



ITEM NO. 12

FINANCIAL MANAGEMENT COMMITTEE AGENDA

Monday, April 14, 2025

11:00 AM

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

Committee Members: Andrews (Chair); Toy

FM1. Call to Order

FM2. Roll Call

FM3. Public Forum

FM4. Disbursements for March 2025
(The Committee will review the List of Disbursements.)

FM5. Treasurer's Reports for March 2025
(The Committee will review the Treasurer's Report.)

FM6. Draft Fiscal Year 2025/2026 Budget Review
(The Committee will discuss the draft FY 2025/2026 Budget.)

FM7. Cargill Project Approval Agreement and CEQA Documentation Updates
(The Committee will review the key terms of the agreement and CEQA strategy.)

FM8. Adjournment

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 Juanita Villasenor at juanita@ebda.org or (510) 278-5910. 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.

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
April 14, 2025

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>.

**Next Scheduled Financial Management Committee is
Monday, May 12, 2025**

ITEM NO. FM4 DISBURSEMENTS FOR MARCH 2025

Disbursements for the month of March totaled \$553,675.80.

Reviewed and Approved by:

Angela Andrews, Chair	Date
Financial Management Committee	

Jacqueline T. Zipkin	Date
Treasurer	

EAST BAY DISCHARGERS AUTHORITY
List of Disbursements
March 2025

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10006	03/14/2025	3440	CITY OF HAYWARD	FY 2023/2024 FINAL INVOICE	137,241.64	208,868.41
10006	03/14/2025	352753	CITY OF HAYWARD	HEPS O&M OCT-DEC	71,626.77	
10029	03/31/2025	3166	UNION SANITARY DISTRICT	UEPS O&M, PG&E, FM MAINTENANCE - FEB	50,008.45	50,008.45
10012	03/14/2025	3165	UNION SANITARY DISTRICT	UEPS O&M, PG&E, FM MAINTENANCE - JAN	49,293.74	49,293.74
10018	03/31/2025	399975	CITY OF SAN LEANDRO	MDF O&M, EFFLUENT MONITORING, FM MAINTENANCE - JAN	28,092.78	28,092.78
10025	03/31/2025	7088	ORO LOMA SANITARY DISTRICT	OLEPS O&M, ADMIN BUILDING, SKYWEST - JAN	24,069.02	24,069.02
10002	03/14/2025	20210105.02-21	ASCENT ENVIRONMENTAL, INC	CONSULTING SERVICES - CARGILL CEQA	13,525.00	13,525.00
10027	03/31/2025	18195	REGIONAL GOVERNMENT SERVICES	MANAGEMENT AND ADMINISTRATIVE SERVICES	8,352.57	8,352.57
10009	03/14/2025	431.1	DCM CONSULTING, INC	GEOTECHNICAL ENGINEERING SERVICES	4,700.00	7,755.00
10009	03/14/2025	434.1	DCM CONSULTING, INC	GEOTECHNICAL ENGINEERING SERVICES	3,055.00	
10011	03/14/2025	4246-0445-5568-7627	U.S. BANK	PURCHASING CARD EXPENSES	7,615.40	7,615.40
10028	03/31/2025	2025250101306	THATCHER COMPANY OF CA, INC	SODIUM BISULFITE - DELIVERED 3/10/2025	7,257.94	7,257.94
10026	03/31/2025	20454	PACIFIC ECORISK	NPDES TOXICITY TESTING	6,184.00	6,184.00
10020	03/31/2025	435.1	DCM CONSULTING, INC	GEOTECHNICAL ENGINEERING SERVICES	3,290.00	3,290.00
10008	03/14/2025	57870	COMPUTER COURAGE	GENERAL WEBSITE UPDATES	2,320.00	2,470.00
10008	03/14/2025	57890	COMPUTER COURAGE	WEBSITE HOSTING	150.00	
10004	03/14/2025	T184533	BAY AREA AIR QUALITY MGMT DISTRICT	OLEPS PERMIT TO OPERATE	2,226.00	2,226.00
10016	03/31/2025	728096	CALTEST	LAB TESTING SERVICES	1,835.38	1,835.38
10015	03/31/2025	58630	CALCON	OPS CENTER NETWORK SECURITY & SCADA COMMUNICATIONS	1,684.00	1,684.00
10019	03/31/2025	783135	CORRPRO COMPANIES, INC	FORCE MAIN BI-ANNUAL CATHODIC PROTECTION SYSTEM SURVEY	1,395.00	1,395.00
10007	03/14/2025	52205709	CITY OF HAYWARD	EMPLOYEE BENEFIT PROGRAMS - MAR	1,377.18	1,377.18
10001	03/14/2025	3015879	ALLIANT INSURANCE	PUBLIC OFFICIAL BOND - ZIPKIN	875.00	875.00
10003	03/14/2025	43676	BA MORRISON	HEPS HVAC SERVICE	445.00	735.00
10003	03/14/2025	43677	BA MORRISON	ADMIN HVAC SERVICE	290.00	
10005	03/14/2025	8453	CAYUGA INFORMATION SYSTEMS	IT SERVICES	341.25	603.75
10005	03/14/2025	8452	CAYUGA INFORMATION SYSTEMS	IT SERVICES	262.50	
10014	03/31/2025	10012592	ARROW FIRE PROTECTION CO	ANNUAL FIRE EXTINGUISHER INSPECTION & SERVICE	387.40	387.40
10024	03/31/2025	275770358	ORKIN	MDF PEST CONTROL SERVICE	275.00	275.00
10010	03/14/2025	10110000001	EBMUD	MDF WATER & SEWER SERVICE	262.26	262.26
10023	03/31/2025	12075	MBC CUSTODIAL SERVICES INC	JANITORIAL SERVICES - MAR	208.00	208.00
10022	03/31/2025	Mar-25	JACQUELINE ZIPKIN	REIMBURSABLE EXPENSES	144.20	144.20
10017	03/31/2025	4324432-CAL	CALTRONICS	COPIER USAGE AND MAINTENANCE	121.85	121.85
10030	03/31/2025	S2240116.001	WILLE ELECTRIC SUPPLY CO, INC	MDF LED EMERGENCY LIGHT	111.26	111.26
10013	03/31/2025	0201	ALAMEDA COUNTY EMA	MEMBERSHIP DUES FY 2024/2025	100.00	100.00

