



EAST BAY DISCHARGERS AUTHORITY
2651 Grant Avenue
San Lorenzo, CA 94580-1841
(510) 278-5910
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A Joint Powers Public Agency

Pursuant to the Governor's Executive Order N-25-20 the Finance Meeting scheduled for November 17, 2020 at 10:30 a.m. will be telephonic. The dial-in number for the meeting is +1 669 900 6833 with meeting I.D. #816 4656 1628. Members of the public are encouraged to dial in to the meeting using the same number. <https://us02web.zoom.us/j/81646561628>

ITEM NO. 13

FINANCIAL MANAGEMENT COMMITTEE

AGENDA

Tuesday, November 17, 2020

10:30 A.M.

East Bay Dischargers Authority

2651 Grant Avenue, San Lorenzo, CA 94580

Committee Members: Walters (Chair); Toy

FM1. Call to Order

FM2. Roll Call

FM3. Public Forum

FM4. List of Disbursements for October 2020

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

FM5. Treasurer's Report for October 2020

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

FM6. Final Adjusted Treasurer's Reports for June, July, August, and September 2020

(The Committee will review the final adjusted Treasurer's Reports for June - September 2020.)

FM7. Motion to Accept the Audited Basic Financial Statements for Fiscal Year Ending June 30, 2020

(The Committee will consider the motion.)

FM8. First Quarter Expense Summary, Fiscal Year 2020/2021

(The Committee will review the first quarter expenses for FY 2020/2021.)

FM9. Draft Purchasing Policy

(The Committee will review and provide feedback on the draft Policy.)

FM10. Adjournment

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
November 17, 2020

(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.)

(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>.

**The next Financial Management Committee meeting is scheduled on
Tuesday, December 15, 2020 at 10:30 a.m.**

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
October 2020

CHECKS (SORTED BY AMOUNT)

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24900	10/15/2020	346316	CITY OF HAYWARD	QUARTERLY O&M JUL - SEP		30,401.36	30,401.36
24925	10/30/2020	48797525	UNIVAR	SODIUM BISULFITE - DELIVERED 10/28/20		5,867.66	11,754.97
24925	10/30/2020	48779389	UNIVAR	SODIUM BISULFITE - DELIVERED 10/14/20		5,887.31	
24922	10/30/2020	00013.12-1	LARRY WALKER ASSOCIATES	PROFESSIONAL SERVICES - WORK ORDER NO. 3		9,015.50	10,317.00
24922	10/30/2020	00013.11-2	LARRY WALKER ASSOCIATES	PROFESSIONAL SERVICES - WORK ORDER NO. 2		1,301.50	
24910	10/15/2020	2020080521	MEYERS NAVE	LEGAL SERVICES - AUG		7,608.27	10,265.67
24910	10/15/2020	2020080522	MEYERS NAVE	LEGAL SERVICES - AUG BRINE		2,657.40	
24904	10/15/2020	SW240169497	PETERSON POWER SYSTEMS	HEPS - GENERATOR PREVENTATIVE MAINTENANCE		4,682.17	8,930.99
24904	10/15/2020	SW240169496	PETERSON POWER SYSTEMS	MDF - GENERATOR PREVENTATIVE MAINTENANCE		4,248.82	
24919	10/30/2020	47675	CALCON	COMMUNICATIONS SYSTEMS UPGRADE		7,202.72	8,147.72
24919	10/30/2020	47544	CALCON	OPS CENTER SCADA SERVICE CALLS		675.00	
24919	10/30/2020	47545	CALCON	OLEPS SERVICE CALL		270.00	
24926	10/30/2020	11385650	BROWN & CALDWELL	ENGINEERING SERVICES - BRINE ASSESSMENT		7,341.04	7,341.04
24929	10/30/2020	1276971	HANSON BRIDGETT	LEGAL SERVICES		6,025.00	6,025.00
24911	10/15/2020	48763990	UNIVAR	SODIUM BISULFITE - DELIVERED 10/05/20		5,862.75	5,862.75
24920	10/30/2020	Jul-20	DEBORAH QUINN	ACCOUNTING SERVICES - JUL		4,331.25	4,331.25
24928	10/30/2020	26-FINAL	GSE CONSTRUCTION	HEPS MCC REPLACEMENT PROJECT		3,325.00	3,325.00
24897	10/15/2020	JUL-SEP2020	KARL ROYER	QUARTERLY RETIREE MEDICAL REIMBURSEMENT - JUL - SEP 2020		3,191.94	3,191.94
24905	10/15/2020	IN0290613	ALAMEDA COUNTY ENVIRONMENTAL HEALTH	OLEPS - ANNUAL ALCO CUPA FEES		2,477.00	2,477.00
24899	10/15/2020	416018	VANTAGEPOINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 10/15/20		2,417.94	2,417.94
24916	10/30/2020	424119	VANTAGEPOINT	ICMA DEFERRED COMPENSATION FOR PAY PERIOD ENDED 10/31/20		2,417.94	2,417.94
24898	10/15/2020	JUL-SEP2020	CHARLES WEIR	QUARTERLY RETIREE MEDICAL REIMBURSEMENT - JUL - SEP 2020		1,904.76	1,904.76
24914	10/15/2020	614817	CALTEST	LAB TESTING SERVICES - SEP		1,648.10	1,648.10
24901	10/15/2020	52205704	CITY OF HAYWARD	BENEFIT PREMIUMS - OCT		1,330.77	1,330.77
24909	10/15/2020	4246044555687620	US BANK	REMOTE DATA BACKUPS	429.00	1,265.99	1,265.99
24909	10/15/2020	4246044555687620	US BANK	DOCUSIGN	270.00		
24909	10/15/2020	4246044555687620	US BANK	OFFICE DEPOT - OFFICE SUPPLIES	207.21		
24909	10/15/2020	4246044555687620	US BANK	LOGITECH - OFFICE SUPPLIES	109.74		
24909	10/15/2020	4246044555687620	US BANK	INTERMEDIA.NET	86.41		
24909	10/15/2020	4246044555687620	US BANK	76 - EBDA TRUCK GAS	53.35		
24909	10/15/2020	4246044555687620	US BANK	76 - EBDA TRUCK GAS	49.62		
24909	10/15/2020	4246044555687620	US BANK	FOODMAXX - DISTILLED WATER MDF GENERATOR	21.42		
24909	10/15/2020	4246044555687620	US BANK	LOWES - SUPPLIES	14.25		
24909	10/15/2020	4246044555687620	US BANK	EAST BAY TIMES SUBSCRIPTION	9.95		
24909	10/15/2020	4246044555687620	US BANK	USPS	7.10		
24909	10/15/2020	4246044555687620	US BANK	USPS	6.95		
24909	10/15/2020	4246044555687620	US BANK	APPLE CLOUD - CELL PHONE BACKUP	0.99		
24908	10/15/2020	415476G	R&S OVERHEAD GARAGE DOOR, INC.	MDF - SERVICE CALL		1,233.08	1,233.08
24903	10/15/2020	1746192-20	SCIF	WORKERS COMPENSATION PREMIUM - OCT		631.25	631.25
24913	10/15/2020	Sep-20	EVERARDO OROZCO LANDSCAPE MANAGEMENT	LANDSCAPING SERVICES - SEP		375.00	375.00
24902	10/15/2020	51027859109143	AT&T	TELEPHONE SERVICE ADMIN BUILDING		323.22	323.22
24930	10/30/2020	10110000001	EBMUD	WATER & SEWER, MDF AUG-OCT		224.16	224.16
24918	10/30/2020	510-483-0439 716 6	AT&T	TELEPHONE SERVICE AT MDF - OCT		195.10	195.10

