

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

October 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
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 The annual Neighborhood Update Meeting was held last evening at the Wastewater Treatment Plant. From all reports the meeting went well. President Vonheeder-Leopold attended.
 - o Today, a few staff members along with President Vonheeder-Leopold attended the “Renaming Ceremony of the Dublin Post Office” to the James “Jim” Kohnen Post Office. Mr. Michalczyk commented that it was a nice affair and that he learned the Postal Service has its own police service.
 - o On December 2-5, 2014 the ACWA conference will be held in San Diego. If any Directors are interested in attending, they should contact the District Secretary or the General Manager to make appropriate arrangements. If any Directors plan to attend, the Board may want to consider rescheduling the regular Board meeting from December 2 to a special meeting on Monday, December 1, 2014.
 - Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject
10/17/14	Email	Kenneth Mintz/ATT	President Vonheeder-Leopold and Directors	Telecommunications Site Lease Agreement with AT&T background information (10/21 Agenda Item 9E)
10/20/14	Email	Paulette Tupper	DSRSD Board	Support for Antenna for AT&T Cellular in Dublin area

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

C. Committee Reports
None

7. APPROVAL OF MINUTES – Regular Meeting of October 7, 2014

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

8. CONSENT CALENDAR

President Vonheeder-Leopold requested that in the future the agenda's description of this item (Accept Regular and Recurring Reports) identify the specific report(s) presented for Board acceptance.

General Manager Michalczyk answered this certainly could be done and is a good suggestion.

Director Howard MOVED for approval of the items on the Consent Calendar. V.P. Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

A. Rescind Service for Developments with Affordable Housing Policy and Resolution No. 25-06 – Approved – Resolution No. 70-14 and Rescind Resolution No. 25-06

B. Adopt Revised Construction Project Acceptance by the General Manager Policy and Rescind Resolution No. 49-14. – Approved – Resolution No. 71-14 and Rescind Resolution No. 49-14

C. Accept Regular and Recurring Reports – Approved

D. Upcoming Board Calendar – Approved

9. BOARD BUSINESS

A. Discuss Drought Management Program

General Manager Michalczyk reported this item has been part of every agenda since May 5, 2014 and gives the Board and public an opportunity to comment on the overall Drought Management Program. The declaration of the drought emergency is

set to expire on December 31, 2014 unless a subsequent action to extend the emergency is taken by the Board. The program is progressing satisfactorily and there was one amendment made to the original drought action plan made on August 5, 2014 with adoption of Ordinance No. 335.

The Board did not direct staff to develop any changes to the program other than to present the extension for the Board's consideration on December 2, 2014.

Hearing no further comments from the Board or public, President Vonheeder-Leopold concluded this item.

B. Consider Appeal by Magdaline Anyafulu of Staff Denial of a Waiver of Enforcement Action Related to Violation of Water Use Limitations

Operations Manager Gallagher invited Mr. Steve Delight, Interim Planning & Permitting Division Supervisor to discuss this matter with the Board.

Mr. Delight addressed the Board and explained he evaluated the waiver request from District customer Ms. Magdaline Anyafulu for excessive water use, and after consideration of the facts he ultimately denied the request. Residential customers using more than 640 gallons per day or 4,480 per week are flagged and sent warning letters. If a resident continues to exceed usage, it will lead to a monetary violation. Mr. Delight explained the specifics of Ms. Anyafulu's situation, which was primarily due to an irrigation leak and ultimately a violation for which she was appealing to the Board this evening.

Mr. Delight distributed additional materials providing a summary of the details that led to the enforcement action and that were inadvertently omitted from the agenda packet. Copies of the District customer's usage information reflected on AquaHawk charts were also included in the materials. Mr. Delight invited Ms. Anyafulu to offer her comments to the Board.

Ms. Magdaline Anyafulu addressed the Board and recounted the communications she had with District staff regarding her recent water usage, the actions she had taken, and ultimate receipt of a \$250 fine. She noted that in addition to the irrigation leak, with the use of a plumber she discovered she had a leaky toilet. Ms. Anyafulu was advised she would need to come to the meeting for her appeal to the Board.

The Board reviewed her most recent usage by looking at the AquaHawk printout information and noted her usage had reduced and the apparent leaks had been repaired.

Director Halket MOVED to grant the waiver and uphold Magdaline Anyafulu's appeal of a staff level denial of enforcement action levied against the customer on the basis that the customer has brought her water use into compliance. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

C. Modify Water Use Limitation Exemption for Valley Christian Center

Director Howard requested this item be placed on tonight's agenda.