EAST BAY DISCHARGERS AUTHORITY
List of Disbursements
March 2025

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10021	03/31/2025	44777800001	EBMUD	ADMIN WATER SERVICE	78.58	78.58
					429,202.17	429,202.17
				ELECTRONIC PAYMENTS		
	03/06/2025	5105948980-0	PG&E	GAS & ELECTRIC SERVICE	46,046.79	46,046.79
	03/06/2025	100000017834928	CALPERS	HEALTH PREMIUMS - MAR	8,319.94	8,319.94
	03/04/2025	100000017797529	CALPERS	PENSION CONTRIBUTION, CLASSIC 2/16 - 28/2025	5,877.93	5,877.93
	03/18/2025	100000017829734	CALPERS	PENSION CONTRIBUTION, CLASSIC 3/01 - 15/2025	5,877.93	5,877.93
	03/05/2025	6286287	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 2/28/2025	2,281.89	2,281.89
	03/18/2025	6920332	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 3/15/2025	2,281.89	2,281.89
	03/21/2025	1002368910	STATE COMPENSATION INSURANCE FUND	WORKERS COMPENSATION PREMIUM - MAR	893.00	893.00
	03/18/2025	51048304397166	AT&T	MDF TELEPHONE SERVICE	404.37	404.37
	03/05/2025	2503301175	INTERMEDIA.NET INC	EMAIL EXCHANGE HOSTING	91.36	91.36
	03/19/2025	6107396901	VERIZON WIRELESS	WIRELESS PHONE SERVICE	63.79	63.79
				TOTAL ELECTRONIC PAYMENTS	72,138.89	72,138.89
				PAYROLL		
	03/28/2025		ADP, LLC	PAYROLL PERIOD: 3/16-31/2025	27,675.04	27,675.04
	03/13/2025		ADP, LLC	PAYROLL PERIOD: 3/01-15/2025	24,463.02	24,463.02
	03/07/2025		ADP, LLC	PAYROLL FEES, 2/16-28/2025	105.74	105.74
	03/21/2025		ADP, LLC	PAYROLL FEES, 3/01-15/2025	90.94	90.94
				TOTAL PAYROLL	52,334.74	52,334.74
				TOTAL DISBURSEMENTS	553,675.80	553,675.80

ITEM NO. FM5 TREASURER'S REPORT FOR MARCH 2025

The cash balance as of March 31, 2025 is \$4,714,416.74. EBDA's LAIF balance is \$1,344,893.94, and the average monthly effective yield for March is 4.313%. EBDA's CAMP balance is \$1,628,500.96, and CAMP's 7-day yield is 4.46%.

Approval is recommended.

EAST BAY DISCHARGERS AUTHORITY

TREASURER'S REPORT

March 2025

FUND	FUND DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	\$ 2,201,476	\$ -	\$ 534,505	\$ 1,666,971
13	PLANNING & SPECIAL STUDIES	\$ 521,506	\$ -	\$ -	\$ 521,506
14	RECLAMATION O & M (SKYWEST)	\$ 60,771	\$ -	\$ 2,356	\$ 58,415
15	BRINE ACCEPTANCE	\$ 122,478	\$ -	\$ 13,525	\$ 108,953
31	RENEWAL & REPLACEMENT	\$ 2,356,244	\$ 5,618	\$ 3,290	\$ 2,358,572
TOTALS		\$ 5,262,475	\$ 5,618	\$ 553,676	\$ 4,714,417
Ending Balance per STR					\$ 4,714,417

