

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

**February 3, 2015**

A regular meeting of the Board of Directors was called to order at 6:00 p.m. by President Edward R. Duarte. Boardmembers present: President Edward R. Duarte, Vice President D.L. (Pat) Howard, Director Richard M. Halket, Director Dawn L. Benson, and Director Georgean M. Vonheeder-Leopold. District staff present: Bert Michalczyk, General Manager; Rhodora Biagtan, Interim Engineering Services Manager; John Archer, Administrative Services Manager/Treasurer; Dan Gallagher, Operations Manager; Robert B. Maddow, Assistant 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 introduced the District's new Engineering Services Manager Dan McIntyre.

Mr. Michalczyk also thanked Assistant General Counsel Maddow for attending the meeting in Carl Nelson's absence.

Mr. Michalczyk and Director Vonheeder-Leopold presented the impressive California Association of Sanitation Agencies 2014 Technological Innovation and Achievement Award for the Residential Recycled Water Fill Station to Operations Manager Gallagher. In January, the District was presented with the achievement at the CASA conference in Palm Springs.

The Board thanked and complimented Mr. Gallagher and his team for earning the recognition.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:05 p.m.

Mr. Dan McIntyre addressed the Board and expressed his appreciation in joining the District. He has been working for the City of Livermore for nearly 25 years.

The Board welcomed Mr. McIntyre to the District as the new Engineering Services Manager.

6. REPORTS
  - A. Reports by General Manager and Staff
    - Event Calendar – General Manager Michalczyk reported on the following:
      - o On Thursday, February 5, 2015 at 5 p.m. the Tri-Valley Water Policy Roundtable Ad Hoc Committee will meet at the City of Pleasanton Operations Center. Directors Halket and Vonheeder-Leopold are the designated representatives.

Other Directors have mentioned they also plan to attend the meeting. Because the meeting was not noticed as a special meeting of the Board, those Directors should limit their participation to that of an observer.

- o On Tuesday, February 17, 2015 staff would like to hold a workshop at 5 p.m. prior to the Regular Board meeting to discuss long-term water supply for the District. Directors agreed.
- o On January 29, 2015 a new recycled car wash opened near the new Target store in eastern Dublin. It may be the first of its type in California. Staff spent a lot of time with the owner on this permitting.
- o CSDA has a call for nominations for a region vacancy, specifically the Bay Area Network. The Director seat would complete a current term that concludes in Calendar Year 2015. If any Director is interested, they are asked to notify staff by February 20, 2015 so necessary preparations can be made for approvals by the District Board.

- Correspondence to and from the Board on an Item not on the Agenda - None

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

C. Committee Reports – None

7. APPROVAL OF MINUTES – Regular Meeting of *January 20, 2015*

Director Vonheeder-Leopold MOVED for the approval of the January 20, 2015 minutes. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

8. CONSENT CALENDAR

Director Halket MOVED for approval of the items on the Consent Calendar. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

A. Approve Agreement and Permit for Conversion of Alameda County Facilities to Use Recycled Water for Irrigation and Other Non-Potable Use between Dublin San Ramon Services District and Alameda County – Approved – Resolution No. 6-15

B. 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. 66-14 – Approved – Resolution No. 7-15

C. Approve the Nomination of Board Member Georgean Vonheeder-Leopold to the California Association of Sanitation Agencies Board of Directors – Approved - Resolution No. 8-15

9. BOARD BUSINESS

A. Discuss Drought Management Program

The General Manager reported that a large storm is expected to hit the Bay Area later this week but significant snowpack is not expected in the Sierras. Foothill reservoirs continue to be well below normal for this time of the year. There will be more clarity on the 2015 water supply situation in late March to early April. Staff is not recommending any changes to the 2015 Drought Management Plan at this time.

No members of the public addressed the Board on this topic.

The Board discussed the topic. The Board did not direct staff to develop any changes to the program.

B. Receive Presentation and Discuss Nutrients in the San Francisco Bay and Impact on District Facilities

Operations Manager Gallagher gave a PowerPoint presentation titled “Nutrients in the San Francisco Bay.” In advance of the District’s Wastewater Treatment Plant Master Plan, staff wanted the Board to receive this presentation on the matter of upcoming nutrient limitations for discharges to the San Francisco Bay.

No members of the public addressed the Board on this topic.

The Board discussed the topic; no action was taken.

C. Receive Briefing of OPEB (Other Post-Employment Benefits) Report for Dublin San Ramon Services District

Administrative Services Manager Archer gave a detailed PowerPoint presentation on the funding status of the District’s Other Post-Employment Benefits (OPEB). OPEB is for the purpose of funding medical and dental coverage for retirees. The District contracts with CERBT (California Employers’ Retiree Benefit Trust—a CalPERS entity to provide the retiree medical fund administration). As of July 1, 2013 the District’s OPEB obligation was 101.5% funded.

No members of the public addressed the Board on this topic.

The Board discussed the topic and endorsed the District continuing to implement funding Strategy No. 1 for FYE 2016.