Operations Manager Gallagher reviewed the discussion and Board approval at the August 19, 2014 meeting of an exemption for Valley Christian Center (VCC). Since the exemption, VCC was assessed a \$250 fine in September and last week they were fined an additional \$500 for violation of the terms of the exemption. He noted Mr. Jerry Buffington from VCC was present in the audience.

Mr. Jerry Buffington from VCC addressed the Board and stated the \$250 was issued for using water outside of the approved time period.

Mr. Gallagher clarified the first \$250 fine was related to a violation that occurred before VCC was granted the exemption on August 19, 2014. At that time, VCC was using approximately 61,000 gallons of water per week. Within about three weeks after receiving the exemption, VCC's consumption increased to approximately 90,000 gallons per week. As a result, the District issued a subsequent \$250 fine to VCC for violating the terms of the exemption.

Mr. Buffington responded that was not the way he understood this matter to be. He explained he initially came before the Board to receive an exemption to add an additional day of watering. VCC has a 50-acre site with playing fields and there is a concern about safety, and he communicated this information in a letter to the Board dated August 11, 2014. He requested a third day of watering to get the valves to work. He stated he came to the Board in August to ask for more water; there was no reason to ask for an exemption to have less water. Mr. Buffington recounted that Director Benson made a motion to give VCC the exemption to have a third day of watering within the same hours of the day, but VCC had to reduce the watering time by 50%. He stated he was agreeable to that because he was able to run more valves in their system. In a normal year, VCC operates their valves 24 hours a day, 7 days per week to keep their site watered. Mr. Buffington stated VCC is not watering any area more than 2 days per week, but he stated the Board granted VCC a 30% increase in watering time, which, he equates to a 30% increase in water use.

Mr. Buffington further stated that Mr. Gallagher contacted him and they met twice to discuss the increase in VCC's water consumption. Mr. Buffington stated that Mr. Gallagher informed him that it was not the Board's intent to grant additional water to VCC. Mr. Buffington commented that there was nothing in their August conversation where he agreed to reduce the overall water use. He wanted to increase water use to get their lawns back and he believes he was granted that under the conditions. Once he met with Mr. Gallagher, VCC reduced their water use from 90,000 gallons to 60,000 gallons and that VCC wants to comply. He believes the Board granted VCC more water.

General Manager Michalczyk clarified this agenda item is specifically for the Board to reconsider the water use limitations after October 1, 2014; the District ordinance

reduces outside irrigation from 2 days per week to 1 day per week after October 1. The Board agenda does not allow for a discussion about the waiver this evening. In August, VCC was granted an exemption without an expiration date and that is the substance of the agenda item.

Mr. Buffington requested the Board reconsider the fines assessed to VCC because he believes VCC has operated under the terms of the Board's decision and he believes they are trying to do the right thing.

President Vonheeder-Leopold explained that the Board granted VCC an exemption to spread out their watering to three days but did not grant VCC an increase in their water use.

Director Benson suggested VCC use the recycled water station at the WWTP to assist with their watering needs.

Director Howard MOVED to revoke the exemption granted to Valley Christian Center on August 19, 2014. Director Halket SECONDED the MOTION, which CARRIED with FIVE AYES.

Mr. Buffington asked for confirmation that under the Board's action that VCC could only water one day per week. The Board confirmed this is correct.

D. Provide Direction Regarding the District Providing Temporary, Emergency Water Service to Tassajara Valley and Possible Terms for such Water Service

General Manager Michalczyk reported that the ongoing drought has had a significant effect on property owners in the Tassajara Valley. District staff has been approached by a few property owners in the Tassajara Valley about the possibility of the District providing temporary water service to that area. Those property owners have been referred to Contra Costa County LAFCo because Tassajara Valley is outside the District's service boundary and sphere of influence. Most recently, Contra Costa Supervisor Mary Piepho's staff informally contacted the District regarding possible temporary water service to property owners in Tassajara Valley. Supervisor Piepho's staff was similarly referred to Contra Costa LAFCo. In follow-up conversations with Contra Costa LAFCo staff, the District was told that Contra Costa Environmental Health Department does not consider the situation in Tassajara Valley to be an emergency. As such, Contra Costa LAFCo has informed the District that they would not become directly involved. They did state that if the District were to enter into out-of-area service agreements for delivery of potable water to Tassajara Valley that those agreements could be subject to LAFCo approval. District staff has also been informed that both Contra Costa Water District and the East Bay Municipal Utility District have been similarly approached by Tassajara property owners and that both agencies have refused to provide service. Additional considerations are that the District's Water Supply Contract with the Zone 7 Water Agency precludes permanent water service outside the District unless it is approved by Zone 7; Zone 7 has informally indicated that they would not oppose temporary,