Mar-25

4/8/2025

SUPPLEMENTAL TREASURER'S REPORT

DATE	TRANSACTION	RECEIPT	DISBURSEMENT CHECKING	PAYROLL	PAYROLL TRANSFER	FREMONT	LAIF	CAMP	WELLS FARGO CHECKING BALANCE	WELLS FARGO PAYROLL BALANCE	FREMONT CHECKING BALANCE	LAIF BALANCE	CAMP BALANCE	TOTAL CASH
02/28/25	BALANCE								1,227,044.51	67,553.13	1,000,100.00	1,344,893.94	1,622,883.38	5,262,474.96
03/03/25	DIVIDENDS	5,617.58						5,617.58	1,227,044.51	67,553.13	1,000,100.00	1,344,893.94	1,628,500.96	5,268,092.54
03/05/25	ELECTRONIC BILL PAY		91.36						1,226,953.15	67,553.13	1,000,100.00	1,344,893.94	1,628,500.96	5,268,001.18
03/05/25	ELECTRONIC BILL PAY		2,281.89						1,224,671.26	67,553.13	1,000,100.00	1,344,893.94	1,628,500.96	5,265,719.29
03/04/25	ELECTRONIC BILL PAY					5,877.93			1,224,671.26	67,553.13	994,222.07	1,344,893.94	1,628,500.96	5,259,841.36
03/06/25	ELECTRONIC BILL PAY					8,319.94			1,224,671.26	67,553.13	985,902.13	1,344,893.94	1,628,500.96	5,251,521.42
03/06/25	ELECTRONIC BILL PAY					46,046.79			1,224,671.26	67,553.13	939,855.34	1,344,893.94	1,628,500.96	5,205,474.63
03/07/25	PAYROLL FEES			105.74					1,224,671.26	67,447.39	939,855.34	1,344,893.94	1,628,500.96	5,205,368.89
03/13/25	PAYROLL			24,463.02					1,224,671.26	42,984.37	939,855.34	1,344,893.94	1,628,500.96	5,180,905.87
03/14/25	DISBURSEMENT					295,606.74			1,224,671.26	42,984.37	644,248.60	1,344,893.94	1,628,500.96	4,885,299.13
03/18/25	ELECTRONIC BILL PAY					404.37			1,224,671.26	42,984.37	643,844.23	1,344,893.94	1,628,500.96	4,884,894.76
03/18/25	ELECTRONIC BILL PAY					2,281.89			1,224,671.26	42,984.37	641,562.34	1,344,893.94	1,628,500.96	4,882,612.87
03/18/25	ELECTRONIC BILL PAY					5,877.93			1,224,671.26	42,984.37	635,684.41	1,344,893.94	1,628,500.96	4,876,734.94
03/19/25	ELECTRONIC BILL PAY					63.79			1,224,671.26	42,984.37	635,620.62	1,344,893.94	1,628,500.96	4,876,671.15
03/21/25	ELECTRONIC BILL PAY					893.00			1,224,671.26	42,984.37	634,727.62	1,344,893.94	1,628,500.96	4,875,778.15
03/21/25	PAYROLL FEES			90.94					1,224,671.26	42,893.43	634,727.62	1,344,893.94	1,628,500.96	4,875,687.21
03/28/25	PAYROLL			27,675.04					1,224,671.26	15,218.39	634,727.62	1,344,893.94	1,628,500.96	4,848,012.17
03/31/25	DISBURSEMENT					133,595.43			1,224,671.26	15,218.39	501,132.19	1,344,893.94	1,628,500.96	4,714,416.74
	TOTAL	5,617.58	2,373.25	52,334.74	-	498,967.81	-	5,617.58						
	CURRENT BALANCE								1,224,671.26	15,218.39	501,132.19	1,344,893.94	1,628,500.96	4,714,416.74
									①	②	③	④	⑤	

Reconciliation - 3/31/2025

① Bank Statement Balance	\$1,224,671.26
Less: Outstanding Checks	-
	<u>\$1,224,671.26</u>
② Payroll Bank Statement	\$ 15,218.39
③ Fremont Bank	\$ 844,973.21
Less: Outstanding Checks	343,841.02
	<u>\$ 501,132.19</u>
④ LAIF Statement	\$1,344,893.94
⑤ CAMP Statement	\$1,634,681.39
Less: Accrual Income Dividend 04/01	6,180.43
	<u>\$1,628,500.96</u>

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

ITEM NO. FM6 DRAFT FISCAL YEAR 2025-2026 BUDGET REVIEW

Recommendation

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

Strategic Plan Linkage

3. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
 - b. Proactively manage expenditures to stay within adopted budget.

Background

The Authority's Amended and Restated JPA states the following:

The Commission will adopt an annual or biennial budget for the ensuing Fiscal Year(s) prior to July 1. The budget will include sufficient detail to constitute a fiscal control guideline, specify cash flow requirements from each Agency, grant reimbursements, and cash receipts and expenditures to be made for Operation and Maintenance Costs, Planning and Special Studies Costs, and Capital Costs for the Facilities, and other necessary and appropriate expenditures.

