	\$29,000	\$29,000	MOU approval by Sonoma Water was delayed due to COVID-19

FISCAL YEAR 2020/2021 BUDGET BY PROGRAM

FUND NO	PROGRAM DESCRIPTION	BUDGET FY 20/21	BUDGET FY 19/20	% FY 20/21 to 19/20	\$ Change	Explanations for Changes over \$10,000
12	O&M EFFLUENT DISPOSAL					
12 06	General Administration	1,254,762	1,204,602	104%	50,159	Increases in salaries related to 2.5% COLA and addition of 0.25 FTE for Admin Assistant. Also, insurance costs were moved from the Pump Stations into General Admin and accounting costs were increased.
12 10	Outfall & Forcemains	181,336	181,181	100%	155	
12 12	San Leandro Pump Station	0	110,636	0%	(110,636)	Per the terms of the new JPA, San Leandro Pump Station will be managed by the City of San Leandro.
12 14	Marina Dechlor Facility	506,004	479,771	105%	26,233	Member Agency COLA increase.
12 16	Oro Loma Pump Station	463,920	480,726	97%	(16,806)	Member Agency labor estimate decreased.
12 18	Hayward Pump Station	163,336	142,181	115%	21,155	Member Agency COLA increase and increase in preventative maintenance tasks for the new MCC.
12 20	Union Pump Station	365,336	358,181	102%	7,155	
12 21	Bay & Effluent Monitoring	494,550	500,090	99%	(5,540)	
	TOTAL FUND # 12	3,429,244	3,457,368	99%	(28,124)	
13	SPECIAL PROJECTS					
13 36	NPDES Permit Fees	555,483	500,000	111%	55,483	State Water Board projecting a significant increase in NPDES permit fees.
13 37	NPDES Permit Issues	200,000	0	100%	200,000	Contingency for fines associated with FY19/20 permit violations.
13 48	Regional Monitoring Program	280,000	280,000	100%	-	
13 49	Nutrient Surcharge	269,479	273,000	99%	(3,521)	
13 53	Water Research Foundation	25,000	25,000	100%	-	
13 --	LIMS	40,000			40,000	Incorporation of EBDA into San Leandro's new Laboratory Information Management System.
13 --	Brine Project Development	30,000			30,000	Regulatory strategy and studies to support EBDA engagement in brine project.
13 --	Strategic Planning	10,000			10,000	External support for EBDA strategic planning effort.
13 --	Disinfection Master Plan	40,000			40,000	Expert consultant support for development of a Master Plan to optimize chlorine dosing for consistent control of bacteria in the EBDA system.
13 --	Contingency - Admin Support	22,246			22,246	Contingency for extending the 0.5 FTE Administrative Assistant.
13 --	PFAS Sampling	15,000			15,000	
13 91	NPDES Testing - CSL	1,500	16,500		(15,000)	
13 92	NPDES Testing - OLSD	1,500	15,500	10%	(14,000)	CalTest contract lab analyses for the Member Agencies previously billed through EBDA is now being billed directly. Remaining funds are for Hach WIMS licenses.
13 93	NPDES Testing - HAY	1,500	18,500	8%	(17,000)	
13 94	NPDES Testing - USD	1,500	18,500	8%	(17,000)	
	Other FY 19/20 Special Projects		401,000			
	TOTAL FUND # 13	1,493,208	1,548,000	96%	(54,792)	
	TOTAL OPERATING BUDGET	4,922,452	5,005,368	98%	(82,917)	
31 99	CONTRIBUTION TO R&R FUND	750,000	225,000	333%	525,000	Based on Asset Management Plan, sustainable funding level is estimated to be \$330,000 annually. Per the new JPA, EBDA additionally pays \$420,000 annually to Union to address capital needs at that station.
14	WATER RECYCLING					
14 80	Skywest Golf Course	120,000	120,000	100%	-	
	TOTAL FUND # 14	120,000	120,000	100%		
	TOTAL EXPENDITURES	5,792,452	5,350,368	108%	442,083	
	PROGRAMS WITH OTHER FUNDING					
14 00	WATER RECYCLING					
14 80	Skywest Golf Course	120,000	120,000	100%	-	
	TOTAL FUND # 14	120,000	120,000	100%		
	TOTAL AGENCY FUNDING	5,672,452	5,230,368	108%	442,083	

FISCAL YEAR 2020/2021 BUDGET BY ACCOUNT NUMBER

ACCT NUMBER	ACCT TITLE	BUDGET FY 20/21	BUDGET FY 19/20	BUDGET FY 20/21 to 19/20	\$ Change	Explanations for Changes over \$10,000
4010	Salary	543,442	546,019	100%	\$ (2,577)	
4020	Benefits	282,582	285,649	99%	\$ (3,068)	
4030	Commissioner Compensation	45,000	45,000	100%	\$ -	
4070	Insurance	60,000	54,000	111%	\$ 6,000	
4080	Memberships & Subscriptions	155,677	171,550	91%	\$ (15,873)	Removal of ISLE Technology Advisory Group (\$20,000), offset by 2% increase in BACWA fees.
4100	Supplies, Fixed	24,000	24,000	100%	\$ -	
4100	Supplies, Variable	287,000	274,000	105%	\$ 13,000	More granular accounting for hypochlorite purchases and contingency for bacterial outbreaks.
4110	Contract Services	92,320	76,000	121%	\$ 16,320	Increased to address small projects that were done under RRF under the old JPA but will be operating expenses under the new JPA with the change in capital threshold from \$3000 to \$10,000.
4120	Professional Services	645,189	905,750	71%	\$ (260,561)	Reduction in Special Studies, including completion of JPA Support, Disaster Cost Recovery Plan, and Transport System Inspection/Seismic Plan.
4140	Rents & Fees	1,107,242	1,105,400	100%	\$ 1,842	
4141	NPDES Fines	209,000	9,000	2322%	\$ 200,000	Contingency for fines associated with FY19/20 permit violations.
4150	Maintenance & Repair	711,500	752,500	95%	\$ (41,000)	Removal of San Leandro Pump Station.
4160	Monitoring	185,000	170,000	109%	\$ 15,000	Member Agency Cost-of-Living Adjustments (COLAs).
4170	Travel & Training	18,000	18,000	100%	\$ -	
4190	Utility, Fixed	21,500	21,500	100%	\$ -	
4191	Utility, Variable (PG&E)	615,000	627,000	98%	\$ (12,000)	Removal of San Leandro Pump Station.
4200	Acquisitions & Other	40,000	40,000	100%	\$ -	Reduction in planned spending for Skywest Recycled Water Project.
SUB TOTAL ALL ACCOUNTS		5,042,452	5,125,368	98%	\$ (82,917)	
CONTRIBUTION TO R&R FUND		750,000	225,000	333%	\$ 525,000	
TOTAL EXPENDITURES		5,792,452	5,350,368	108%	\$ 442,083	
Deduct Skywest		120,000	120,000			
TOTAL AGENCY FUNDING		5,672,452	5,230,368	108%	\$ 442,083	