emergency water service provided the terms for doing so were reasonable. Another consideration is the Dougherty Valley Settlement Agreement (to which the District is a party along with Zone 7, Livermore and Citizens for Balanced Growth among others), prohibits water service from the District to areas outside of Zone 7 without a vote of the Zone 7 electorate; whether that agreement would apply to temporary, emergency supplies is unknown.

Mr. Michalczyk explained that the purpose of this item is to seek policy level direction from the Board as to whether the situation in Tassajara Valley aligns with a District interest in a way that would justify the District providing temporary water service. If the Board believes it does, then it would be appropriate for the Board to provide broad policy guidance for the terms of such service. A suggested starting point for such terms is provided in Attachment A. This item does not commit the District to provide service in any way; any such commitment would be the subject of a future Board meeting.

President Vonheeder-Leopold invited Board discussion.

Director Howard asked what agency had the Tassajara Valley in their sphere of influence.

Mr. Michalczyk stated that no water agency had the Tassajara Valley in their sphere of influence and it was considered to be a rural residential area. He noted that some wells have run dry in this area or are only producing a trickle of water. He noted that some residents were previously receiving temporary water service via hydrant meters and water trucks from sources other than DSRSD.

Director Benson mentioned that some property owners have contacted EBMUD about connection but EBMUD has declined service.

In response to a question, Mr. Michalczyk explained the issues related to providing recycled water service. Among those is that the Waste Discharge Permit under which the District operates its recycled water deliveries prohibits the use of recycled water for farm animals. He stated that District staff has discussed that situation with staff from the Regional Water Quality Control Board who informally expressed a willingness to explore a temporarily suspension of that prohibition. He stated that recently passed State legislation has set the stage for future delivery of recycled water to pasture animals but that it is not yet allowed.

Mr. Michalczyk stated the challenges to delivering potable water are institutional, but physically it is very easy to transmit the water to the Tassajara Valley if this is the Board's desire.

The Board discussed the matter and agreed that it was not in the District's interest to deliver potable water to the area. The Board directed staff to continue to explore ways to provide temporary recycled water to Tassajara Valley residents.

- E. Declare that “Telecommunications Site Lease Agreement” with New Cingular Wireless PCS, LLC (AT&T) for Cellular Phone Tower at Reservoir 1A is Categorically Exempt from CEQA and Approve Agreement

Engineering Services Manager Biagtan introduced the item before the Board for consideration of a proposed agreement with AT&T for a new cellular telephone site located on the District’s Reservoir 1A property on Rhoda Avenue in Dublin. In accordance with the District’s Strategic Plan Element 1.5.3, staff negotiated a lease with AT&T. Ms. Biagtan mentioned that Interim Planning & Permitting Division Supervisor Steven Delight who negotiated the agreement would first offer some remarks about this project, then representatives from AT&T would give a project overview, and then several residents present at the meeting wanted to provide their comments to the Board. Ms. Biagtan noted that after preparation of the agenda for tonight’s meeting, the District received transmittals from Mr. Ken Mintz from AT&T and Dublin resident Ms. Paulette Tapper related to AT&T cellular service, which have been made available.

Mr. Delight summarized the details of the project proposal, stating that in June 2013, the Jacobs Corporation (formerly FMHC Corporation) contacted the District on behalf of AT&T, evaluated the District’s Reservoir 1A site located on Rhoda Avenue in Dublin for placement of a cellular phone tower, and subsequently expressed interest to enter into a lease agreement with the District. At approximately, the same time, AT&T filed a planning application with the City of Dublin on behalf of the District. The proposed equipment would be sited on the south side of the reservoir behind a cinder block soundwall. The antennas would be attached to the wall of the reservoir not higher than the tank and would generally face southwest. The 25 year lease would result in an initial annual \$28,800 payment to the District with an annual 3% increase and four cycles of five-year renewal periods. If approved by the Board, the lease agreement would only take full effect once the City of Dublin Council and/or Planning Commission also approve.