Driving factors and considerations for the Fiscal Year (FY) 2025/2026 budget were discussed with the Financial Management Committee in March 2025.

Discussion

The Draft FY 2025/2026 Budget is presented in the following format:

1. By Program
2. By Account Number
3. Allocation to Member Agencies

Outside revenues and carryovers from prior budget cycles are shown in a separate column to more accurately represent the portion of the budget that the Member Agencies and LAVWMA will be responsible for. This includes revenues associated with EPA grants for Nature-Based Solutions, the Skywest water recycling project, and the Cargill brine project.

Overall, staff is proposing a 4.1% increase in the budget as compared to FY 2024/2025, or approximately \$276k. The increase is driven by the following:

- Salary and benefits costs are expected to increase by approximately 6%, including a 2.4% cost of living adjustment for salaries.
- The Authority's Pooled Liability and Property Insurance premiums are increasing by 20% and 9%, respectively.
- PG&E costs are expected to continue to increase.

- As discussed last month, use of sodium hypochlorite (hypo) for disinfection has increased over the past year as staff works to prevent fecal coliform exceedances, at the same time the cost of the chemical has been rising.

ESTIMATED ANNUAL INVOICES TO THE EBDA AGENCIES FOR FISCAL YEAR 2025/2026

	Member Agency Allocations					Subtotal	Non-Member Allocation	Grand Total
	San Leandro	Oro Loma	CVSan	Hayward	USD		LAVWMA	
Special Study Rate	13.0%	18.0%	6.0%	30.0%	33.0%	100.0%	varies*	100.0%
Variable Rate	9.2%	16.5%	7.1%	22.5%	44.7%	100.0%	varies*	100.0%
Variable Rate - MAs w/o CSL	-	18.1%	7.9%	24.8%	49.2%	100.0%	varies*	100.0%
Fixed Rate	13.7%	19.1%	10.3%	14.7%	42.1%	100.0%	varies*	100.0%
Fixed Rate - MAs w/o CSL	-	22.2%	11.9%	17.1%	48.8%	100.0%	varies*	100.0%
RRF	varies	22.2%	11.9%	17.1%	48.8%	100.0%	varies*	100.0%
Regional Monitoring Program	5.2%	10.2%	4.4%	30.8%	27.4%	78.0%	22.0%	100.0%
Nutrient Surcharge	8.5%	3.4%	1.7%	18.6%	50.4%	82.6%	17.4%	100.0%
NPDES	7.1%	12.1%	6.5%	17.2%	30.6%	73.4%	26.6%	100.0%
Alternative Monitoring and Reporting	16.7%	10.8%	5.8%	16.7%	16.7%	66.7%	33.3%	100.0%
Air Toxics Emissions Study	10%	16%	9%	23%	42%	100.0%	0%	100.0%

*Per LAVWMA Agreement, LAVWMA pays an extra 5% for sodium hypochlorite and a proportional share of force main. LAVWMA'S contribution is deducted first. The remaining portion is allocated among Member Agencies by percentages identified.