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

RESOLUTION NO. 20-04

INTRODUCED BY _____

**RESOLUTION ADOPTING THE EAST BAY DISCHARGERS AUTHORITY'S
FISCAL YEAR 2020/2021 BUDGET AND APPOINTING THE GENERAL MANAGER
TO THE POSITION OF TREASURER**

WHEREAS, the East Bay Dischargers Authority Joint Exercise of Powers Agreement ("JPA") requires that a Fiscal Year Budget be adopted annually, to provide an operating guideline and authorize expenditure of funds; and

WHEREAS, the General Manager has prepared a budget for Fiscal Year 2020/2021 which is attached to the accompanying Staff Report and reflects the anticipated need for the effective management of the East Bay Dischargers Authority ("Authority") during the ensuing fiscal year; and

WHEREAS, the Managers Advisory Committee and the Financial Management Committee reviewed the proposed FY 2020/2021 Budget and recommended adoption by the Commission; and

WHEREAS, the Managers Advisory Committee and the Financial Management Committee further recommend that unspent FY 2019/2020 funds for ongoing Special Projects shall be carried over into FY 2020/2021; and

WHEREAS, pursuant to California Government Code Section 6505.6, the Authority may designate its officers or employees to fill the functions of Treasurer; and

WHEREAS, the General Manager is qualified to fulfill the duties and responsibilities of the office of Treasurer as set forth in Government Code Section 6505.5(a) through (d); and

WHEREAS, in accordance with Government Code Section 6505.6, the General Manager as Treasurer shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Government Code Section 6505.

NOW, THEREFORE, BE IT RESOLVED, the Commission of the East Bay Dischargers Authority hereby adopts the Fiscal Year 2020/2021 Budget for the Authority, as outlined in the accompanying Staff Report.

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BE IT FURTHER RESOLVED, that the Commission of the East Bay Dischargers Authority hereby appoints the General Manager to the position of Authority Treasurer effective immediately, in addition to the other duties and responsibilities she has as the General Manager, and the General Manager's continued service as Authority Treasurer shall be at the pleasure of the Commission.

BE IT FURTHER RESOLVED, that the sums set forth in the Fiscal Year 2020/2021 Budget for the Authority, as outlined in the accompanying Staff Report are hereby appropriated for expenditure as detailed, and that any and all expenditures for or relating to the Budget, when expended or entered into under authority of or by the General Manager, are hereby approved and authorized, and warrants therefore may be drawn by the General Manager/Treasurer, commencing July 1, 2020, and ending June 30, 2021.

SAN LORENZO, CALIFORNIA, MAY 21, 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. FM12 RESOLUTION APPROVING AN INCREASE TO THE ANNUAL CONTRIBUTION TO THE RENEWAL AND REPLACEMENT FUND FOR FISCAL YEAR 2020/2021 TO THE AMOUNT OF \$750,000

Recommendation

Adopt a resolution setting the annual contribution to the Renewal Replacement Fund (RRF) for FY 2020/2021.

Background

In 1990, the Commission adopted Resolution 90-11, Establishing Polices for Renewal and Replacement Fund. The RRF is the Authority's capital fund, and its sustainable funding ensures proactive management of the Authority's critical assets. Each year, in concert with the annual budget process, the Authority sets a contribution level for the RRF. Under both the current Joint Powers Agreement (JPA) and the Amended and Restated JPA, which will take effect on July 1, 2020, contributions to the RRF are allocated based on Member Agencies' capacity in the system (i.e. maximum flowrate).

Discussion

In 2019, the Authority completed an update of its Asset Management Plan (AMP). The AMP update included condition assessment and evaluation of criticality of failure for all of the Authority's major assets. The resulting AMP lays out a program of expenditures for proactive rehabilitation and replacement of the Authority's assets over the next twenty years. The AMP projects that an annual contribution rate of \$330k will provide sustainable funding for expected projects.

It should be noted that the San Leandro Effluent Pump Station will no longer be owned by the Authority as of July 1, 2020. Per the new JPA, the station will be transferred to the City of San Leandro, and therefore improvements to that station will no longer be paid for by the RRF. In exchange, the City of San Leandro will not be contributing to the RRF for projects at the other Authority pump stations. Similar to the current approach with LAVWMA, San Leandro will not contribute to the RRF up front, but will be billed for projects they are responsible for at the end of the year and proceeds will be credited back to the other Member Agencies.

Also of note, capital projects at the Union Effluent Pump Station (previously called the Alvarado Effluent Pump Station) will be undertaken by Union Sanitary District under the new JPA instead of EBDA. To fund those projects, the Authority will set aside \$420k per year for the first ten years of the JPA.

Staff is therefore recommending an RRF contribution of \$750k for FY 2020/2021 - \$330k per the AMP plus \$420k for Union. The breakdown of contributions by the Member Agencies is as follows:

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San Leandro*	Oro Loma	CVSan	Hayward	USD**
\$ -	\$ 166,382	\$ 89,590	\$ 127,986	\$ 366,041

*San Leandro will be billed at the end of the year for relevant projects.

**\$420k will be credited back to USD against its total annual bill.

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

RESOLUTION NO. 20-05

INTRODUCED BY _____

RESOLUTION APPROVING AN INCREASE TO THE ANNUAL CONTRIBUTION TO THE RENEWAL AND REPLACEMENT FUND FOR FISCAL YEAR 2020/2021 TO THE AMOUNT OF \$750,000

WHEREAS, the East Bay Dischargers Authority (Authority) adopted Resolution 90-11, Establishing Polices for Renewal and Replacement Fund, on May 17, 1990; and

WHEREAS, Resolution No. 90-11 requires that the schedule be recalculated and reviewed annually based on updates to the master list of items on the schedule; and

WHEREAS, the Authority has developed current replacement costs and capital projects in the context of the Authority's Asset Management Plan; and

WHEREAS, the Authority's Amended and Restated Joint Powers Agreement (JPA) provides for allocation of Capital Costs and for funding of the Renewal and Replacement Fund; and

WHEREAS, the Amended and Restated JPA further states that in fiscal years from 2020/2021 through 2029/2030, the Authority will pay Union a total of \$4,200,000, divided in ten equal and annual installments; and

WHEREAS, the Financial Management Committee recommends an annual contribution of \$750,000 to the Fund for FY 2020/2021; and

WHEREAS, the Managers Advisory Committee recommends an annual contribution of \$750,000 to the Fund for FY 2020/2021.