EAST BAY DISCHARGERS AUTHORITY
Cash Disbursement
October 2020

Check #	Check Date	Invoice #	Vendor Name	Description	Itemized Charges	Invoice Amount	Check Amount
24906	10/15/2020	9863960287	VERIZON WIRELESS	CELLPHONES - SEP		181.95	181.95
24907	10/15/2020	8222	CAYUGA INFORMATION SYSTEMS	IT SERVICES - SEP		180.00	180.00
24915	10/15/2020	45921	COMPUTER COURAGE	WEBSITE HOSTING		100.00	166.15
24915	10/15/2020	46064	COMPUTER COURAGE	WEBSITE SUPPORT SERVICES		66.15	
24912	10/15/2020	EBD3064	ALPHA ANALYTICAL LABORATORIES	LAB SAMPLES - SEP		165.00	165.00
24923	10/30/2020	11804	TOWN & COUNTRY	JANITORIAL SERVICES - OCT		165.00	165.00
24927	10/30/2020	3122886	CALTRONICS	COPIER USAGE - SEP - OCT		136.83	136.83
24924	10/30/2020	521742	R-COMPUTER	COMPUTER EQUIPMENT		108.00	108.00
24921	10/30/2020	9864732935	VERIZON WIRELESS	MODEM FOR SCADA 09/11 - 10/10/2020		22.70	22.70
24917	10/30/2020	RESO20-25	SECRETARY OF STATE	FILING FEE		1.00	1.00
TOTAL CHECK PAYMENTS							127,465.63
ELECTRONIC PAYMENTS							
		5105948980-0	PG&E	GAS & ELECTRIC		34,171.92	34,171.92
		100000016181167	CALPERS	HEALTH PREMIUMS - OCT 2020		7,020.76	7,020.76
		100000016139855	CALPERS	PENSION CONTRIBUTION, CLASSIC 09/16/20-09/30/20		4,355.14	4,355.14
		100000016178122	CALPERS	PENSION CONTRIBUTION, CLASSIC 10/01/20-10/15/20		4,355.14	4,355.14
		100000016139874	CALPERS	PENSION CONTRIBUTION, PEPRA 09/16/20-09/30/20		247.82	247.82
		100000016178136	CALPERS	PENSION CONTRIBUTION, PEPRA 10/01/20-10/15/20		247.82	247.82
		Oct-20	WELLS FARGO	CLIENT ANALYSIS SERVICE CHARGE - SEP		67.14	67.14
TOTAL ELECTRONIC PAYMENTS							50,465.74
PAYROLL							
		Oct-20	ADP, LLC	PAYROLL PERIOD: 10/16-31/2020		23,224.01	23,224.01
		Oct-20	ADP, LLC	PAYROLL PERIOD: 10/01-15/2020		20,410.06	20,410.06
		Oct-20	ADP, LLC	PAYROLL FEES, PERIOD: 10/01-15/2020		664.75	664.75
		Oct-20	ADP, LLC	PAYROLL TAXES		469.47	469.47
		Oct-20	ADP, LLC	PAYROLL FEES, PERIOD: 09/16-30/2020		104.78	104.78
TOTAL PAYROLL							44,873.07
TOTAL DISBURSEMENTS							222,804.44