Mr. Ken Mintz, Area Manager, from AT&T addressed the Board and discussed the significant gap in cellular phone coverage in the Rhoda Avenue area neighborhood with AT&T’s 3G and 4G LTE service. Mr. Mintz stated they have performed extensive engineering analysis on how to fill that coverage gap and have heard from approximately 60 customers about their service in that area. In recent years, many customers have shut off their landline telephone service. Data use has increased dramatically and many customers depend on wireless services for use within their homes. Residents rely on data service for small businesses, education, and for public safety purposes--the ability to contact public safety when there is an emergency in their homes. Mr. Mintz concluded his comments and stated that Ms. Radha Sharma, the Site Acquisition Manager, would discuss the project specifics and that Mr. Bill Hammett from Hammett & Edison, a third party expert on radio frequency, would next address the Board.

Ms. Sharma, from Jacobs Corporation, explained the process whereby a request for a cellular tower placement is made. She explained customer demand and reasons to

fill coverage gaps with the growing use of voice, data, and streaming services. She discussed the coverage problem area around the Rhoda Avenue neighborhood and the anticipated service improvement after placement of the proposed cell tower. They used a “search ring” with 14 alternatives in the area to pinpoint the best location and explained the process by which the alternatives were rejected. Ms. Sharma distributed associated materials to the Board for the discussion, including a coverage map. She reported they investigated the Laborer’s Training Center on Westside Drive in San Ramon and another District reservoir site in west Dublin; AT&T determined these locations did not achieve their coverage gap goals either because they were out of the search ring and/or there was no available power source. Ms. Sharma mentioned the City of Dublin’s wireless ordinance that encourages co-locating on existing utility structures. She reviewed the proposed design for the cell tower with nine antennas and other specifics of the installation. She explained that after AT&T held an informal community meeting with some of the surrounding neighbors, AT&T took measures to address some specific neighbor concerns. She stated that AT&T worked to reduce the size of the equipment enclosure to minimize visual impacts, had relocated the antennae array and changed the azimuth to reduce EMF emission toward one resident’s home, and is willing to pay an independent third party expert to test levels of EMF within nearby homes prior and after construction to ensure compliance with FCC guidelines. She invited questions and requested Board approval for the lease agreement.

Mr. Hammett, from Hammett & Edison Consulting Engineers in Sonoma, addressed the Board and stated he is a registered professional engineer in the state of California and that a regular part of their practice is the calculation, measurement, and mitigation of radio frequency exposure conditions. Their firm performs work for AT&T, their competitors, landlords, and cities. Their task is to determine exposure levels and how they compare to standards. Mr. Hammett reported their firm analyzed the facility based on the information provided by AT&T as to what they proposed to do. Mr. Hammett attended meetings with the neighbors and learned about their concerns. He confirmed AT&T has rotated the antennas and moved them and that as a result the maximum exposure levels at any of the nearby homes in the neighborhood is 1.3% of the FCC limit for public exposure. That limit includes significant margins of safety and is almost the same standard applied in the UK, Europe and Canada, which he stated is a science based standard. He noted he was available to discuss any concerns.

President Vonheeder-Leopold commented she had several speaker cards. She requested each speaker limit their remarks to three minutes and to not repeat points made by a previous speaker.

Speaker: Ms. Gretchen Hellmann, Dublin Resident – Ms. Hellmann expressed her severe concern for the installation of the cellular equipment and requested AT&T to consider a less impactful location for their business needs. She requested the District Board to stand behind their ideals and values to keep human health and community as the top priority. She expressed concern about the possible noise, safety and health of her young children with the effects of the cellular equipment behind her home,

and noted research has been conducted that shows possible long-term health effects because of this type of equipment. Ms. Hellmann stated that even if AT&T tells the neighbors the risk of harm is low or very low, the impact is exponential and not measurable with money. She stated that the Boardmembers are guardians of her family's health and focused on the safety of the water they drink and she expressed her appreciation for this. She noted the potential negative impact on her property value if the cellular equipment is installed. She reminded Directors of one of the District's adopted core values that asks: "Does this decision protect public health and the environment?" Ms. Hellmann commented that AT&T's proposal does not protect public health or the environment. She also noted another core value that asks: "Does the decision treat all concerned fairly, respectfully, honestly and ethically?" She stated she does not think a decision to approve the lease would treat all fairly and would be in favor of AT&T's financial opportunity. Another core value of the District's is: "Does this decision promote a safe environment for the community and the workforce?" She urged the Board to live up to their core values.