NOW, THEREFORE BE IT RESOLVED, the Commission of the East Bay Dischargers Authority hereby approves the annual contribution to the Renewal & Replacement Fund for Fiscal Year 2020/2021 in the amount of \$750,000.

SAN LORENZO, CALIFORNIA, May 21, 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. FM13 LAVWMA NEGOTIATION DISCUSSION

Recommendation

Provide direction to staff on LAVWMA fee proposal.

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.

In parallel, LAVWMA has engaged a consultant to perform hydraulic modeling, which will inform their determination of capacity needs in the EBDA system. LAVWMA anticipates completing that modeling in June 2020, making it unlikely that LAVWMA and EBDA could complete negotiation of a new agreement by the time the current extension expires on June 30, 2020. LAVWMA and EBDA staff have discussed the concept of extending the current agreement by up to another six months, to December 31, 2020, with the condition that the financial terms that are ultimately agreed to in the new agreement will be retroactive to July 1, 2020. Therefore, if costs for LAVWMA go up under the new agreement, LAVWMA would be responsible for reimbursing EBDA the difference between what they paid for the first half of the fiscal year and what they would have paid under the new agreement. Conversely, if LAVWMA's costs go down, EBDA would credit LAVWMA for overpayment.

At its April 2020 meeting, the Commission expressed support for the concept of extending the agreement with this retroactivity, but suggested that LAVWMA should be charged a non-reimbursable premium on top of the fee structure in the current agreement as an incentive to speed up the negotiation process. The Commission discussed a 15% premium and also that the premium should be linked to something, for example the expected increase under EBDA's proposed new terms.

The tables on the following pages show LAVWMA fee options for the Commission's consideration. The share of the FY 2020/2021 budget that each Member Agency will

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pay is dependent on the share that LAVWMA pays. The following scenarios have also been shared with LAVWMA staff:

1. Baseline – This scenario shows what LAVWMA would pay if the under the current agreement.
2. Term Sheet – This scenario shows what LAVWMA would pay if the approach outlined in EBDA’s Term Sheet were adopted and LAVWMA selected a maximum flow rate capacity of 25 MGD, which was selected based on their peak flows over the last several years. These terms result in a 23% increase overall in LAVWMA’s fees, and a 35% increase to the O&M component, which is the component for which EBDA has proposed a change to the allocation.
3. 15% Overall Premium – This scenario shows the allocation of costs if LAVWMA is charged a 15% premium on all costs, as discussed at the last Commission meeting. Note that this shows that the effect of the premium for the whole fiscal year, even though it would only be in effect until a new agreement is adopted.
4. 30% Operations & Maintenance (O&M) Premium – This scenario shows allocation of costs if a 30% premium is added to LAVWMA’s current O&M fees. This represents a rounding down from the 35% O&M increase associated with the Term Sheet terms. The overall increase under this scenario is 20%. As with Scenario 3, this shows the effect of the premium as if it were in place for the whole fiscal year.

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Scenario 1 – Baseline

ESTIMATED ANNUAL BILLS TO THE EBDA MEMBER AGENCIES FOR FISCAL YEAR 2020/2021									
Baseline (current LAVWMA agreement)									
<i>Rates for various agencies</i>									
	San Leandro	O.L.S.D.	C.V.S.D.	Hayward	U.S.D.	LAVWMA			
Special Study Rate	13%	18%	6%	30%	33%	varies			
Variable Rate	10.4%	18.4%	7.2%	22.2%	41.9%	17.9%			
Variable Rate - MAs w/o CSL	-	20.5%	8.0%	24.7%	46.7%	-			
Dechlor Rate	10.4%	18.4%	7.2%	22.2%	41.9%	3.1%			
Fixed Rate	13.7%	19.4%	10.2%	14.7%	42.0%	18.60%			
Fixed Rate - MAs w/o CSL	-	22.2%	11.9%	17.1%	48.8%	-			
RRF Rate	varies	22.2%	11.9%	17.1%	48.8%	varies			
RMP Rate	6.8%	9.6%	3.7%	33.3%	27.7%	19.0%			
Nutrient Rate	8.5%	12.2%	6.6%	15.4%	42.5%	14.9%			
NPDES Fee	7.1%	12.1%	6.5%	17.2%	30.6%	26.6%			
	San Leandro	O.L.S.D.	C.V.S.D.	Hayward	U.S.D.	LAVWMA	HARD	MA Total	Grand Total
O&M									
O&M Fixed Charges w/CSL	\$ 194,517	\$ 275,566	\$ 145,603	\$ 208,452	\$ 597,770	\$ 324,908		\$ 1,421,908	\$ 1,746,816
O&M Fixed Charges w/o CSL	\$ -	\$ 24,028	\$ 12,938	\$ 18,483	\$ 52,862	\$ 10,617		\$ 108,311	\$ 118,928
O&M Dechlor Charges	\$ 23,616	\$ 41,908	\$ 16,293	\$ 50,469	\$ 95,378	\$ 7,337		\$ 227,663	\$ 235,000
O&M Variable Charges w/CSL	\$ 23,295	\$ 41,337	\$ 16,071	\$ 49,781	\$ 94,078	\$ 48,938		\$ 224,562	\$ 273,500
O&M Variable Charges w/o CSL	\$ -	\$ 198,928	\$ 77,340	\$ 239,566	\$ 452,741	\$ 86,425		\$ 968,575	\$ 1,055,000
Total O&M	\$ 241,428	\$ 581,766	\$ 268,246	\$ 566,750	\$ 1,292,829	\$ 478,225		\$ 2,951,019	\$ 3,429,244
Last year	\$ 323,915	\$ 645,823	\$ 310,616	\$ 602,618	\$ 987,248	\$ 509,118		\$ 2,870,220	\$ 3,379,338
Special Projects									
NPDES Permit Fee	\$ 53,262	\$ 91,106	\$ 49,057	\$ 129,652	\$ 231,270	\$ 201,135		\$ 554,348	\$ 755,483
RMP Fee	\$ 19,005	\$ 26,844	\$ 10,379	\$ 93,155	\$ 77,466	\$ 53,151		\$ 226,849	\$ 280,000
Nutrient Fee	\$ 22,830	\$ 32,815	\$ 17,670	\$ 41,498	\$ 114,498	\$ 40,167		\$ 229,312	\$ 269,479
WERF Fee	\$ 2,593	\$ 4,602	\$ 1,789	\$ 5,542	\$ 10,474	\$ -		\$ 25,000	\$ 25,000
Special Studies Fee	\$ 19,969	\$ 27,649	\$ 9,216	\$ 46,081	\$ 50,689	\$ 3,641		\$ 153,604	\$ 157,246
Member Agency Testing	\$ 1,500	\$ 1,500	\$ -	\$ 1,500	\$ 1,500	\$ -		\$ 6,000	\$ 6,000
Total Special Projects	\$ 119,160	\$ 184,517	\$ 88,111	\$ 317,428	\$ 485,897	\$ 298,095		\$ 1,195,113	\$ 1,493,208
Last Year	\$ 123,118	\$ 170,110	\$ 75,748	\$ 336,785	\$ 397,170	\$ 183,070		\$ 1,102,930	\$ 1,286,000
								Total Operating Budget	\$ 4,146,132
Skywest									
Skywest Expenses								\$ 120,000	\$ 120,000
Total Skywest								\$ 120,000	\$ 120,000
Last Year								\$ 120,000	\$ 120,000
								Total Skywest Budget	\$ 120,000
Renewal and Replacement Fund									
RRF Contribution		\$ 166,382	\$ 89,590	\$ 127,986	\$ 366,041	\$ -		\$ 750,000	\$ 750,000
Total RRF	\$ -	\$ 166,382	\$ 89,590	\$ 127,986	\$ 366,041	\$ -		\$ 750,000	\$ 750,000
								Total Capital Contribution	\$ 750,000
Overall Total	\$ 360,588	\$ 932,665	\$ 445,947	\$ 1,012,164	\$ 2,144,767	\$ 776,320	\$ 120,000	\$ 4,896,132	\$ 5,792,452
								Total for MAs plus LAVWMA	\$ 5,672,452