ITEM NO. FM5 TREASURER'S REPORT FOR OCTOBER 2020

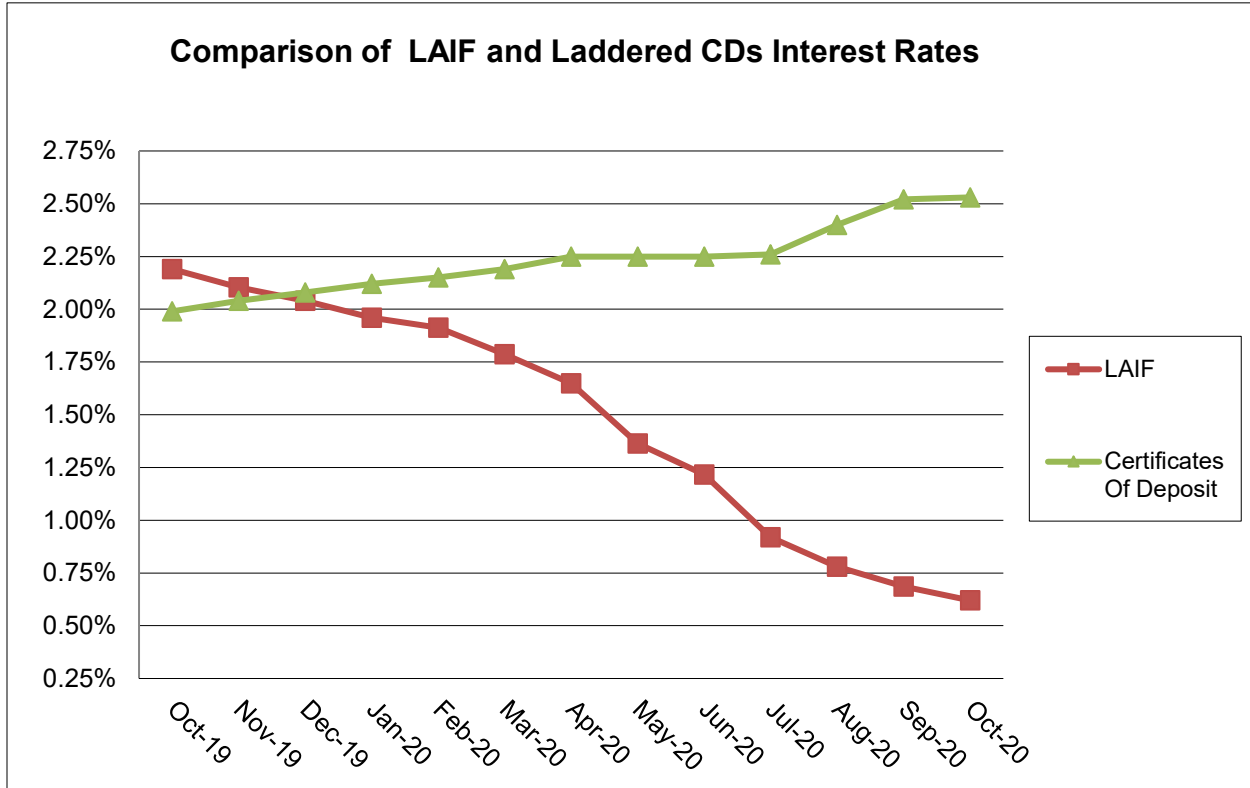
The beginning cash balance on October 1, 2020 was \$3,047,432.81. The ending cash balance on October 31, 2020 was \$ 2,924,799.99. Total receipts for the month were \$100,171.62 and disbursements were \$222,804.44.

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 the Authority's checking account and/or LAIF as CDs mature. Staff will continue to work with the Committee on investment strategy.

Current market value of EBDA's CD investment portfolio is \$201,756.01. The average annual yield of the CDs is 2.53%.

EBDA's LAIF balance beginning October 1, 2020 was \$2,246,110.12. The ending balance on October 31, 2020 was \$2,250,879.58. The LAIF account was credited \$4,769.46 in interest earned for the quarter ending September 30, 2020. The LAIF interest rate for period ending October 31, 2020 was 0.62%.

Approval is recommended.



EAST BAY DISCHARGERS AUTHORITY
TREASURER'S REPORT
OCTOBER 31, 2020

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	672,812.82	85,046.52	183,144.78	574,714.56
13	PLANNING & SPECIAL STUDIES	217,675.57	9,653.61	28,966.94	198,362.24
14	RECLAMATION O & M (SKYWEST)	142,240.31		165.00	142,075.31
31	REPLACEMENT	2,014,704.11	5,471.49	10,527.72	2,009,647.88
TOTALS		3,047,432.81	100,171.62	222,804.44	2,924,799.99