	CASTRO VALLEY					MEMBER AGENCY TOTALS	LIVERMORE AMADOR VALLEY WATER MANAGEMENT AGENCY		NON-MEMBER AND OTHER REVENUES TOTALS	GRAND TOTAL
	CITY OF SAN LEANDRO	ORO LOMA SANITARY DISTRICT	VALLEY SANITARY DISTRICT	CITY OF HAYWARD	UNION SANITARY DISTRICT		OTHER REVENUES			
O&M										
O&M Fixed Charges w/San Leandro	\$ 208,974	\$ 291,104	\$ 156,654	\$ 223,879	\$ 640,306	\$ 1,520,917	\$ 537,158		\$ 537,158	\$ 2,058,075
O&M Fixed Charges w/o San Leandro	-	25,102	13,456	19,335	55,179	113,072	10,423		10,423	123,495
O&M Variable Charges w/San Leandro	53,509	95,425	41,410	130,577	259,075	579,996	151,504		151,504	731,500
O&M Variable Charges w/o San Leandro	-	267,895	116,253	366,583	727,327	1,478,059	126,941		126,941	1,605,000
Total O&M	\$ 262,483	\$ 679,526	\$ 327,773	\$ 740,375	\$ 1,681,887	\$ 3,692,043	\$ 826,026	\$ -	\$ 826,026	\$ 4,518,069
Last year	\$ 247,365	\$ 639,099	\$ 304,233	\$ 671,572	\$ 1,528,471	\$ 3,390,739	\$ 792,100	\$ -	\$ 3,390,739	\$ 4,182,840
Special Projects										
NPDES Permit	52,058	89,046	47,948	126,720	226,041	\$ 541,813	196,587		\$ 196,587	\$ 738,400
Regional Monitoring Program	15,287	29,890	12,815	90,024	80,025	228,042	64,255		64,255	292,298
Nutrient Surcharge	23,526	9,496	4,664	51,447	139,751	228,883	48,354		48,354	277,237
Alternative Monitoring and Reporting	5,770	3,750	2,019	5,770	5,770	23,078	11,539		11,539	34,617
Water Research Foundation	2,665	4,753	2,063	6,504	12,904	28,889	-		-	28,889
EPA Grant for Nature-based Solutions	-	-	-	-	-	-	-	300,000	300,000	300,000
Biosolids Feasibility Study (prior year carryover)	-	-	-	-	-	-	-	11,000	11,000	11,000
Air Toxics Study	6,282	11,326	3,775	13,590	28,729	63,702	20,462		20,462	84,164
Special Studies Fee	130	180	60	300	330	1,000	-		-	1,000
Total Special Projects	\$ 105,717	\$ 148,442	\$ 73,344	\$ 294,355	\$ 493,549	\$ 1,115,408	\$ 341,197	\$ 311,000	\$ 652,197	\$ 1,767,605
Last Year	\$ 111,604	\$ 163,875	\$ 81,212	\$ 300,315	\$ 501,317	\$ 1,169,527	\$ 357,861	\$ 300,000	\$ 657,861	\$ 1,816,184
Total Operating Budget						\$ 4,807,452			\$ 1,478,223	\$ 6,285,674
Last Year						\$ 4,560,266			\$ -	\$ 5,999,024
Programs with Other Funding										
Skywest								48,000	48,000	48,000
Mixed Sea Salt Brine (Cargill)								100,000	100,000	100,000
Total						\$ -		\$ 148,000	\$ 148,000	\$ 148,000
Last Year						\$ -		\$ 236,000	\$ 236,000	\$ 236,000
Renewal and Replacement Fund										
RRF Contribution		166,500	89,250	128,250	366,000	750,000	-		-	750,000
Total RRF	\$ -	\$ 166,500	\$ 89,250	\$ 128,250	\$ 366,000	\$ 750,000	\$ -		\$ -	\$ 750,000
Last Year	\$ -	\$ 166,500	\$ 89,250	\$ 128,250	\$ 366,000	\$ 750,000	\$ -		\$ -	\$ 750,000
Grand Total for FY 2025/2026	\$ 368,200	\$ 994,468	\$ 490,367	\$ 1,162,980	\$ 2,541,436	\$ 5,557,452	\$ 1,167,223	\$ 459,000	\$ 1,626,223	\$ 7,183,674
Grand Total FY 2024/2025	\$ 358,969	\$ 969,474	\$ 474,655	\$ 1,180,137	\$ 2,395,788	\$ 5,310,266	\$ 1,149,961	\$ 536,000	\$ 1,685,961	\$ 6,985,024