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Scenario 4 – 30% O&M Premium

ESTIMATED ANNUAL BILLS TO THE EBDA MEMBER AGENCIES FOR FISCAL YEAR 2020/2021									
LAVWMA O&M 30% Increase									
<i>Rates for various agencies</i>									
	San Leandro	O.L.S.D.	C.V.S.D.	Hayward	U.S.D.	LAVWMA			
Special Study Rate	13%	18%	6%	30%	33%	varies			
Variable Rate	10.4%	18.4%	7.2%	22.2%	41.9%	17.9%			
Variable Rate - MAs w/o CSL	-	20.5%	8.0%	24.7%	46.7%	-			
Dechlor Rate	10.4%	18.4%	7.2%	22.2%	41.9%	3.1%			
Fixed Rate	13.7%	19.4%	10.2%	14.7%	42.0%	19.70%			
Fixed Rate - MAs w/o CSL	-	22.2%	11.9%	17.1%	48.8%	-			
RRF Rate	varies	22.2%	11.9%	17.1%	48.8%	varies			
RMP Rate	6.8%	9.6%	3.7%	33.3%	27.7%	19.0%			
Nutrient Rate	8.5%	12.2%	6.6%	15.4%	42.5%	14.9%			
NPDES Fee	7.1%	12.1%	6.5%	17.2%	30.6%	26.6%			
	San Leandro	O.L.S.D.	C.V.S.D.	Hayward	U.S.D.	LAVWMA	HARD	MA Total	Grand Total
O&M									
O&M Fixed Charges w/CSL	\$ 181,183	\$ 256,676	\$ 135,622	\$ 194,162	\$ 556,793	\$ 422,380		\$ 1,324,436	\$ 1,746,816
O&M Fixed Charges w/o CSL	\$ -	\$ 23,321	\$ 12,558	\$ 17,940	\$ 51,307	\$ 13,802		\$ 105,126	\$ 118,928
O&M Dechlor Charges	\$ 23,388	\$ 41,502	\$ 16,135	\$ 49,981	\$ 94,456	\$ 9,538		\$ 225,462	\$ 235,000
O&M Variable Charges w/CSL	\$ 21,772	\$ 38,634	\$ 15,020	\$ 46,526	\$ 87,928	\$ 63,620		\$ 209,880	\$ 273,500
O&M Variable Charges w/o CSL	\$ -	\$ 193,603	\$ 75,270	\$ 233,153	\$ 440,622	\$ 112,352		\$ 942,648	\$ 1,055,000
Total O&M	\$ 226,343	\$ 553,737	\$ 254,605	\$ 541,762	\$ 1,231,105	\$ 621,692		\$ 2,807,552	\$ 3,429,244
Last year	\$ 323,915	\$ 645,823	\$ 310,616	\$ 602,618	\$ 987,248	\$ 509,118		\$ 2,870,220	\$ 3,379,338
Special Projects									
NPDES Permit Fee	\$ 53,262	\$ 91,106	\$ 49,057	\$ 129,652	\$ 231,270	\$ 201,135		\$ 554,348	\$ 755,483
RMP Fee	\$ 19,005	\$ 26,844	\$ 10,379	\$ 93,155	\$ 77,466	\$ 53,151		\$ 226,849	\$ 280,000
Nutrient Fee	\$ 22,830	\$ 32,815	\$ 17,670	\$ 41,498	\$ 114,498	\$ 40,167		\$ 229,312	\$ 269,479
WERF Fee	\$ 2,593	\$ 4,602	\$ 1,789	\$ 5,542	\$ 10,474	\$ -		\$ 25,000	\$ 25,000
Special Studies Fee	\$ 19,969	\$ 27,649	\$ 9,216	\$ 46,081	\$ 50,689	\$ 3,641		\$ 153,604	\$ 157,246
Member Agency Testing	\$ 1,500	\$ 1,500	\$ -	\$ 1,500	\$ 1,500	\$ -		\$ 6,000	\$ 6,000
Total Special Projects	\$ 119,160	\$ 184,517	\$ 88,111	\$ 317,428	\$ 485,897	\$ 298,095		\$ 1,195,113	\$ 1,493,208
Last Year	\$ 123,118	\$ 170,110	\$ 75,748	\$ 336,785	\$ 397,170	\$ 183,070		\$ 1,102,930	\$ 1,286,000
								Total Operating Budget	\$ 4,002,664
Skywest									
Skywest Expenses								\$ 120,000	\$ 120,000
Total Skywest								\$ 120,000	\$ 120,000
Last Year								\$ 120,000	\$ 120,000
								Total Skywest Budget	\$ 120,000
Renewal and Replacement Fund									
RRF Contribution		\$ 166,382	\$ 89,590	\$ 127,986	\$ 366,041	\$ -		\$ 750,000	\$ 750,000
Total RRF	\$ -	\$ 166,382	\$ 89,590	\$ 127,986	\$ 366,041	\$ -		\$ 750,000	\$ 750,000
								Total Capital Contribution	\$ 750,000
Overall Total	\$ 345,503	\$ 904,636	\$ 432,307	\$ 987,176	\$ 2,083,043	\$ 919,787	\$ 120,000	\$ 4,752,664	\$ 5,792,452
								Total for MAs plus LAVWMA	\$ 5,672,452
								LAVWMA O&M % Increase from Baseline	30%
								LAVWMA Overall % Increase from Baseline	18%