Oct-20

11/12/20

SUPPLEMENTAL TREASURERS REPORT

DATE	TRANSACTION	RECEIPT	DISBURSEMENT CHECKING	DISBURSEMENT PAYROLL	PAYROLL TRANSFER	LAIF TRANSFER	CD TRANSFER	CD INTEREST & EXPENSES	WELLS FARGO CHECKING BALANCE	WELLS FARGO PAYROLL BALANCE	LAIF BALANCE	WELLS FARGO CERTIFICATES OF DEPOSIT	TOTAL CASH
10/01/20	BALANCE								523,762.13	25,452.14	2,246,110.12	252,108.42	3,047,432.81
10/05/20	INTEREST	701.92						701.92	523,762.13	25,452.14	2,246,110.12	252,810.34	3,048,134.73
10/01/20	ELECTRONIC BILL PAY		34,171.92						489,590.21	25,452.14	2,246,110.12	252,810.34	3,013,962.81
10/08/20	PAYROLL TRANSFER				20,000.00				469,590.21	45,452.14	2,246,110.12	252,810.34	3,013,962.81
10/08/20	CD TRANSFER						(51,212.02)		520,802.23	45,452.14	2,246,110.12	201,598.32	3,013,962.81
10/09/20	ELECTRONIC BILL PAY		4,355.14						516,447.09	45,452.14	2,246,110.12	201,598.32	3,009,607.67
10/09/20	ELECTRONIC BILL PAY		247.82						516,199.27	45,452.14	2,246,110.12	201,598.32	3,009,359.85
10/09/20	PAYROLL FEES			104.78					516,199.27	45,347.36	2,246,110.12	201,598.32	3,009,255.07
10/09/20	DIVIDEND	0.11						0.11	516,199.27	45,347.36	2,246,110.12	201,598.43	3,009,255.18
10/13/20	ANALYSIS FEE		67.14						516,132.13	45,347.36	2,246,110.12	201,598.43	3,009,188.04
10/13/20	ELECTRONIC BILL PAY		7,020.76						509,111.37	45,347.36	2,246,110.12	201,598.43	3,002,167.28
10/13/20	PAYROLL TAX			469.47					509,111.37	44,877.89	2,246,110.12	201,598.43	3,001,697.81
10/14/20	PAYROLL			20,410.06					509,111.37	24,467.83	2,246,110.12	201,598.43	2,981,287.75
10/15/20	INTEREST	4,769.46				4,769.46			509,111.37	24,467.83	2,250,879.58	201,598.43	2,986,057.21
10/15/20	DISBURSEMENT		72,952.92						436,158.45	24,467.83	2,250,879.58	201,598.43	2,913,104.29
10/19/20	PAYROLL TRANSFER				20,000.00				416,158.45	44,467.83	2,250,879.58	201,598.43	2,913,104.29
10/23/20	PAYROLL FEES			664.75					416,158.45	43,803.08	2,250,879.58	201,598.43	2,912,439.54
10/26/20	ELECTRONIC BILL PAY		4,355.14						411,803.31	43,803.08	2,250,879.58	201,598.43	2,908,084.40
10/26/20	ELECTRONIC BILL PAY		247.82						411,555.49	43,803.08	2,250,879.58	201,598.43	2,907,836.58
10/29/20	DEPOSIT - OLSD	94,700.13							506,255.62	43,803.08	2,250,879.58	201,598.43	3,002,536.71
10/29/20	PAYROLL			23,224.01					506,255.62	20,579.07	2,250,879.58	201,598.43	2,979,312.70
10/30/20	DISBURSEMENT		54,512.71						451,742.91	20,579.07	2,250,879.58	201,598.43	2,924,799.99
	TOTAL	100,171.62	177,931.37	44,873.07	40,000.00	4,769.46	(51,212.02)	702.03					
	CURRENT BALANCE								451,742.91	20,579.07	2,250,879.58	201,598.43	2,924,799.99

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Reconciliation

① Per Bank Statement @10/31/20	\$ 506,255.62
Less: Outstanding Checks	54,512.71
	\$ 451,742.91
② Per Bank Statement @ 10/31/20	\$ 20,579.07
③ Per LAIF Statement @ 10/31/20	\$ 2,250,879.58
④ Per Treasurer's Report @10/31/20	\$ 201,598.43
Fair Market Value Increase/Decrease	157.58
Per Investment Statement @10/31/20	\$ 201,756.01

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
CAPITAL ONE BK USA NA	CAPITAL ONE BK USA NA CD GLEN ALLEN VA ACT/365 FDIC INSD CPN 2.000% DUE 11/02/20 DTD 11/01/17 FC 05/01/18 CUSIP 1404206A3	11/1/2017	11/2/2020	1.99%	50,000	50,008.00
CAPITAL ONE BK USA NA Total						50,008.00
CITIBANK NA	CITIBANK NA CD SIOUX FALLS SD ACT/365 FDIC INSD CPN 2.900% DUE 05/24/21 DTD 05/23/18 FC 11/23/18 CUSIP 17312QM22	5/23/2018	5/24/2021	2.85%	50,000	50,807.50
CITIBANK NA Total						50,807.50
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	2.48%	50,000	50,343.00
MORGAN STANLEY BK NA	MORGAN STANLEY BK NA CD SALT LAKE CTY UT ACT/365 FDIC INSD CPN 2.800% DUE 04/05/21 DTD 04/05/18 FC 10/05/18 CUSIP 61747MS69	4/5/2018	4/5/2021	2.76%	50,000	50,597.50
MORGAN STANLEY BK NA Total						100,940.50
Grand Total						201,756.00
Average Estimated Annual Yield						2.53%
Cash & Sweep Balances						0.01
Snapshot Market Value on October 31, 2020						201,756.01

ITEM NO. FM6 FINAL ADJUSTED TREASURER'S REPORTS FOR JUNE, JULY, AUGUST, AND SEPTEMBER 2020

Recommendation

Approve the Final Adjusted Treasurer's Reports for June, July, August, and September 2020.

Discussion

The Final Adjusted Treasurer's Reports for June through September 2020 are attached for the Committee's review. Preliminary reports were presented previously. The only changes are balances between funds, as total cash remains the same. Changes occur through the course of reviewing all accounts in preparation for the annual financial audit.

EAST BAY DISCHARGERS AUTHORITY
FINAL (ADJUSTED)
TREASURER'S REPORT
JUNE 30, 2020

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	1,256,951.56	50,853.96	311,412.07	996,393.45
13	PLANNING & SPECIAL STUDIES	310,262.00	353.70	67,394.35	243,221.35
14	RECLAMATION O & M (SKYWEST)	176,206.70		28,042.86	148,163.84
31	REPLACEMENT	2,229,562.02	11,959.61	111,795.21	2,129,726.42
41	CONSTRUCTION	11,769.50		11,769.50	0.00
	TOTALS	3,984,751.78	63,167.27	530,413.99	3,517,505.06

EAST BAY DISCHARGERS AUTHORITY
FINAL (ADJUSTED)
TREASURER'S REPORT
JULY 31, 2020

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	996,393.45	184,432.14	264,091.37	916,734.22
13	PLANNING & SPECIAL STUDIES	243,221.35	103,013.65	28,602.10	317,632.90
14	RECLAMATION O & M (SKYWEST)	148,163.84		2,175.53	145,988.31
31	REPLACEMENT	2,129,726.42	8,655.79	109,600.29	2,028,781.92
TOTALS		3,517,505.06	296,101.58	404,469.29	3,409,137.35