Speaker: Ms. Ngoc Nguyen, Dublin Resident – Ms. Nguyen stated that she agrees with the points discussed by Ms. Hellmann and urged the Board to vote against this proposal. She commented that as a pharmacist she knows health studies take a long-time to actually catch up with the health effects. She noted the FCC guidelines say the AT&T equipment is safe, but she asked how updated are the FCC guidelines. She asked the Board to consider the health repercussions of this decision for the future and expressed concerns about the impact to her property resale value, and that she thought the neighbors were being asked to shoulder a heavy and unfair burden.

Speaker: Mr. Francis Rothchild, Dublin Resident – Mr. Rothchild alluded to a realtor report that discusses the reduction of real estate values where a cellular tower is installed. He also commented he does not believe there are any definitive studies that establish that a cellular tower has no adverse long term health effects. Until such a study is done, he does not believe the tower should be allowed where there are lots of young children and adults if the long-term effects on their health are unknown.

Speaker: Mr. Chris Beeson, Dublin Resident – He expressed appreciation for the work AT&T has done in addressing concerns; however, he believes his responsibility is to provide and protect for his family and their financial interests. He is concerned about AT&T's proposed service over his home and believes it will have a negative effect on his interests. He noted his concern about the ambient noise the installation may have. He believes the cellular tower is in a too densely populated neighborhood.

Speaker: Ms. Lisa Cassidy, Dublin Resident – Ms. Cassidy commented she shares the previous speakers' concerns as it relates to property values and health and she opposes the cell tower installation across the street from her house.

Speaker: Mr. Ed Kokko, Dublin Resident – Mr. Kokko stated that he has spoken to the Board several times on this matter and he wanted to reiterate his concerns about

the cellular tower. He highlighted the neighborhood petition contained in the agenda packet materials with over 60 signatures, or two-thirds of the households within the 300' City of Dublin-mandated survey area around the proposed new construction, as well as several letters from families in the neighborhood. He reported that over the last year he and his wife have spent a substantial amount of time considering the AT&T proposal, reviewing information provided by AT&T, talking with safety consultants, conducting their own research, and they have concluded this installation is not right for their family. Mr. Kokko stated he is concerned about health and safety for his two young children, noise impacts, property value, and local environmental impacts. He believes there are alternate sites only 0.5 or 0.6 miles away from AT&T's preferred location albeit a bit higher in elevation. Information on other cell towers was provided to the residents from AT&T; however, these were in commercial areas and approximately 500' to 600' away from homes. Mr. Kokko stated AT&T was reluctant to provide information about other existing cell towers near homes so residents could investigate impacts on their property values. Multiple cell phone carriers have equipment on Westside Drive. He mentioned that if AT&T is allowed to site their equipment on the District's reservoir, other carriers will also likely want to join in and do the same. Mr. Kokko stated there will be 9500 watts emitted in the direction of his home and only 75' away from his property line. He does not believe with the boom in cell phones in recent years there is enough research to keep pace with the health and safety effects. He spoke with Mr. Hammett and was assured the site is safely within federal regulations. However, Mr. Kokko cited ongoing research that lends to concern about the safety.

Speaker: Mr. Barry Cassidy, Dublin Resident – Mr. Cassidy commented he does not approve of the installation of the cellular tower in the Rhoda Avenue/Vomac neighborhood. He does not believe he nor his family, dog, and friends need megawatts going through their bodies and homes and neighborhood for internet or cell phone connection. He believes AT&T can probably find a better location that is not in their backyards.

Speaker: Ms. Nancy Bush, Dublin Resident – Ms. Bush voiced her objection to the proposed cell phone tower. She agreed with the others' concerns about the health and safety and property value impacts due to the proposed cell tower. She was baffled that out of 14 other locations, AT&T wanted to place their controversial tower in the middle of a residential neighborhood. She stated the installation of the cell phone tower may be a fairly insignificant business issue for AT&T, but it is a very personal issue for the residents in her neighborhood and going forward it could have a significantly negative impact on their lives. She expressed her strong opposition to this cell tower in their neighborhood.