ITEM NO. FM14 RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUSPEND RECYCLED WATER CHARGES TO HAYWARD AREA RECREATION AND PARK DISTRICT (HARD) FOR SKYWEST GOLF COURSE FOR MAY AND JUNE 2020

Recommendation

Adopt a resolution approving a suspension of recycled water charges for May and June 2020.

Background

Since 1982, EBDA has been providing recycled water to Skywest Golf Course, which is managed by Hayward Area Recreation and Park District (HARD). EBDA's goal is for Skywest revenues to match expenses so that the member agencies are not subsidizing HARD. Per Resolution 19-15 approved by the Commission in May 2019, the Authority currently delivers recycled water to HARD at a price of \$10,000 per month. This price has been constant since Fiscal Year 2017/2018, when it was increased from \$9500 to address increasing costs and deficit spending. Over the last several years, Authority staff and HARD staff have worked to optimize operations, leading to a decrease in costs. In addition, capital projects have been deferred due to uncertainty about whether the Authority will continue to service the golf course long term. As a result, the Authority's Skywest fund currently has a balance of \$168k.

Discussion

The Skywest Golf Course is currently closed due to the County's Shelter-in-Place order associated with COVID-19. As such, HARD's finances for the golf course, which were already stretched, will be significantly negatively impacted. In the spirit of collaboration and support for a sister agency, staff recommends suspending the Authority's billing to HARD for recycled water for the remainder of the fiscal year, specifically the months of May and June 2020. Though recycled water service to the golf course continues, costs can easily be covered out of the existing fund balance and the \$20,000 in foregone revenue is not expected to result in a deficit or need for additional funding from the Member Agencies. This would be a temporary suspension of billing specific to the COVID-19 crisis.

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

RESOLUTION NO. 20-06

INTRODUCED BY _____

**RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUSPEND
RECYCLED WATER CHARGES TO HAYWARD AREA RECREATION AND PARK
DISTRICT (HARD) FOR SKYWEST GOLF COURSE FOR MAY AND JUNE 2020**

WHEREAS, on December 21, 1982, Hayward Area Recreation and Park District (HARD) and East Bay Dischargers Authority (Authority) entered into an Interagency Agreement for Construction and Operation of Skywest Golf Course Reclamation-Irrigation Project; and

WHEREAS, per Resolution 19-15, the Authority set the price of recycled water to be charged to HARD for fiscal year 2019/2020 at \$10,000 per month; and

WHEREAS, the COVID-19 crisis has forced the temporary closure of the Skywest Golf Course and thereby stressed HARD's finances; and

WHEREAS, in the spirit of collaboration, the Authority wishes to support HARD as a fellow public agency during this time of need; and

WHEREAS, the Authority expects to be able to fund continued operation of the project out of its existing fund balance for a period of two months.

NOW, THEREFORE, BE IT RESOLVED, the Commission of the East Bay Dischargers Authority hereby Authorizes the General Manager to suspend recycled water charges to HARD for the Skywest Golf Course Water Recycling Project for the period of May 1, 2020 through June 30, 2020.

SAN LORENZO, CALIFORNIA, MAY 21, 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. FM15 RESOLUTION ESTABLISHING THE PRICE OF RECYCLED WATER FOR SKYWEST GOLF COURSE IN FISCAL YEAR 2020/2021

Recommendation

Adopt a resolution establishing the price of recycled water at \$10,000 month in FY 2020/2021.

Background

As discussed in Item No. FM 14, EBDA has been providing recycled water to Skywest Golf Course, which is managed by Hayward Area Recreation and Park District (HARD), since 1982. EBDA's goal is for Skywest revenues to meet expenses so that the member agencies are not subsidizing HARD. As a result of several capital projects, EBDA depleted its set-aside funding for Skywest in 2014 and was running a deficit exceeding \$40,000. Staff worked with HARD to develop a multi-year strategy for setting aside sufficient funds to account for long-term capital repair needs for the Skywest system. The Skywest fund balance has since recovered and has remained positive the last four years.

Discussion

EBDA's expenses for operating Skywest are driven 85% by costs independent of flow. In calendar year 2019, EBDA provided approximately 57 million gallons of recycled water to HARD. This amount was consistent with deliveries for the prior several years. Overall flow is limited by season (when HARD needs flow) and pumping capacity of the pipe. EBDA staff and HARD staff have worked closely over the past two years to optimize operations to the extent practical, including significantly reducing the need for sampling on weekends.

Over the last several years, EBDA has deferred capital projects on the system because of uncertainty over EBDA's long-term recycled water service to Skywest. There are two scenarios in which EBDA's service would be discontinued. First, within the next several years, the City of Hayward may be ready to supply Skywest with higher quality recycled water through Phase 2 of its recycled water project. Second, there is uncertainty about the future of the Skywest Golf Course itself, and HARD is in discussions with the City of Hayward and other stakeholders about whether to continue operations. Because of the deferred capital projects, EBDA has built up the Skywest fund to \$168k.

Staff recommends setting the recycled water rate at \$10,000 per month, consistent with the past four years. The \$10,000 rate is expected to cover operating costs for Fiscal Year 2020/2021 and add \$40,000 the current fund balance available for capital projects. Given the recent pipeline failure (see Item No. OM6), some capital improvements will be needed to shore up the embankment along the pipeline alignment, irrespective of the long-term plan for recycled water service. If service is expected to continue long-term, additional capital projects will be needed. If Skywest recycled water service is discontinued, capital funds will be required for decommissioning or transfer. In the event

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
May 18, 2020

that service is discontinued, it is possible that the existing infrastructure could be repurposed for delivery of recycled water to other customers by Oro Loma, or to provide water to a horizontal levee system.

Staff continues to believe supplying EBDA water to Skywest provides financial benefits to HARD, whose cost for potable water would be much higher, and environmental benefits to EBDA and its ratepayers. Staff will continue to keep abreast of HARD's plans for the golf course and update the Commission of changes.