FISCAL YEAR 2025/2026 BUDGET BY FUND

FUND NO	PROGRAM DESCRIPTION	EBDA'S TOTAL PROPOSED BUDGET FY 2025/2026	OUTSIDE REVENUES AND CARRYOVERS FY 2025/2026	AGENCY-FOCUSED PRIOR YEAR-TO-CURRENT YEAR COMPARISON*				Explanations for Changes of 10% or more
				AGENCY REVENUES for FY 2025/2026	AGENCY REVENUES for FY 2024/2025	DOLLAR CHANGE from FY 24/25 to FY 25/26	PERCENTAGE CHANGE from FY 24/25 to FY 25/26	
12	O&M EFFLUENT DISPOSAL							
12 06	General Administration	\$ 1,649,425	\$ -	\$ 1,649,425	\$ 1,571,346	\$ 78,079	4.7%	
12 10	Outfall & Force mains	\$ 244,210	\$ -	\$ 244,210	\$ 220,000	\$ 24,210	9.9%	
12 14	Marina Dechlor Facility	\$ 331,420	\$ -	\$ 331,420	\$ 310,000	\$ 21,420	6.5%	
12 16	Oro Loma Pump Station	\$ 678,420	\$ -	\$ 678,420	\$ 650,000	\$ 28,420	4.2%	
12 18	Hayward Pump Station	\$ 225,210	\$ -	\$ 225,210	\$ 194,000	\$ 31,210	13.9%	Increase due to rising PG&E cost and addition of labor, which in the past was charged to the pump stations but was budgeted elsewhere.
12 20	Union Pump Station	\$ 536,907	\$ -	\$ 536,907	\$ 465,000	\$ 71,907	13.4%	Increase due to rising PG&E cost and addition of labor, which in the past was charged to the pump stations but was budgeted elsewhere.
12 21	Bay & Effluent Monitoring	\$ 852,477	\$ -	\$ 852,477	\$ 772,494	\$ 79,983	9.4%	
	TOTAL FUND # 12	\$ 4,518,069	\$ -	\$ 4,518,069	\$ 4,182,840	\$ 335,230	7.4%	
13	SPECIAL PROJECTS							
13 36	NPDES Permit Fees	\$ 718,400	\$ -	\$ 718,400	\$ 707,899	\$ 10,501	1.5%	
13 37	NPDES Permit Issues	\$ 20,000	\$ -	\$ 20,000	\$ 100,000	\$ (80,000)	-400.0%	Nutrients permit response - level of effort decreased following adoption
13 48	Regional Monitoring Program	\$ 292,298	\$ -	\$ 292,298	\$ 293,778	\$ (1,480)	-0.5%	
13 49	Nutrient Surcharge	\$ 277,237	\$ -	\$ 277,237	\$ 270,608	\$ 6,629	2.4%	
13 46	Alternative Monitoring & Reporting	\$ 34,617	\$ -	\$ 34,617	\$ 33,609	\$ 1,008	2.9%	
13 53	Water Research Foundation	\$ 28,889	\$ -	\$ 28,889	\$ 28,494	\$ 396	1.4%	
13 77	Nature-Based Solutions	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	0.0%	
13 78	Biosolids Feasibility Study	\$ 11,000	\$ 11,000	\$ -	\$ -	\$ -	0.0%	
13 82	Bruce Wolfe Memorial Scholarship	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	0.0%	
13 50	Air Toxics Pooled Emissions Study	\$ 84,164	\$ -	\$ 84,164	\$ 80,797	\$ 3,367	4.0%	
	TOTAL FUND # 13	\$ 1,767,605	\$ 311,000	\$ 1,456,605	\$ 1,516,184	\$ (59,580)	-4.1%	
	TOTAL OPERATING BUDGET	\$ 6,285,674	\$ 311,000	\$ 5,974,674	\$ 5,699,024	\$ 275,650	4.6%	
31	RENEWAL & REPLACEMENT							
	Contribution to R&R Fund	\$ 750,000	\$ -	\$ 750,000	\$ 750,000	\$ -	0.0%	
	TOTAL AGENCY FUNDING	\$ 7,035,674	\$ 311,000	\$ 6,724,674	\$ 6,449,024	\$ 275,650	4.1%	
14	WATER RECYCLING							
14 80	Skywest	\$ 48,000	\$ 48,000	\$ -	\$ -	\$ -	0.0%	
	TOTAL FUND # 14	\$ 48,000	\$ 48,000	\$ -	\$ -	\$ -	0.0%	
15	BRINE ACCEPTANCE							
15 68	Mixed Sea Salt Brine (Cargill)	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	0.0%	
	TOTAL FUND # 15	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	0.0%	
	TOTAL EXPENDITURES	\$ 7,183,674	\$ 459,000	\$ 6,724,674	\$ 6,449,024	\$ 275,650	4.10%	

* Includes all agencies (Members and LAWVMA)

FISCAL YEAR 2025/2026 BUDGET BY ACCOUNT

ACCOUNT NUMBER	ACCOUNT TITLE	EBDA'S TOTAL PROPOSED BUDGET FY 2025/2026	OUTSIDE REVENUES AND CARRYOVERS FY 2025/2026	AGENCY-FOCUSED PRIOR YEAR-TO-CURRENT YEAR COMPARISON*				Explanations for Changes of 10% or more
				AGENCY REVENUES for FY 2025/2026	AGENCY REVENUES for FY 2024/2025	DOLLAR CHANGE from FY 24/25 to FY 25/26	PERCENTAGE CHANGE from FY 24/25 to FY 25/26	
4010	Salary	\$ 701,730	\$ -	\$ 701,730	\$ 684,820	\$ 16,910	2.4%	
4020	Benefits	\$ 364,314	\$ -	\$ 364,314	\$ 315,100	\$ 49,214	13.5%	Increase in medical premiums.
4030	Commissioner Compensation	\$ 50,000	\$ -	\$ 50,000	\$ 45,000	\$ 5,000	10.0%	Increasing trend in number of meetings and per meeting stipend.
4070	Insurance	\$ 95,450	\$ 6,500	\$ 88,950	\$ 83,000	\$ 5,950	6.7%	
4080	Memberships & Subscriptions	\$ 178,449	\$ -	\$ 178,449	\$ 170,528	\$ 7,922	4.4%	
4100	Supplies, Fixed	\$ 20,000	\$ -	\$ 20,000	\$ 12,000	\$ 8,000	40.0%	Expected expenditure for new desks.
4100	Supplies, Variable	\$ 440,000	\$ -	\$ 440,000	\$ 380,000	\$ 60,000	13.6%	Increase in use of sodium hypochlorite for disinfection based on FY 2024/2025 usage.
4110	Contract Services	\$ 81,683	\$ 5,000	\$ 76,683	\$ 70,898	\$ 5,785	7.5%	
4120	Professional Services	\$ 964,664	\$ 411,000	\$ 553,664	\$ 570,297	\$ (16,633)	-3.0%	
4140	Rents & Fees	\$ 1,005,917	\$ 1,500	\$ 1,004,417	\$ 984,787	\$ 19,630	2.0%	
4141	NPDES Fines	\$ 9,000	\$ -	\$ 9,000	\$ 9,000	\$ -	0.0%	
4150	Maintenance & Repair	\$ 939,500	\$ 29,000	\$ 910,500	\$ 880,000	\$ 30,500	3.3%	
4160	Monitoring	\$ 577,967	\$ 5,000	\$ 572,967	\$ 559,595	\$ 13,372	2.3%	
4170	Travel & Training	\$ 18,000	\$ -	\$ 18,000	\$ 18,000	\$ -	0.0%	
4191	Utility, Variable (PG&E)	\$ 987,000	\$ 1,000	\$ 986,000	\$ 916,000	\$ 70,000	7.1%	
SUBTOTAL ALL ACCOUNTS		\$ 6,433,674	\$ 459,000	\$ 5,974,674	\$ 5,699,024	\$ 275,650	4.6%	
CONTRIBUTION TO R&R FUND		\$ 750,000		\$ 750,000	\$ 750,000	\$ -	0.0%	
TOTAL EXPENDITURES		\$ 7,183,674	\$ 459,000	\$ 6,724,674	\$ 6,449,024	\$ 275,650	4.1%	