EAST BAY DISCHARGERS AUTHORITY
FINAL (ADJUSTED)
TREASURER'S REPORT
AUGUST 31, 2020

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	916,734.22	541,599.91	515,528.16	942,805.97
13	PLANNING & SPECIAL STUDIES	317,632.90	183,931.17	269,479.00	232,085.07
14	RECLAMATION O & M (SKYWEST)	145,988.31		165.00	145,823.31
31	REPLACEMENT	2,028,781.92	3,284.70	17,662.31	2,014,404.31
TOTALS		3,409,137.35	728,815.78	802,834.47	3,335,118.66

**EAST BAY DISCHARGERS AUTHORITY
FINAL (ADJUSTED)
TREASURER'S REPORT
SEPTEMBER 30, 2020**

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	942,805.97	124.22	270,117.37	672,812.82
13	PLANNING & SPECIAL STUDIES	232,085.07		14,409.50	217,675.57
14	RECLAMATION O & M (SKYWEST)	145,823.31		3,583.00	142,240.31
31	REPLACEMENT	2,014,404.31	499.80	200.00	2,014,704.11
TOTALS		3,335,118.66	624.02	288,309.87	3,047,432.81

ITEM NO. FM7 MOTION TO ACCEPT THE AUDITED BASIC FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2020

Recommendation

Accept, by motion, the audited basic financial statements for fiscal year ending June 30, 2020.

Discussion

The Authority's audited basic financial statements for the fiscal year ending June 30, 2020 are attached as a separate document for the Committee's review and full Commission acceptance. Staff and the Authority's accountant reviewed the report and made changes that were incorporated into the report. No deficiencies in internal controls considered to be material weaknesses were identified during the audit.

David Alvey of Maze & Associates, the Authority's independent auditor, conducted the field work and will participate in the November 17 Financial Management Committee meeting. Mr. Alvey will also present the audited financial statements to the Commission at the Thursday, November 19 meeting.

Acceptance of the basic financial statements authorizes their publication. Copies will be provided to the State Controller's Office, the Alameda County Auditor-Controller, member agencies and other interested parties. The document will also be posted on the EBDA website.

The basic financial statements will be sent under separate cover.

ITEM NO. FM8 FIRST QUARTER EXPENSE SUMMARY, FISCAL YEAR 2020/2021

Recommendation

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

Background

The First Quarter Expense Summary for FY 2020/2021 is attached for the Committee's review. Expenses are presented by Program and by Account Code. 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 first quarter, EBDA's spending is right on budget, with 25% spent. Staff notes that certain annual fees (i.e. Nutrient Surcharge and Water Research Foundation) were paid in the first quarter, while others (NPDES Permit Fee, Regional Monitoring Program) had yet to be billed. This led to certain line items appearing over or under budget, but balances out overall for the quarter.

East Bay Dischargers Authority

EXPENSE SUMMARY BY PROGRAM

FY 2020/21 THROUGH SEPTEMBER 30, 2020 (25% of YEAR)

	YTD Expenses	Budget	Variance	% of Budget	Last FY Q1 Expenses	Explanations for Variance Over 10%
O&M EFFLUENT DISPOSAL						
General Administration	\$291,707.19	\$1,254,764	(\$963,057)	23%	\$257,151.37	
Outfall & Force mains	\$22,478.22	\$181,336	(\$158,858)	12%	\$30,139.38	Underspent due to efficiencies. Spending is expected to align with budget next quarter.
San Leandro Pump Station	\$12,013.58	\$0	\$12,014	100%	\$22,692.70	SLEPS is now San Leandro's responsibility, but some costs were incurred to close out projects that were initiated last fiscal year.
Marina Dechlor Facility	\$95,309.57	\$506,003	(\$410,693)	19%	\$112,474.42	
Oro Loma Pump Station	\$112,926.05	\$463,920	(\$350,994)	24%	\$101,266.54	
Hayward Pump Station	\$39,635.32	\$163,336	(\$123,701)	24%	\$32,793.84	
Alvarado Pump Station	\$87,351.69	\$365,336	(\$277,984)	24%	\$66,778.19	
Bay & Effluent Monitoring	\$274,729.15	\$534,550	(\$259,821)	51%	\$273,691.32	BACWA annual dues were paid in first quarter.
TOTAL O&M EFFLUENT DISPOSAL	\$936,151	\$3,469,245	(\$2,533,094)	27%	\$896,988	
SPECIAL PROJECTS						
NPDES Permit Fees	\$0.00	\$555,483	(\$555,483)	0%	\$0.00	Annual fee has not yet been paid.
NPDES Permit Issues	\$0.00	\$200,000	(\$200,000)	0%	\$0.00	Reserve funds in case of enforcement.
Regional Monitoring Program	\$0.00	\$280,000	(\$280,000)	0%	\$0.00	Annual fee has not yet been paid.
Nutrient Surcharge	\$269,479.00	\$269,479	\$0	100%	\$273,461.00	Annual fee was paid in first quarter.
Water Environment Research Foundation	\$23,407.45	\$25,000	(\$1,593)	94%	\$22,276.92	Annual dues were paid in first quarter.
Transport System Evaluation	\$0.00	\$20,000	(\$20,000)	0%	\$11,759.32	
JPA Legal Support	\$23,112.70	\$42,000	(\$18,887)	55%	\$58,235.00	Work on policies and on LAVWMA negotiation is expected to be completed by Q3.
AQPI	\$0.00	\$29,000	(\$29,000)	0%	\$0.00	EBDA will be invoiced after agreement is approved by Sonoma Water - likely December.
Operator Training Modules	\$0.00	\$16,000	(\$16,000)	0%	\$0.00	Awaiting further work and invoice from OLSLSD.
Brine Project Development	\$35,537.58	\$30,000	\$5,538	118%	\$0.00	Costs will be reimbursed by Cargill.
Strategic Planning	\$0.00	\$10,000	(\$10,000)	0%	\$0.00	Work will be initiated in Q3.
Disinfection Master Plan	\$0.00	\$40,000	(\$40,000)	0%	\$0.00	Work will be initiated in Q3.
Contingency - Admin Support	\$0.00	\$22,245	(\$22,245)	0%	\$0.00	Funds to be left in contingency until new Classification Plan is approved.
PFAS Sampling	\$0.00	\$15,000	(\$15,000)	0%	\$0.00	Costs are covered through BACWA for a regional study, and individual sampling was not required for all dischargers.
NPDES Testing - CSL	\$0.00	\$1,500	(\$1,500)	0%	\$2,408.00	Annual fee for WIMS has not yet been paid.
NPDES Testing - OLSLSD	\$0.00	\$1,500	(\$1,500)	0%	\$2,169.10	Annual fee for WIMS has not yet been paid.
NPDES Testing - HAY	\$0.00	\$1,500	(\$1,500)	0%	\$5,044.10	Annual fee for WIMS has not yet been paid.
NPDES Testing - USD	\$0.00	\$1,500	(\$1,500)	0%	\$4,551.00	Annual fee for WIMS has not yet been paid.
TOTAL SPECIAL PROJECTS	\$351,537	\$1,560,207	(\$1,208,670)	23%	\$379,904	
WATER RECYCLING						
Skywest Golf Course	\$3,370.94	\$120,000	(\$116,629)	3%	\$19,886.90	Reduced operation of the Skywest recycled water system.
TOTAL WATER RECYCLING	\$3,371	\$120,000	(\$116,629)	3%	\$19,887	
TOTAL PROGRAMS	\$1,291,058	\$5,149,452	(\$3,858,394)	25%	\$1,296,779	
Budget for Q1	\$1,291,058	\$1,287,363	\$3,695			