Speaker: Mr. Larry Webster, Dublin Resident – Mr. Webster reported he works for NASA and lives in the Rhoda Avenue neighborhood. He asked why this proposed location is so interesting to AT&T when they could put it up on the hill where the cows live and get most of their desired coverage. Mr. Webster was told by AT&T there is no power up farther on the hill to site their tower. He stated AT&T does not want to pay the cost to bring power to the higher site where there will not be

complaints from residents. Residents in his neighborhood do not desire placement of the tower in their neighborhood he said, but they are subject to this issue and decision along with AT&T and the Board. He noted that long-term continuous exposure to even low levels of microwave energy is known to cause cancer. He expressed his disagreement with what he believed was the insufficient analysis of Hammett & Edison and their claims. Mr. Webster also expressed concern about the negative impact on his and other's property values and concluded that he highly objects to the installation of the cellular tower in his neighborhood.

Speaker: Mr. Rothchild – Mr. Rothchild asked Mr. Hammett if his firm is aware of any long-term health studies that definitively show the effects of cell tower emissions on children or adults.

Mr. Hammett answered that definitive studies do exist. The standard in the U.S. continues to be updated and there is a worldwide database of studies. There are over 1,300 studies that have been peer-reviewed and published in journals and reviewed by other researchers of the studies. The U.S. scientists use this information and the last study was conducted in 2005. Another update is anticipated next year. Mr. Hammett further discussed what he referred to as the science based standard and refuted the health impact remarks made by the speakers about the cellular tower impacts. He continued to discuss many of the technical issues and to respond to various comments made by the speakers. He noted that the frequencies used for cellular transmissions were old TV frequencies.

Speaker: Ms. Nguyen – Ms. Nguyen commented the studies Mr. Hammett referred to were from 2005 and anything in the medical world nine years ago would be outdated. She asked Mr. Hammett about the most recent research he had to validate the safety of this tower.

Mr. Hammett commented that the standard adopted by the FCC was the 1992 standard and was adopted in 1996. He explained the standard was revised in 1999--and is an ongoing process with hundreds of people involved in setting new standards--and updated in 2005. An update to the FCC standard is expected in 2015. The standards include all of the research.

Speaker: Mr. Kokko – Mr. Kokko asked Mr. Hammett to comment further about the constant exposure to the rays from the cell tower as discussed in the studies.

Mr. Hammett responded the standards are interesting to read because they discuss the studies in great detail and explain why the studies do not show any basis for long-term health effects at exposure levels such as those of the AT&T tower. He stated he is not a doctor of any kind but rather an engineer. He is reporting the conclusions of the scientists who conducted the studies.

President Vonheeder-Leopold closed the discussion by AT&T's representatives and other members of the audience.

V.P. Duarte reported that Mr. Mintz is a personal friend of his and rhetorically asked, as one of the speakers mentioned, "How would you like it if the cellular tower was installed in your neighborhood?" V.P. Duarte mentioned he is a Rotarian and that Rotary uses a "Four Way Test." One test is, "Is it of benefit to all concerned?" He noted he is troubled about not knowing about the long-term health effects of cellular towers but lots of scientific information states that right now there is no cause for concern. V.P. Duarte stated there are two relevant issues, property value impacts and consideration of alternate locations. He stated that as an engineering contractor who has built projects for AT&T, it is hard for him to understand why the higher site with more equipment and a different alignment without that much more cost would not get the desired result for similar coverage. V.P. Duarte stated he was bothered that 60 to 80 people vehemently oppose this project. He asked why AT&T would want to antagonize an entire neighborhood. He asked if it was really worth it to AT&T.

Ms. Sharma commented that for alternate locations farther on the hillside, there is no power and the locations are out of the AT&T search ring identified by their engineers to eliminate the significant gap in coverage and would not meet their objective. She also clarified that there is no generator at this proposed site and AT&T would be willing to landscape around the cement block wall at the current site.

Mr. Mintz stated that AT&T does not want to antagonize or lose customers. However, the number of customers using and requiring services for their communications is also a safety issue. He noted there are no studies he can point to that address property values and lack of proper cell coverage might be a reason for someone to not move into a particular area.

Director Howard commented that the District Mission's statement sets forth the purpose of this agency to provide the best water and wastewater services it can. He believes the potential cell phone tower is not a core function of the District's line of business and he does not believe there is any reason to impose this amount of anguish on the residents. The amount of annual revenue that would be brought in is minimal compared to the District's annual budget. He stated he cannot support implementing this AT&T proposal.