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

RESOLUTION NO. 20-07

INTRODUCED BY _____

**RESOLUTION ESTABLISHING THE PRICE OF RECYCLED WATER FOR
SKYWEST GOLF COURSE FISCAL YEAR 2020/2021**

WHEREAS, on December 21, 1982, Hayward Area Recreation and Park District (HARD) and East Bay Dischargers Authority (Authority) entered into an Interagency Agreement for Construction and Operation of Skywest Golf Course Reclamation-Irrigation Project; and

WHEREAS, Section VII of said Agreement states that the Authority shall set the price of recycled water to be charged to HARD during the next ensuing fiscal year, including the terms and conditions for payment; and

WHEREAS, HARD has been advised that the proposed price of water for the period July 1, 2020 through June 30, 2021 will be \$10,000 per month.

NOW, THEREFORE, BE IT RESOLVED, the Commission of the East Bay Dischargers Authority hereby establishes the price of recycled water for the Skywest Golf Course Water Recycling Project for the period of July 1, 2020 through June 30, 2021 in the amount of \$10,000 per month.

BE IT FURTHER RESOLVED, that payments for said recycled water are due and payable on the tenth day of each month effective July 10, 2020.

SAN LORENZO, CALIFORNIA, MAY 21, 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. FM16 RESOLUTION APPROVING REVISIONS TO THE AUTHORITY'S INVESTMENT POLICY

Recommendation

Adopt a resolution approving revisions to the Authority's Investment Policy.

Background

In March 2019, the Commission adopted a new Investment Policy, updating a policy and procedure previously adopted in 2013. The Policy lays out the overall guidelines for the Authority's investments, consistent with relevant government codes. Staff had assistance from PFM Asset Management, LLC in updating the Policy.

As part of an annual review of financial policies, staff brought the Policy to the Committee for review in February 2020 recommending a few minor editorial changes to the Policy. The Policy incorporates by reference relevant sections of California Government Code that govern public agency investments. The Policy had said that those sections were to be attached, but staff recommends removing the attachments on the grounds that the references are sufficient. Staff does recommend attaching Figure 1 of the Local Agency Investment Guidelines, which is a helpful summary of the requirements in the Government Code. This document was updated in 2019, so the reference in the Policy has been updated accordingly.

Discussion

In its February 2020 review, the Committee posed questions on the Policy provision related to Standard of Care. Specifically, the Policy required the General Manager/Treasurer to file with the Authority an official bond in the amount of \$250,000. After subsequent review and discussion, the Committee recommends continuing with the public official bonds for the General Manager and Operations & Maintenance Manager, but evaluating the dollar value of such bonds each time they are up for renewal. To provide that flexibility, staff recommends the following additional edit to the Policy:

- **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.

POLICY NUMBER: 1.1

NAME OF POLICY: Finance - Investments

LAST REVISED: ~~5/13/2020~~3/21/2019

PREVIOUSLY REVISED: ~~3/21/2019~~05/16/2013

PURPOSE: All financial assets, including special revenue funds, capital project funds, internal service funds and other funds that may be created from time to time, shall be administered in accordance with the provisions of this Policy and are accounted for in the Annual Financial Report. This Investment Policy is used to guide Authority staff in investment decisions and transactions.

POLICY: It is the policy of East Bay Dischargers Authority (Authority) to invest public funds in a manner which prioritizes security over investment return, while meeting the daily cash flow demands of the Authority, and conforming to California Government Code Sections 53601 through 53686 and other statutes governing the investment of public funds.

DETAILED DISCUSSION:

A. OBJECTIVES:

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

- 1. Safety:** Safety of principal is the foremost objective of the investment program. Investments of the East Bay Dischargers Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- 2. Liquidity:** The investment portfolio will remain sufficiently liquid to enable the East Bay Dischargers Authority to meet all operating requirements which might be reasonably anticipated.

3. **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. (CGC 53600.5)

B. STANDARD OF CARE:

- **Prudence:** All investments shall be made within the policy framework of liquidity, safety, and investment return, with the judgment and care a person of prudence and intelligence would, under the circumstances then prevailing, exercise in the management of his/her affairs.
- **Ethics and Conflict of Interest:** District officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Officers and employee involved in the investment process shall abide by CGC Section 109, et seq. and the California Political Reform Act.
- **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.

C. PROCEDURES:

The General Manager/Treasurer shall establish written procedures and a system of internal controls for the operation of the investment program consistent with this investment policy to be incorporated into the Authority's Financial Management System Policy and Procedures Manual. Procedures should include references to: safekeeping, PSA repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Financial Management Committee. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The General Manager/Treasurer is a trustee and a fiduciary subject to the prudent investor standard. (CGC 53600.3)

D. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS:

The General Manager/Treasurer will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization that are authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the General Manager/Treasurer shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations and familiar with the Government Code restrictions on public agency investments and have a substantial experience with other public agency investments.

Before engaging in investment transactions with a broker/dealer, the General Manager/Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the Authority's account with that firm has reviewed the Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Authority that are appropriate under the terms and conditions of the Investment Policy.

E. AUTHORIZED AND SUITABLE INVESTMENTS:

The allowable investment instruments applicable to all local agencies, including the East Bay Dischargers Authority, are shown in the documents listed below and included by reference in this investment policy. ~~The following documents are attached and included at the end of this Section:~~

~~Figure 1, Chapter II. Fund Management, Local Agency Investment Guidelines 2007, California Debt and Investment Advisory Commission.~~

- California Government Code Section 5920-5924
- California Government Code Section 16429.1-16429.4
- California Government Code Section 53500-53505
- California Government Code Section 53600-53609
- California Government Code Section 53630-53686

See CGC 53601 for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities.

[The following table summarizes allowable investments, and is attached and included at the end of this Policy:](#)

[Figure 1, Chapter II. Fund Management, Local Agency Investment Guidelines 201907, California Debt and Investment Advisory Commission.](#)

F. PROHIBITED INVESTMENTS:

Under the provisions of CGC 53601.6 and 53631.5, the Authority shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

G. COLLATERALIZATION:

All certificates of deposits and repurchase agreements must be collateralized by U. S. Treasury Obligations. Collateral must be held by a third party and valued on a monthly basis. The percentage of collateralization on Repurchase Agreements will adhere to the amount required under CGC 53601(i)(2).