East Bay Dischargers Authority

EXPENSE SUMMARY BY ACCOUNT

FY 2020/21 THROUGH SEPTEMBER 30, 2020 (25% OF YEAR)

	YTD Expenses	Budget	Variance	% of Budget	Last FY Expenses	Explanations for Variance Over 10%
4010 - Salary	\$134,601.92	\$543,442	(\$408,840)	25%	\$110,150.74	
4020 - Benefits	\$71,976.95	\$282,582	(\$210,605.05)	25%	\$57,748.75	
4030 - Commissioner Compensation	\$7,920.00	\$45,000	(37,080)	18%	\$9,120.00	
4070 - Insurance	\$15,725.00	\$60,000	(44,275)	26%	\$12,076.00	
4080 - Memberships & Subscriptions	\$130,880.67	\$155,677	(24,796)	84%	\$126,461.77	BACWA dues, which are EBDA's largest membership expense (\$103k) were paid in the first quarter.
4100 - Supplies, Variable	\$55,423.18	\$287,000	(231,577)	19%	\$74,411.75	
4100 - Supplies, Fixed	\$1,418.15	\$24,000	(22,582)	6%	\$3,249.58	Significant spending on supplies for office and facilities has not been required.
4110 - Contract Services	\$13,438.12	\$132,320	(118,882)	10%	\$14,491.68	Minimal contract services for the force main and pump stations have been required year to date.
4120 - Professional Services	\$196,143.05	\$712,189	(516,046)	28%	\$269,916.04	
4140 - Rents & Fees	\$276,714.00	\$1,107,242	(\$830,528.00)	25%	\$278,761.00	
4141 - NPDES Fines	\$0.00	\$209,000	(209,000)	0%	\$0.00	Reserve funds in case of enforcement.
4150 - Maintenance & Repair	\$169,083.57	\$711,500	(542,416)	24%	\$155,221.46	
4160 - Monitoring	\$43,094.35	\$185,000	(141,906)	23%	\$44,388.27	
4170 - Travel	\$605.29	\$18,000	(17,395)	3%	\$2,327.83	Reduced travel due to COVID pandemic.
4190 - Utility, Fixed	\$3,670.37	\$21,500	(17,830)	17%	\$4,298.91	
4191 - Utility, Variable (PG&E)	\$169,928.99	\$615,000	(445,071)	27.6%	\$145,189.07	
4200 - Acquisitions & Other	\$434.83	\$40,000	(39,565)	1.1%	\$732.50	Reduced operation of the Skywest recycled water system.
TOTAL ALL ACCOUNTS	\$1,291,058	\$5,149,452	(\$3,858,394)	25%	\$1,308,545	
Budget for Q1	\$1,291,058	\$1,287,363	\$3,695			

ITEM NO. FM9 DRAFT PURCHASING POLICY

Recommendation

Review the draft Policy and provide input to staff.

Background

Authority staff has been in the process of reviewing and updating the Authority's Financial Management System Policy and Procedure Manual. To facilitate better administration of Authority Policies, each section of the Manual will be addressed in a stand-alone Authority Policy, and the detailed procedures will be moved to separate staff documents. This includes the Authority's Purchasing Policy.

Prior to the adoption of the Authority's Amended and Restated Joint Powers Agreement (JPA), the JPA stated that, "The affirmative vote of four members of the Commission shall be required to: [...] Award, modify or accept work under any contract (including but not limited to contracts for the acquisition or construction of any building, works or improvements for the Phase I Project) in excess of \$10,000." The Commission and the Member Agencies determined that it was appropriate to remove that level of detail from the Amended and Restated JPA, with the agreement that the rules governing procurement would be captured in the Purchasing Policy. The Amended and Restated JPA requires unanimous approval of changes to the Purchasing Policy.