* Includes all agencies (Members and LAVWMA)

ITEM NO. FM7 CARGILL PROJECT APPROVAL AGREEMENT AND CEQA DOCUMENTATION UPDATES

Recommendation

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

Strategic Plan Linkage

2. **Operations & Maintenance:** Ensure reliable operations and maintenance of the EBDA system to protect public health and the Bay.
 - c. Protect EBDA's infrastructure, including the easement and force main.
3. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
 - c. Identify and manage opportunities for revenue generation.
4. **Resilience:** Champion resilience for communities and the environment through regional leadership and advancing priority programs to support the Member Agencies in achieving their sustainability goals.
 - e. Facilitate innovative brine management projects that leverage EBDA's existing infrastructure.

Background

Since 2019, EBDA has been discussing an innovative project with Cargill, Incorporated (Cargill), a multi-national food and agriculture company. Cargill operates a solar salt facility in Newark where they harvest salts naturally occurring in the San Francisco Bay to produce table salt and other salt products. The salts that are not harvested into products are called mixed sea salts (MSS) and are held in ponds. The MSS has been accumulating at the Newark facility for many years, and the risk of wash out from sea level rise motivated Cargill to seek sustainable approaches to removing it.

Under the proposed project, Cargill plans to mix the MSS with Bay water to form a brine – MSS brine – which then can be pumped into a new pipeline that will connect to EBDA's system. Once built, the connection will allow Cargill to combine its MSS brine with EBDA's effluent so that the co-mingled stream can be discharged to the Bay under EBDA's existing National Pollutant Discharge Elimination System (NPDES) permit. EBDA's 2022 permit explicitly permits the addition of this Cargill MSS brine, with associated conditions.

On July 27, 2020, EBDA and Cargill entered into a Non-Binding Term Sheet to implement the project. On February 18, 2021, EBDA and Cargill entered into a Review and Reimbursement Agreement in which EBDA committed to act as the lead agency under the California Environmental Quality Act (CEQA) to analyze the environmental impacts associated with the project, and Cargill agreed to reimburse EBDA for costs EBDA incurs. In January 2023, EBDA, as the lead agency under CEQA, prepared and circulated for public comment a Draft Environmental Impact Report (DEIR). On June 15, 2023, EBDA certified the Final Environmental Impact Report (SCH No. 2022050436) (EIR) pursuant to Resolution No. 23-06.

Staff is proposing to bring a series of actions on the Cargill project to the Commission for consideration at its May 2025 meeting. Specifically, the Commission will be asked to consider a Project Approval Agreement, adoption of CEQA Findings of Fact and Statement of Overriding Considerations (SOC), and adoption of the Mitigation and Monitoring Plan (MMRP). The purpose of this report is to provide the Committee with background on these decisions and solicit any feedback to be incorporated into final documents.

Discussion

Project Approval Agreement

EBDA staff and legal counsel have been working with Cargill on a Project Approval Agreement intended to memorialize the anticipated approval of the project and provide Cargill with assurance that it can commence with certain construction activities on its salt production facility in Newark. Cargill cannot build the pipeline and other project components until Cargill and EBDA enter into the Operating Agreement that sets forth all the terms EBDA needs to ensure Cargill's MSS Brine is managed in compliance with EBDA's NPDES Permit and other EBDA directives.