D. Receive Briefing of PERS (Public Employees’ Retirements System) Actuarial Report for Dublin San Ramon Services District

Administrative Services Manager Archer gave a PowerPoint presentation on the 2014 Retirement Funding for the District’s retirement plan. The District has active employees on two retirement plans: Miscellaneous 2.7% at 55 and Miscellaneous 2.0% at 62. As of June 30, 2013 the CalPERS actuarial valuation shows the District is funded 76.7%, with an unfunded liability of \$16.836 million.

No members of the public addressed the Board on this topic.

The Board discussed the topic and referred the matter to the Board's Financial Affairs Committee with direction to develop a recommendation to reasonably eliminate the outstanding liability.

- E. Discuss the Mission Statement, Vision Statement and Core Values to be Incorporated into the Fifth Edition of the District's Five Year Strategic Plan - FYE 2016 - 2020

General Manager Michalczyk reviewed with the Board the District's current Mission Statement, Vision Statement and Core Values.

No members of the public addressed the Board on this topic.

The Board discussed the topic and by consensus tentatively agreed to the following for the Mission Statement, Vision Statement and Core Values:

Mission Statement

Our mission is to provide reliable and *sustainable* water and wastewater services to the communities we serve in a safe, efficient and environmentally responsible manner.

Vision Statement

1. Maintain long-term financial stability with appropriate rate and fee structures that support at least a credit rating of AA;
2. Secure a more diversified water supply for the communities we serve;
3. In cooperation with our partner agencies implement an integrated Valley-wide recycled water distribution system;
4. Diversify use of biosolids in an environmentally sound manner;
5. Enhance our ability to respond to emergencies and maintain business continuity;
6. Continue to foster a culture of safe operations District-wide;
7. Deliver utility services more efficiently and effectively by continuing to work with regional partner agencies on Tri-Valley integration;
8. Maintain a highly qualified, motivated and innovative workforce to ensure a high performing organization;
9. Enhance our public information, education and outreach methods to ensure public awareness of issues important to the communities we serve;
10. Use technology throughout the District to improve operations and efficiency while securing that technology against external threats;
11. Use asset management data to improve maintenance, capital project decision making and financial planning; and
12. Complete planning and implementation, as appropriate for a permanent District corporation yard.

Core Values

	<b>CORE VALUE</b>	<b>CORE VALUE QUESTION</b>
1.	Protect Public Health and the Environment	Does the decision protect public health and the environment?
2.	Sustain Financial Stability	Does the decision sustain or contribute to the financial stability of the District?
3.	Be Open and Transparent	Is the decision being made in an appropriately open and transparent manner and has public input been considered?
4.	Fairness, Respect, Honesty and Ethics	Does the decision treat all concerned fairly, respectfully, honestly and ethically?
5.	Operate Safely	Does the decision promote a safe environment for the community and the workforce?
6.	Provide High Quality Customer Service	Does the decision reflect high quality customer service?
7.	Provide Sustainable, Efficient, Reliable and Secure Services	Does the decision maintain or enhance the District's sustainability, efficiency, reliability and security?
8.	Perform at a High Standard	Does the decision or action lead to a high performing, highly qualified, motivated, safe and innovative workforce and an adaptable organization?

F. Discuss and Provide Direction Regarding a Change to Format of Minutes for Board Meetings

General Manager Michalczyk reviewed the possible revision to the style and format of the Board meeting minutes and the reasons for the suggested change.

No members of the public addressed the Board on this topic.

The Board discussed the style of minutes and the fact that Board meetings are video recorded and available on the District website. By consensus, the Board supported a Brief Summary minute format. The Board directed to have this matter put into the form of a policy and brought back for consideration.

G. Implementation of New Logo on Five District Signs

Community Affairs Supervisor Stephenson reviewed the new signage that will be at the District Office on the archway at the front of the building, the logo behind the dais in the Boardroom, the removable signage on the lectern in the Boardroom, the signage in the east lobby wall and the revised signage at the entrance to the Regional Wastewater Treatment Facility.

No members of the public addressed the Board on this topic.

The Board, by consensus, was agreeable with the proposed signage.

10. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted a written report and gave a detailed account about the many sessions she attended at the January 21-23, 2015 CASA conference held in Palm Springs. She requested Ms. Hatfield and her staff not staple the agenda packets, but instead binder clip them.

Director Benson submitted written reports and gave summaries about the East Bay Leadership Council Dinner on January 22, 2015 and the Special District Leadership Academy Conference in Napa on January 25-28, 2015. She noted there will be an Imagine H2O event on March 18, 2015 at the Palace Hotel in San Francisco. Director Benson also commented there is a vacant seat on the state board for CSDA for the remainder of 2015.

President Duarte agreed that when he attended the Special District Leadership Academy Conference he, too, was impressed that the District has instituted and addressed many of the suggestions and ideas and policies that he learned about at that training. He submitted a written report and gave a summary of the topics discussed at the CCSDA meeting he attended on January 30, 2015.

11. CLOSED SESSION

At 8:12 p.m. the Board went into Closed Session.

- A. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957  
Title: General Manager

12. REPORT FROM CLOSED SESSION

At 8:20 p.m. the Board came out of Closed Session. President Duarte announced that there was no reportable action.

13. ADJOURNMENT

President Duarte adjourned the meeting at 8:21 p.m.

Submitted by,

Nancy Gamble Hatfield  
District Secretary