H. DIVERSIFICATIONS:

It is the policy of the Authority to diversify its investment portfolio. With the exception of funds invested in LAIF, United State Treasury Bills, notes, and bonds, the Authority will diversify its investments by security type and, within each type, by institution. Invested assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification shall be determined and revised periodically by the Treasurer in consultation with the Financial Management Committee. In establishing specific diversification strategies, the following guidelines shall apply:

- 1) Portfolio maturities shall be matched against projected liabilities to avoid an over concentration in a specific series of maturities.
- 2) Maturities selected shall provide for stability and liquidity.
- 3) Disbursement and payroll dates shall be covered by the scheduled maturity of specific investments, marketable U. S. Treasury Bills or Notes or other cash equivalent instruments, such as money market mutual funds.

I. PERFORMANCE STANDARDS:

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of the Authority. The Authority shall establish a performance benchmark. Benchmarks may change over time based on changes in market conditions, investment preferences, or cash flow requirements.

J. INTERNAL CONTROLS:

The Authority shall establish a set of internal controls which shall be documented in writing. The internal controls will be reviewed by the Authority and with the independent auditor. The controls shall be designed to prevent employee error, misrepresentations by third parties, and unanticipated changes in financial markets or imprudent actions by officers or employees of the Authority.

K. SAFEKEEPING & CUSTODY:

All security transactions entered into by the Authority shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the Authority by book entry, physical delivery or by third party custodial agreement. (CGC 53601) The Treasurer shall deposit securities in which the Authority holds funds in a safe deposit box in the name of East Bay Dischargers Authority.

L. REPORTING:

The Treasurer shall submit to the Commission a monthly report. The report shall include a complete description of the portfolio, the type of investment, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed by third party contractors. The report will also include the source of the portfolio valuation. In the case of funds invested in The Local Agency Investment Fund (LAIF), FDIC Insured accounts or county investment pools, current statements from those institutions will satisfy the above reporting requirement. The report will also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Authority will meet its expenditure obligations for the next six months. [CGC 53646(b)]. The Treasurer shall maintain a complete and timely record of all investment transactions.

M. INVESTMENT POLICY ADOPTION:

The Investment Policy shall be adopted by resolution of the East Bay Dischargers Authority. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Commission.

GLOSSARY:

ASK PRICE: The price at which a seller offers to sell a security to a buyer.

ASSET-BACKED SECURITIES: Bonds created from various types of consumer debt.

Returns on these securities come from customer payments on their outstanding loans. The primary types of asset-backed securities are mortgages, home equity loans, auto loans, leases, credit card receivables and student loans.

BANKERS' ACCEPTANCE: A letter of credit issued in a foreign trade transaction which allows exporters to receive payment prior to importation of their goods. Banks provide short-term financing to facilitate the transaction and may sell the obligation to a third party. Bankers' Acceptances are secured by the issuer of the bill, while the underlying goods also serve as collateral.

BANK DEPOSITS: Collateral in the form of currency that may be in the form of demand accounts (checking) or investments in accounts that have a fixed term and negotiated rate of interest.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID PRICE: The price at which a buyer offers to purchase a security from the seller.

BOND: A debt investment in which an investor loans money to an entity (corporate or governmental) that borrows the funds for a defined period of time at a fixed interest rate called a coupon payment. Bonds are used by companies, municipalities, states and the U.S. government to finance a variety of projects and operating activities.

BROKER: A broker aligns buyers and sellers of securities and receives a commission when a sale occurs. Brokers generally do not hold inventory or make a market for securities.

CALIFORNIA LOCAL AGENCY OBLIGATIONS: Bonds that are issued by a California county, Authority, Authority and county, including a chartered Authority or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

CD (CERTIFICATE OF DEPOSIT): Time deposits issued by a bank, savings or federal credit union, or state-licensed branch of a foreign bank. Negotiable Certificates of Deposits rely on the credit rating of the issuing entity.

COLLATERAL: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZATION: Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

COMMERCIAL PAPER: Short-term unsecured promissory note issued by a company or financial institution. Commercial paper is issued at a discount and matures at face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more nationally recognized statistical rating organizations (NRSROs).

COUNTY POOLED INVESTMENT FUNDS: The aggregate of all funds from public agencies placed in the custody of the county treasurer or chief finance officer for investment and reinvestment.

COUPON: The annual rate of interest that a bond's issuer promises to pay the bondholder, expressed as a percentage of the bond's face value.

CREDIT RISK: Credit risk is the likelihood that an issuer will be unable to make scheduled payments of interest or principal on an outstanding obligation.

CUSTODIAN: An agent such as a broker or a bank that stores a customer's investments for safekeeping. The custodian does not have fiduciary responsibilities.

DEALER: A dealer, as opposed to a broker, acts as a principal in security transactions, selling securities from, and buying securities for his/her own position.

DEFAULT: To default is to fail to repay principal or make timely interest payments on a bond or other debt investment security, or failure to fulfill the terms of a note or contract.

DELIVERY VERSUS PAYMENT (DVP): A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: The weighted average time to maturity of a bond where the weights are the present values of future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates.

FIDUCIARY: An individual who holds something in trust for another and bears liability for its safekeeping.

FLOATING RATE INVESTMENTS: Notes whose interest rate is adjusted according to the interest rates of other financial instruments. These instruments provide protection against rising or falling interest rates, but may pay lower yield than fixed rate notes.

FUTURES: Commodities, which are sold in the present time and are to be delivered at a future date.

INTEREST ONLY STRIPS: Securities with cash flow based entirely on the monthly interest payments received from a mortgage, Treasury, or bond payment. No principal is included in these types of securities.

INVERSE FLOATING RATE INVESTMENTS: Variable-rate notes (such as inverse floating rate notes) whose coupon and value increase as interest rates decrease.

INVESTMENT PROGRAM: The process of modern portfolio management. The process includes establishing investment policy, analysis of the economic and capital markets environment, portfolio monitoring and rebalancing, and measuring performance.

LIQUIDITY: The ease with which investments can be converted to cash at their present market value. Liquidity is significantly affected by the number of buyers and sellers trading a given security and the number of units of the security available for trading.

LOCAL AGENCY BONDS: These bonds are issued by a county, Authority, Authority and county, including a chartered Authority or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

LOCAL AGENCY INVESTMENT FUND (LAIF): A voluntary investment fund open to state and local government entities and certain non-profit organizations in California in which organization pools their funds for investment. LAIF is managed by the State Treasurer's Office.

MARKET RISK: Market risk is the risk that investments will change in value based on changes in general market prices.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract which includes provisions specific to the governmental agency that is signed by an authorized officer with each counterparty. A master agreement will often specify details to the nature of transactions, the relationship of the parties to the agreement, parameters pertaining to the ownership and custody of collateral, and remedies in the event of default by either party.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES (MTN): Unsecured, investment-grade senior debt securities of major corporations that are sold either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MORTGAGE-BACKED SECURITIES: A debt instrument with a pool of real estate loans as the underlying collateral. The mortgage payments of the real estate assets are used to pay interest and principal on the bonds.