The key terms of the agreement are:

- Article 2 (Cooperation) requires that the parties work cooperatively and toward an Operating Agreement.
- Section 3.2 (Reimbursement) delineates the activities that trigger Cargill's duty to reimburse EBDA for costs and allows EBDA to amend hourly rates that apply to the reimbursement.
- Section 3.5 (Route) requires that Cargill obtain EBDA's consent before finalizing a route for the pipeline that will eventually connect to EBDA's system.
- Section 3.7 (Insurance) requires that Cargill obtain insurance to cover not only its operations under the agreement but EBDA's as well. The parties are still negotiating terms for this provision. Either Cargill will name EBDA as an additional named insured on its policy or Cargill will pay for a policy that EBDA obtains for the project.
- Section 5.4 (Advanced Facilities) allows Cargill, in advance of the Operating Agreement, to construct facilities at its Newark salt facility.
- Section 5.5 (Additional Facilities) allows, similar to Section 5.4, Cargill to construct any other additional facilities that EBDA approves.
- Article 6 (Indemnity) requires Cargill to indemnify EBDA for any and all claims that relate to the Project Approval Agreement, including claims for pollution pre-existing prior to the agreement. As to pollution, the indemnity applies even if the pollution levels are below action levels. Staff is still negotiating to ensure that Cargill's indemnity applies to claims attributable to EBDA's "sole gross negligence or willful misconduct,"

but Cargill has not accepted this provision; therefore, insurance may need to cover this category of potential claims.

- Section 7.1.4 (Representations) requires that no EBDA officials have a financial interest in the agreement or a conflict of interest.
- Article 9 (Termination) and Article 14 (Default) address termination and defaults under the agreement.
 - Article 9 allows EBDA to terminate the Project Approval Agreement for cause and allows Cargill to terminate for any reason, with or without cause (as long as Cargill pays all costs due to EBDA under the agreement). The agreement terminates automatically if there is a judgment or order from a court mandating that EBDA set aside its approvals.
 - Article 14 also allows termination if either party defaults and has not timely cured the default. If either party defaults, the other party has rights to pursue legal remedies that may apply to remedy the default, such as requiring payment of all costs due under the agreement or demanding specific performance of certain duties.
- Articles 10 and 11 (Dispute Resolution and Judicial Review) require that EBDA and Cargill meet and mediate to resolve disputes before filing litigation in court. Section 11.3.1 requires cooperation to defend any lawsuit brought to challenge the project.
- Articles 12 and 13 (Notifications and Assignment) are standard provisions.

EBDA's action with respect to the Project Approval Agreement cannot occur until after completion of the CEQA process, discussed below. This is because CEQA requires a public agency to analyze the environmental impacts of a proposed action before approving or taking that action. If approved, the Project Approval Agreement will incorporate and attach the EBDA Resolution that will adopt the CEQA Mitigation Monitoring and Reporting Program (MMRP) and the Findings of Fact and Statement of Overriding Considerations (CEQA Findings).

CEQA

Approval of a project under CEQA requires three steps: (1) certification of the environmental review document (in this case, the EIR); (2) adoption of CEQA findings regarding the environmental impacts of the project and adoption of mitigation measures; and (3) approval of the project.

As noted above, EBDA certified the final EIR on June 15, 2023. Although the EIR was certified, EBDA did not approve a project at that time. If EBDA decides to adopt the Project Approval Agreement, CEQA requires that EBDA have adopted the MMRP and made the required CEQA Findings. Specifically, to approve the project, EBDA must do the following:

- Adopt CEQA Findings (which makes factual findings of the impacts of the project as contained in the certified EIR);
- Adopt the MMRP;
- Adopt the SOC (for any impacts that remain significant and unavoidable after mitigation).

Because EBDA did not approve a project at the time of the certification of the Final EIR, EBDA must make additional findings under CEQA. These required findings must address whether there are project changes, changes in circumstances or new information that there would be new or more severe impacts of the project than described in the EIR. Sections 15162-15164 of the CEQA Guidelines define the standards for determining the appropriate level of subsequent environmental review.

EBDA staff, with technical support from environmental consultant Ascent, has concluded that, in accordance with Section 15164, minor technical changes and additions to the certified EIR are necessary in response to new information that became known after the EIR was certified. EBDA staff also concluded that none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have been triggered. EBDA is, therefore, preparing an addendum to the Final EIR to address new information that became known after the EIR was certified. The addendum will provide further analysis regarding the Crotch's bumble bee (*Bombus crotchii*) and burrowing owl (*Athene cunicularia*), which were designated as candidates for listing as endangered under the California Endangered Species Act. This addendum will be attached to the certified EIR for the Commission's consideration.

In addition, EBDA staff and Ascent are preparing draft CEQA Findings/SOC and an updated MMRP for the Commission's consideration. CEQA Guidelines Section 21081 and CEQA Guidelines Section 15091 require that written findings be made for significant effects, accompanied by a brief explanation of the rationale for each finding. Staff expects to present the Final EIR Addendum, CEQA Findings, SOC, and MMRP for the Commission's consideration in May. The documents will be posted on EBDA's website in advance of the meeting.

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