

**DUBLIN SAN RAMON SERVICES DISTRICT  
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS**

**January 21, 2014**

A regular meeting of the Board of Directors was called to order at 6:00 p.m. by President Georgean M. Vonheeder-Leopold. Boardmembers present: President Georgean M. Vonheeder-Leopold, Vice President Edward R. Duarte, Director D.L. (Pat) Howard, Director Richard M. Halket, and Director Dawn L. Benson. District staff present: Bert Michalczyk, General Manager; Rhodora Biagtan, Interim Engineering Services Manager; John Archer, Interim Financial Services Manager/Treasurer; Dan Gallagher, Operations Manager; Michelle Gallardo, Interim Organizational Services Manager; Carl P.A. Nelson, General Counsel; and Nancy Gamble Hatfield, District Secretary.

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL - Members: Benson, Duarte, Halket, Howard, Vonheeder-Leopold
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

General Manager Michalczyk announced that Attorney Alison Kosinski was present to attend the Closed Session. She is associated with the law firm of Liebert Cassidy Whitmore.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:01 p.m.
6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager Michalczyk reported on the following:
  - o On January 1, 2014 and in accordance with prior Board decisions, the District adjusted water rates by the CPI change from 2013 and 2014. The Board required three things be done when the rates are adjusted: post those changes on the District website (completed), notify customers (completed), and notify the Board of Directors. The District adjustment is 2.56% and the Zone 7 adjustment is 2.65%. Mr. Michalczyk stated this information was distributed to the Board this evening and that with this report he was notifying the Board of the change.
  - o Before the Board is the “Proclamation of a State of Emergency” issued last Friday, January 17, 2014 by Governor Jerry Brown who declared an emergency related to the water shortage in the State of California. Mr. Michalczyk noted that the Water Committee will initiate a discussion on the topic Thursday at their meeting. On Wednesday, January 29, 2014 the Zone 7

board will hold a special meeting to discuss the drought emergency. On February 4, 2014 the District Board will be also discussing the topic.

- o Operations Manager Gallagher will lead the District's Shortage Implementation Plan (SIP) team charged with coordinating the many activities that will need to be done in response to the drought situation including outreach, operational, engineering, financial, etc.
  - o On Thursday, January 30, 2014 at 6:00 p.m., California Natural Resources Secretary John Laird will be addressing citizens and elected officials at the Dublin City Council Chambers and speak on the California Water Action Plan. The District will agendize this meeting as a special meeting of its Board of Directors to begin at 5:45 p.m. when roll will be called and public comment solicited. As of tonight, Directors Benson, Howard and Vonheeder-Leopold will attend.
  - o A revised agenda was released for tonight's Board meeting to correct a clerical error under Item 11 – Closed Session. Also, the Special Board meeting on January 30, 2014 was added to the Board calendar.
- Correspondence to and from the Board – None.

B. Committee Reports

External Affairs	January 8, 2014
Finance	January 13, 2014
Personnel	January 14, 2014
Wastewater	January 15, 2014

President Vonheeder-Leopold invited comments on recent committee activities. Directors felt the available staff reports adequately covered the many matters considered at committee meetings and made a few comments about some of the committee activities.

C. Agenda Management (consider order of items) – No changes were made.

7. APPROVAL OF MINUTES – Regular Meeting of *January 7, 2014*

Director Howard MOVED for the approval of the January 7, 2014 minutes. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

8. CONSENT CALENDAR

V.P. Duarte requested to REMOVE Items 8.A & 8.B from the Consent Calendar for discussion.

Director Howard MOVED for approval of Item 8.C on the Consent Calendar. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

President Vonheeder-Leopold took Item 8.B before Item 8.A for discussion.

- A. REMOVED - Water and Recycled Water SCADA Improvements (CIP 09-6101): Authorize Amendment No. 1 to Task Order No. 1 with ArcSine Engineering

V.P. Duarte told Engineering Services Manager Biagtan that he had some specific questions about the change of scope for the subject project. Ms. Biagtan referred his questions to Principal Engineer – Supervisory Judy Zavadil.

V.P. Duarte asked Ms. Zavadil for an explanation about the proposed 13% increase to Task Order No. 1 for the Water and Recycled Water SCADA Improvements project, which adjusts the amount from \$798,000 to \$913,000, an increase of \$115,000. V.P. Duarte also asked about the reasons for the number of drawings to be generated within this change of scope, as well as the cost for the work. He was interested to know why the number of hours to be spent on work by the SCADA Engineer and Drafting/Technician were identical. He was not comfortable with those identical hours because he stated that he thought it was unusual, referring to his number of years of experience in the construction field. However, V.P. Duarte did mention that having an expanded scope on bid documents is the best money spent and makes sense.