In addition to the \$10,000 contract award threshold in the JPA, Authority Counsel advised in 2012 that the General Manager (GM) could be authorized to sign contracts up to \$25,000, provided that the funds in question were previously authorized by the Commission in the approved budget, and that the Commission had adopted a resolution authorizing the GM to execute all such contracts up to \$25,000 that were approved in the budget. This approach met the Commission's desire at the time to raise the GM's signature authority in practice while not requiring amendment of the JPA. The Procurement Policy was accordingly revised in 2012 to provide signature authority up to \$25,000, and resolutions to approve the Annual Budget and Renewal and Replacement Fund (RRF) Schedule subsequently included language authorizing the GM to sign approved contracts up to that threshold. The threshold was increased from \$25,000 to \$50,000 by resolution in 2013. In 2019, the \$50,000 threshold was removed from the Budget and RRF resolutions pending revision of the JPA and Procurement Policy.

Discussion

Attached is a draft Purchasing Policy for the Committee's review and input. Based on previous discussions with the Committee, the proposed contracting authority and signature authority for the GM for goods and services is less than \$25,000. The Policy also details the process the Authority will undertake for procuring goods and services at various value thresholds.

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
November 17, 2020

For construction work, the draft Policy conforms to the California Uniform Public Construction Cost Accounting Act (CUPCCAA), which the Commission adopted in 2007 (Resolution 07-09). CUPCCAA allows agencies to use simplified bidding practices for projects under the statutory thresholds (currently \$200,000 or less). Castro Valley and Oro Loma Sanitary District's also have opted into CUPCCAA. Unless desired by the Commission, the bidding thresholds identified in the statute would not impact which contracts are brought to the Commission for approval. The Commission retains the authority to approve all construction contracts valued at \$25,000 or more.

In order to fully conform to CUPCCAA going forward, staff recommends that the Authority also adopt an updated informal bidding resolution that references CUPCCAA. The Authority adopted an informal bidding resolution in 2007 (Resolution 07-12), however it is outdated now because the contracting thresholds have changed. Staff proposes to adopt a new resolution that references the statute rather than current thresholds so that, if the thresholds in the statute change, the resolution will not become obsolete.

For work by member agencies, the draft Policy clarifies the process and removes the previous low dollar thresholds. The draft Policy also specifically authorizes the use of joint procurements and cooperative procurements to foster greater economy and efficiency.

Per prior feedback from the Committee, the draft Policy requires Commission approval for any contract amendments or change orders valued at \$25,000 or more or where the amendment would bring the contract total over that threshold. Furthermore, the Commission reserves to itself the right to approve all amendments to contracts previously approved by the Commission. Staff is seeking Committee feedback on this and whether an allowance for change orders up to some percentage of the contract may be considered within the GM's authority.

Finally, the Policy further allows the GM discretion in entering into certain emergency contracts. To give effect to this provision, the Commission will need to take separate action, by a four-fifths vote, to delegate such authority to the GM. The emergency contracting statutes in the Public Contract Code provide that the governing body of a public agency, by a four-fifths vote, may delegate to the appropriate non-elected agency officer, the authority to take action required by an emergency, and to procure the necessary equipment, services, and supplies for those purposes, without a competitive solicitation. (PCC § 22050(b)(1).) Contracts entered into under these emergency provisions would be subsequently ratified by the Commission under the draft Policy.

Staff is seeking input from the Committee and the Commission on the draft Policy. Once concurrence is reached, staff will bring the Purchasing Policy for adoption by the Commission. Staff will also bring an updated informal bidding resolution and an emergency contracting resolution.

POLICY NUMBER: 1.7

NAME OF POLICY: Finance – Purchasing

LAST REVISED:

PREVIOUSLY REVISED: N/A

PURPOSE: Policy Regarding the Procurement of Equipment, Supplies, Services, and Contracts for Construction Projects

POLICY:

I. AUTHORITY CONTRACTS WITH OUTSIDE CONTRACTORS, VENDORS, AND CONSULTANTS

A. Procurement of Equipment, Supplies, and Services

1. Purchases and Contracts Under \$25,000. If the estimated cost of the equipment, supplies, and services is less than \$5,000, the General Manager will attempt to secure the best value for the Authority, but need not solicit quotes, bids, or proposals. If the estimated cost is between \$5,000 and \$10,000, the General Manager will solicit informal quotes, bids, or proposals from at least two vendors/consultants. If the estimated cost exceeds \$10,000, but is less than \$25,000, the General Manager will solicit informal quotes, bids, or proposals from at least three contractors, vendors, or consultants. For all purchases or contracts for equipment, supplies, or services below \$25,000, the General Manager may award the contract or purchase order, without further approval by the Commission.

2. Purchases and Contracts of \$25,000 or More. When the estimated cost of equipment or supplies is \$25,000 or more, the General Manager will solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Authority's service area.

When the estimated cost of services is \$25,000 or more, the General Manager will solicit informal proposals through means and methods which he or she determines to be most cost-effective. With the exception of contracts for services procured pursuant to California Government Code Section 4525 et seq., all services contracts shall be awarded to the proposer(s) that offer the best value to the Authority, which is defined as the overall combination of quality, price, and other elements of a proposal that, when

considered together, provide the greatest overall benefit to the Authority in response to the requirements described in the solicitation documents.

All contracts in the amount of \$25,000 or more shall be submitted to the Commission for approval.

3. Qualifications Based Solicitations. Pursuant to California Government Code Section 4525 et seq. (the Mini-Brooks Act), the Authority will use qualifications-based competitive proposal procedures for the procurement of architectural, landscape architectural, engineering, environmental (but, not where the scope of work consists of planning services), land surveying or construction project management services regardless of the contract value. Under this method, proposals will be evaluated based upon qualifications and demonstrated competence.