Director Halket commented that speaking as a Boardmember of the agency which is the landowner of the site proposed for the facility, and making no determinations about health, property values, and zoning, it is clear to him the incremental revenue is not worth the trouble that would be received by agreeing to this project. He stated he could not support this proposal. He complimented residents for engaging in the public process before a decision is being made rather than afterwards.

Director Halket MOVED that the District not enter into the lease agreement with AT&T and further, unless there is a very substantive change to the proposed terms, that the District not spend any more time to negotiate the lease agreement. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

President Vonheeder-Leopold commented she believes that the Board is not opposed to an AT&T installation in the right place.

F. Review of District Debt - Regional Bank Bond

Financial Services Manager Archer reported the item before the Board relates to Strategic Plan Goal 1.4.2 that requires an annual review and evaluation of the District's debt issues. There is only one financing issue subject to renegotiation or early repayment. Mr. Archer reviewed that back in FYE 2009, the District negotiated a Regional Bank bond with Bank of America at an interest rate of 4.38%. He stated that, by contrast, at this time the District is earning only 0.8% on its investment portfolio. Thus paying this bond off makes economic sense if interest rates remain fairly constant. There are five remaining years on this debt. The next steps would be to discuss this matter with the City of Pleasanton under the requirements of the Financing Administration Agreement. The City of Pleasanton Director of Finance Emily Wagner informally indicated her support for the idea of paying off this debt also.

General Manager Michalczyk summarized that the District's ongoing financial situation improves by paying off this debt due to the difference in interest rates and that the District has sufficient reserves to do so. He noted that staff needs direction from the Board.

Director Halket asked if the funds that would be used to pay off this debt might be needed in the near term for an extended drought, OPEB payment, etc., and, if so, then would it be better to not prepay the debt?

Mr. Archer explained the money collected to repay this debt comes from expansion funds and current projections indicate sufficient reserves in excess of five years of total debt service payments.

After discussion, the Board's consensus was to move forward with repaying this debt off early.

10. BOARDMEMBER ITEMS

V.P. Duarte attended the Contra Costa Special Districts Association meeting yesterday. They voted to increase dues for the association.

Director Benson shared several gadgets she picked up at the October 8-9, 2014 Water Innovations Conference she attended in Las Vegas, Nevada. She discussed the conference and highlights. She also reported she attended the ACWA Region 5 program October 19-20, 2014 meeting held in Livermore and commented specifically about the interesting speaker, Dr. Phil Duffy, Senior Advisor, U.S. Global Change Research Program, National Science & Technology Council. She complimented Ms. Sue Stephenson and General Manager Michalczyk for their planning and participation in the program.

Director Halket expressed his appreciation to the Board for their approval for him to attend the Water Education Foundation Field Trip October 22-24, 2014; unfortunately, his work schedule will not allow him the time away. The approved funds were not spent as he cancelled before any reservations were made.

President Vonheeder-Leopold commented on the following:

- She attended a tribute to Assemblymember Joan Buchanan on October 13, 2014 hosted by the Tri-Valley United Democratic Campaign and presented her with a beautiful “thank you and goodbye” vase and flowers.
- She attended a three day LAFCo conference October 14-17, 2014 at the DoubleTree Hotel in Ontario and mentioned some of the conference discussions. She highlighted the self-guided tour of the Cucamonga Valley Water District.
- She attended the ACWA Region 5 meeting in Livermore on October 19-20, 2014. She commented on Dr. Duffy’s interesting information on climate change and how less snowpack is expected and treating storm water may be the newer trend.
- She attended the Neighborhood Update Meeting on October 20, 2014 at the WWTP.
- She attended the dedication ceremony today renaming the Dublin Post Office in honor of former District Director James “Jim” Kohnen.
- Ms. Tracey Stigers from Brown and Caldwell gave her a historic photo album of the WWTP; the album was passed along to Operations Manager Gallagher for display at the WWTP.

11. CLOSED SESSION

NOT HELD – Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8

Property: Reservoir 1A, 8208 Rhoda Avenue, Dublin, California

Agency Negotiator: Bert Michalczyk, General Manager

Rhodora Biagtan, Interim Engineering Services Manager

Steve Delight, Interim Planning & Permitting Division
Supervisor

Negotiating Parties: AT&T

Under Negotiation: Price and Terms of Payment

Additional Attendees: General Counsel Carl P. A. Nelson

12. REPORT FROM CLOSED SESSION

13. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 8:13 p.m.

Submitted by,

Nancy Gamble Hatfield
District Secretary