Principal Engineer Zavadil responded to V.P. Duarte's questions expanding on the multiple reasons for the proposed \$115,000 increase in Task Order No. 1, which were also discussed in the Summary and Recommendation contained in the agenda packet. She noted some of the key reasons for the proposed increase included: an extra week of a crew with a boom truck to evaluate different radio frequencies and radio paths for the communications system design, additional drawings to address the wide variation in the piping and instrumentation at the facilities, additional drawings to install power at Reservoir 3A, and to reconfigure server rooms at the WWTP. Ms. Zavadil explained that it makes sense to spend the money now to reduce the number of issues during construction. She noted that she shares V.P. Duarte's concerns about the large increase and will be watching expenditures closely; however, she commented that this consultant does have reasonable rates and seems to be well organized in performing the work.

Director Halket asked what the total budget was for the project. Ms. Zavadil replied it was close to \$3 million. Director Halket agreed that the project costs should be watched closely. He also felt that in view of the overall cost, the amendment to Task Order No. 1 to assure the contract drawings were of sufficient detail for the contractor was reasonable.

Director Howard MOVED to authorize the General Manager to execute Amendment No. 1 to Task Order No. 1 with ArcSine Engineering for the Water and Recycled Water SCADA Improvements Project (CIP 09-6101) in an amount of \$115,000, increasing the total amount from \$798,000 to \$913,000. V.P. Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- B. REMOVED - Adopt Pay Schedule in Accordance with California Code of Regulations, Title 2, Section 570.5, Requirement for a Publicly Available Pay Schedule and Rescind Resolution No. 54-13

V.P. Duarte asked if the pay increases for 2014 reflected in the agenda materials were for all or some District staff positions.

Organizational Services Manager Gallardo explained that employees covered under the MOUs and Personal Services Agreements have a negotiated CPI adjustment of 1.18%. Some of the MOUs provided for the adjustment starting December 23, 2013 and others had a January 1, 2014 adjustment date.

General Manager Michalczyk stated that all the positions mentioned by Ms. Gallardo were subject to the adjustment, with the exception of the General Manager, who did not receive an adjustment at this time. Adjustments, if any, are made on a fiscal year basis in July.

Director Benson noted a typographical error on the heading on page 3 of "Exhibit A" "DSRSD Pay Schedule."

Mr. Michalczyk acknowledged that the heading should cite "Bi-Weekly Pay Rate" instead of "Hourly Pay Rate."

V.P. Duarte MOVED to adopt Resolution No. 2-14 adopting a pay schedule with a revised page 3 to Exhibit A in accordance with California Code of Regulations, Title 2, Section 570.5, and Rescinding Resolution No. 54-13. Director Howard SECONDED the MOTION, which CARRIED with FIVE AYES.

- C. Upcoming Board Calendar – Approved

9. BOARD BUSINESS – None.
10. BOARDMEMBER ITEMS

President Vonheeder-Leopold gave a report on her attendance at the January 8, 2014 Alameda County Special Districts Association (ACSDA) meeting at the Alameda County Resource Conservation District. She noted the minutes from the November 2013 meeting were updated to reflect V.P. Duarte's attendance as well as others who were omitted.

President Vonheeder-Leopold reported on the winter CASA Conference and program she attended January 15 - 17, 2014 in Indian Wells, commenting on the many good speakers and the emphasis on looking to the future. She noted that at one time wastewater agencies referred to their product as sludge, then biosolids, and now it is known as a recoverable resource.

President Vonheeder-Leopold also noted that a Bay Area Biosolids to Energy meeting was also held concurrently with the conference. The agencies who participate in that project recently hired Paul Kelley as its Executive Director.

11. CLOSED SESSION

At 6:37 p.m. the Board went into Closed Session.

A. Conference with Labor Negotiators—Pursuant to Government Code Section 54957.6

Agency Negotiators: Bert Michalczyk, General Manager  
Michelle Gallardo, Organizational Services Manager  
Alison Kosinski, Attorney, Liebert Cassidy Whitmore

Employee Organizations: 1. Stationary Engineers, Local 39  
2. Mid-Management Employees Bargaining Unit  
3. Professional Employees Bargaining Unit  
4. Confidential Employees Bargaining Unit

Additional attendees: General Counsel Carl P. A. Nelson

12. REPORT FROM CLOSED SESSION

At 6:59 p.m. the Board came out of Closed Session. President Vonheeder-Leopold announced that there was no reportable action.

13. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 7:00 p.m.

Submitted by,

Nancy Gamble Hatfield  
District Secretary