B. Procurement of Construction Projects

1. California Uniform Public Construction Cost Accounting Act. The Authority has opted in to the California Uniform Public Construction Cost Accounting Act (California Public Contract Code Section 22000 et seq., the "Act"). Pursuant to the Act projects for the construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair work, painting, or repainting of Authority-owned, leased, or operated facilities will be procured as follows:

a. Projects of \$60,000 (or the current threshold set forth in California Public Contract Code Section 22032(a)) or less may be let by negotiated contract or purchase order, or performed by the Authority's own employees by force account.

b. Projects of \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(b)) or less may be let by informal procedures set forth in the Authority's informal bidding resolution and in the Act.

c. Projects of more than \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(c)) will be let by formal bidding procedures set forth in the Act.

2. Maintenance Work. The Authority may, but is not required to, use the procedures set forth in this section B for maintenance work, which includes routine, recurring, and usual work for the preservation or protection of any Authority-owned or operated facility for its intended purposes, minor repainting, resurfacing of streets and highways of less than 1 inch, landscape maintenance, and work to keep, operate, and maintain Authority-owned water, power, or waste disposal systems.

3. Other Statutorily Authorized Methods. Alternative methods of procurement, such as a design build approach, may be utilized if authorized by state law and in full compliance with all applicable requirements.

C. Sole Source

Regardless of the estimated cost of the procurement, the Authority is not required to follow the processes detailed in this Policy when procuring materials, equipment, supplies, or services for which there exists only a sole source of supply.

D. Leasing of Equipment

If the total rental payments due under a lease are below \$25,000, the General Manager will follow the procedure in Section I.A.1. If the total rental payments due under a lease are \$25,000 or more, the General Manager will follow the procedure in Section I.A.2.

E. Reporting

The General Manager will report to the Commission on all contracts entered into under the General Manager's authority.

F. Contract Extensions

Commission approval is required for extension of contracts or purchase orders beyond one (1) year where the cost of the extension is estimated to be \$25,000 or greater.

G. Minority Business Enterprises/Women's Business Enterprises Policy

The Authority recognizes the value of diversity and it is the intention of the Authority to create a level playing field on which Minority Business Enterprises and Women's Business Enterprises can compete fairly for contracts and subcontracts.

II. AUTHORITY CONTRACTS WITH MEMBER AGENCIES FOR WORK BY MEMBER AGENCY EMPLOYEES

A. Contracts with Member Agencies

The Authority has entered into contracts with its member agencies for the operation and routine maintenance of Authority Facilities and additional tasks, as requested by the Authority. Work performed pursuant to contracts between the Authority and its member agencies will conform to the East Bay Dischargers Authority Amended and Restated Joint Exercise of Powers Agreement, this Policy, and the respective contract. In particular, each member agency contract will require the member agency to indemnify the Authority against all losses that may arise out of the performance of the work. Furthermore, the Authority will require the member agency to maintain insurance in

such types and amounts as the Authority may from time to time establish and naming the Authority and the member agencies as additional insureds.

B. Operations and Maintenance Manager Determination

Consistent with the above referenced contracts with the member agencies, the Authority's Operations and Maintenance Manager may authorize one or more member agencies to perform work on Authority Facilities when he or she determines that the agency(ies) can perform such work more cost effectively than if the work were let to contract by the Authority.

III. COOPERATIVE PROCUREMENTS WITH MEMBER AGENCIES

To foster greater economy and efficiency, the Authority may avail itself of joint procurements and assignment of existing contract rights ("piggybacking") with its member agencies.

IV. PURCHASE OR LEASE OF REAL PROPERTY

Any contract for the purchase of real property must be submitted to and approved by the Commission. Any lease or sublease of real property, including any renewal or extension of an existing lease or sublease, for which the annual rent is \$25,000 or greater, must be submitted to and approved by the Commission. For any lease or sublease of real property, including any renewal or extension of an existing lease, for which the annual rent is below \$25,000, the General Manager may approve and execute the lease, sublease, renewal, or extension, without further approval by the Commission.

V. GENERAL MANAGER SIGNATURE AUTHORITY

A. Signature Authority Generally

Except as otherwise described in this Policy, the General Manager is authorized to expend funds, issue purchase orders, and sign contracts for procurements and activities for equipment, supplies, and for professional or other services where the cost is less than \$25,000.

B. Change Orders and Amendments Generally

The General Manager is authorized to issue change orders or amendments where the costs are less than \$25,000 without further Commission approval, so long as such change order or amendment would not result in a total contract value of \$25,000 or greater. The Commission reserves to itself the right to approve all amendments to contracts previously approved by the Commission.

General Manager is authorized to administer all contracts on behalf of the Authority.

VI. EMERGENCY CONTRACTS

A. Competitively Bid Emergency Contracts

The General Manager has been authorized by the Commission to take all necessary and proper measures in emergency conditions to keep the Authority Facilities in operation. The Authority's practice is to competitively solicit contracts for emergency services in advance of any emergency, consistent with the California Governor's Office of Emergency Services (CalOES) and Federal Emergency Management Agency (FEMA) reimbursement requirements.

B. Non-Competitively Bid Emergency Contracts

In the event the Authority does not have a current contract for emergency services and the emergency conditions do not permit a delay resulting from a formal competitive solicitation process, the General Manager is authorized to make emergency purchases without giving notice for bids or proposals and to enter into such contracts without prior Commission approval. The General Manager will promptly report on the reasons and necessity for proceeding without a competitive solicitation to the Commission as required by Public Contract Code Section 22050 et seq.

C. Ratification

Commission ratification is required for any emergency contract where the cost is \$25,000 or more and will be obtained as soon as it is practicable to do so.

VII. WAIVER

The Commission may suspend or waive the requirements of this Policy in any instance when the Commission deems it in the best interest of the Authority to do so.