MORTGAGE PASS-THROUGH SECURITIES: A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUTUAL FUNDS: An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. **Money market mutual funds** invest exclusively in short-term (1-day to 1-year) debt obligations such as Treasury bills, certificates of deposit, and commercial paper. The principal objective is the preservation of capital and generation of current income.

OFFER: The price asked by a seller of securities. See Ask Price and Bid Price.

OPTION: A contract that provides the right or obligation, depending on the buyer or seller's position within the contract, to buy or to sell a specific amount of a specific security within a predetermined time period at a specified price. A call option provides the right to buy the underlying security. A put option provides the right to sell the underlying security. The seller of the contracts is called the writer.

PORTFOLIO: A collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRINCIPAL ONLY STRIPS: Securities with cash flow based entirely on the principal payments received from an obligation.

RANGE NOTES: A range note is a bond that pays interest if a specified interest rate remains above or below a certain level and/or remains within a certain range.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price.

REPURCHASE AGREEMENT (RP, Repo): A contractual transaction between an investor and an issuing financial institution (bank or securities dealer). The investor exchanges cash for temporary ownership or control of collateral securities, with an agreement between the parties that on a future date, the financial institution will repurchase the securities.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held by the bank in the customer's name.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES AND EXCHANGE COMMISSION (SEC): A federal government agency comprised of five commissioners appointed by the President and approved by the Senate. The SEC was established to protect the individual investor from fraud and malpractice in the marketplace. The Commission oversees and regulates the activities of registered investment advisers, stock and bond markets, broker/dealers, and mutual funds.

STATE OBLIGATIONS: Registered treasury notes or bonds of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 United States.

STRIPS: Bonds, usually issued by the U.S. Treasury, whose two components, interest and repayment of principal, are separated and sold individually as zero-coupon bonds. Strips are an acronym for Separate Trading of Registered Interest and Principal of Securities.

SUPRANATIONALS: International financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe.

TRUSTEE: An individual or organization, which holds or manages and invests assets for the benefit of another. The trustee is legally obliged to make all trust-related decisions with the trustee's interests in mind, and may be liable for damages in the event of not doing so.

U.S. AGENCY OBLIGATIONS: Federal agency or United States government-sponsored enterprise obligations (GSEs), participations, or other instruments. The obligations are issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. Issuers include: Fannie Mae, Farmer Mac, Federal Farm Credit Banks, Freddie Mac, Federal Home Loan Banks, Financing Corporation, Tennessee Valley Authority, Resolution Trust Funding Corporation, World Bank, Inter-American Development Bank, and PEFCO.

U.S. TREASURY OBLIGATIONS (TREASURIES): Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

Treasury Bills: All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury Bills (T-bills). The Treasury currently issues 3-month and 6-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth cash flows.

Treasury Notes: All securities issued with initial maturities of 2- to 10-years are called Treasury Notes (T-notes), and pay interest semi-annually.

Treasury Bonds: All securities issued with initial maturities greater than 10-years are called Treasury Bonds (T-bonds). Like Treasury Notes, they pay interest semi-annually.

WAL: Weighted Average Life: The average life of all the securities that comprise a portfolio, typically expressed in days or years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. Yield does not include capital gains.

Income Yield is obtained by dividing the current dollar income by the current market price for the security.

Net Yield or **Yield to Maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

ZERO-COUPON BOND: A bond on which interest is not payable until maturity (or earlier redemption), but compounds periodically to accumulate to a stated maturity amount. Zero-coupon bonds are typically issued at a discount and repaid at par upon maturity.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2019)^A APPLICABLE TO ALL LOCAL AGENCIES^B

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM REMAINING MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations: CA and Others	5 years	None	None	53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S. Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% ^E	None	53601(g)
Commercial Paper: Non-pooled Funds ^F	270 days or less	25% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(C)
Commercial Paper: Pooled Funds ^I	270 days or less	40% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^J	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	30% ^K	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	30% ^K	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^L	20% of the base value of the portfolio	None ^M	53601(j)
Medium-term Notes ^N	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds and Money Market Mutual Funds	N/A	20% ^O	Multiple ^{P,Q}	53601(l) and 53601.6(b)
Collateralized Bank Deposits ^R	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-through and Asset Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^S	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^T	N/A	None	None	16340
Supranational Obligations ^U	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)

TABLE OF NOTES FOR FIGURE 1

<p>A Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, and 53635.8.</p> <p>B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.</p> <p>C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.</p> <p>D</p> <p>E Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.</p> <p>F</p> <p>G No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.</p> <p>H Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.</p> <p>I</p> <p>J Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.</p> <p>K Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.</p> <p>L Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).</p> <p>No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).</p> <p>No more than 30 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorized under Section 53601(i)).</p> <p>Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or</p>	<p>M spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.</p> <p>N</p> <p>O Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.</p> <p>P</p> <p>Q "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."</p> <p>R</p> <p>S No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.</p> <p>T</p> <p>U A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.</p> <p>A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.</p> <p>Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.</p> <p>A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).</p> <p>Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.</p> <p>Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.</p>
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EAST BAY DISCHARGERS COMMISSION
EAST BAY DISCHARGERS AUTHORITY
ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. 20-08

INTRODUCED BY _____

**RESOLUTION APPROVING REVISIONS TO THE AUTHORITY'S
INVESTMENT POLICY**

WHEREAS, the East Bay Dischargers Authority (Authority) is a Joint Powers Agency that has the fiduciary responsibility to manage funds and assets of its member agencies; and

WHEREAS, it is the policy of the Authority to invest public funds in a manner that conforms to California Government Code and other statutes governing the investment of public funds; and

WHEREAS, said Investment Policy shall be reviewed annually and any changes must be approved by the Commission of the East Bay Dischargers Authority (Commission) by resolution; and

WHEREAS, a separate investment strategy shall be developed for investment of the funds under Authority control; and

WHEREAS, updates to the Policy have been developed to ensure proper references to state documents and to provide flexibility to the Commission in setting the value of public official bonds; and

WHEREAS, the revised Policy has been reviewed by the Financial Management Committee and recommended for approval by the Commission.

NOW, THEREFORE, BE IT RESOLVED, the Commission of the Authority hereby adopts revisions to the Investment Policy.

SAN LORENZO, CALIFORNIA, MAY 21, 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