

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

**October 22, 2013**

A special meeting of the Board of Directors was called to order at 6:00 p.m. by President Dawn L. Benson. Boardmembers present: President Dawn L. Benson, Vice President Georgan M. Vonheeder-Leopold, Director Edward R. Duarte, Director D.L. (Pat) Howard, and Director Richard M. Halket. District staff present: Bert Michalczyk, General Manager; David Requa, District Engineer/Assistant General Manager; John Archer, Interim Financial Services Manager/Treasurer; Dan Gallagher, Operations 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. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:02 p.m.
5. BOARD BUSINESS
  - A. Approve Fifth Supplemental Agreement to Agreement for Wastewater Disposal Services between City of Pleasanton and Dublin San Ramon Services District and Provide Direction to DERWA Representatives regarding DERWA – Pleasanton Agreement

District Engineer Requa reported that he was presenting and recommending Board approval of the Fifth Supplemental Agreement for Wastewater Disposal Services between the City of Pleasanton and the District. The DERWA Board will also consider, and staff is recommending approval of, an agreement on October 28, 2013 to provide recycled water treatment and delivery services by and between DERWA and the City of Pleasanton. The Pleasanton City Council will consider approval of both agreements at their meeting on November 5, 2013.

Mr. Requa explained that these agreements are important to the District and the City of Pleasanton and represent the least-cost alternatives for the City to get recycled water to Pleasanton. The District and DERWA will benefit from spreading out fixed costs. Mr. Requa stated that the Board needed to be aware that even after these agreements are considered and approved by the Pleasanton City Council on November 5, 2013, Pleasanton must still complete their environmental process and select their desired project.

Mr. Requa reviewed highlights of the Fifth Supplemental Agreement including some of the associated costs. The Fifth Supplemental Agreement will not become effective unless and until DERWA has approved the DERWA-Pleasanton Agreement, Pleasanton has approved both agreements (with DSRSD and DERWA), and Pleasanton has completed California Environmental Quality Act (CEQA) for their

project. Overall, with these agreements in place, there will be an improvement in potable water reliability in the Tri-Valley and this effort will also work toward meeting the required reduction of potable water in the state by 2020. Mr. Requa recommended approval of the Fifth Supplemental Agreement with Pleasanton.

Director Duarte asked if there were any concerns with the upcoming Pleasanton environmental review process.

Mr. Requa responded that there was not a lot of concern with regard to the environmental review. He stated that a possible concern that has been an issue in the past is the impact of recycled water use over the main basin for salt and other contaminant issues.

President Benson invited Mr. Daniel Smith from the City of Pleasanton to address the Board.

Speaker: Mr. Daniel Smith, Director of Operations Services, City of Pleasanton – Mr. Smith thanked Messrs. Michalczyk and Requa for their patience and diligence in working on these multiple agreements. Mr. Smith stated that the City of Pleasanton is looking forward to moving along with their recycled water project. He noted that early on, the City started working with Zone 7 as a partner on their feasibility study and, as a result, any issues that potentially could arise have likely been worked through. He expressed excitement about the regional aspect of Pleasanton's project and their Council is hopeful that the District Board will approve the agreement. Mr. Smith stated that he will really miss Mr. Requa upon his impending retirement.

President Benson expressed her thanks for the efforts and asked Mr. Smith to extend the District Board's best to the City Council.

General Manager Michalczyk commented that former District Director Jeff Hansen asked him to share the following email with the Board on this topic: "The Pleasanton deal was truly a long time in the making-but definitely worth it. I want to compliment everyone who has been involved for so long (DERWA, EBMUD, Pleasanton and the District) for implementing what is so obviously a win-win governance and environmental success. And, I especially want to compliment you (Mr. Michalczyk) and Dave Requa, for staying with it all these years. If you get the chance, please pass along my heartfelt congratulations to all involved, beginning with the Board. As you have heard me say before: 'This is an idea whose time has come.'"

Mr. Michalczyk thanked everyone for their vision and patience with each other, noting that water deals are never easy and never quick. He extended his thanks especially to Daniel Smith, and stated that he appreciates the approach used to get this work done, given the history between the agencies.

Director Halket MOVED to adopt Resolution No. 48-13, approving Fifth Supplemental Agreement to Agreement for Wastewater Disposal Services between City of Pleasanton and Dublin San Ramon Services District. V.P. Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

6. CLOSED SESSION

The Board did not hold any of the Closed Sessions.

## A. NOT HELD - Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8

Property: Water Supply  
Agency Negotiator: Bert Michalczyk, General Manager  
David Requa, Assistant General Manager/District Engineer  
John Archer, Interim Financial Services Manager  
Dan Gallagher, Operations Manager  
Carl P.A. Nelson, General Counsel  
Negotiating Parties: City of Pleasanton  
Under Negotiation: Terms and Conditions

B. NOT HELD - Conference Involving a Joint Powers Agency Pursuant to Government Code Section 54956.96 (DSRSD-EBMUD Recycled Water Authority (DERWA))  
Discussion Will Concern: Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8

Property: Water Supply Contract  
Negotiating Parties: City of Pleasanton & DERWA  
Under Negotiation: Price & Terms  
Local Agency Representatives of Joint Powers Agency Board:  
Director Halket  
Director Vonheeder-Leopold  
Other Attendees: Bert Michalczyk, General Manager  
David Requa, Assistant General Manager/District Engineer  
John Archer, Interim Financial Services Manager  
Dan Gallagher, Operations Manager  
Carl P.A. Nelson, General Counsel

## B. NOT HELD - Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) for (3) of subdivision (d) of Government Code Section 54956.9: One case.

7. REPORT FROM CLOSED SESSION – None.8. ADJOURNMENT

Before the close of the meeting, President Benson invited District Engineer Dave Requa to address the Directors for a last time before his retirement from the District.

Mr. Requa walked up to the lectern and offered several heartfelt thoughts with the Board of Directors about his 18-year career at the District. He noted the many times his career had intersected the District long before he became an employee of the agency. Mr. Requa lightheartedly shared several anecdotes about individuals with whom he worked and with whom the Board was familiar, noting some interesting facts along the way. He thanked General Manager Michalczyk for the authority and autonomy afforded to him and for always listening to his opinion, and for allowing him to have a fun, exciting and challenging time.

Mr. Requa complimented the current and previous District Boards for the way they have conducted themselves. He stated he believes the public cannot fully appreciate all the challenges the Board faces regarding the many requirements of PERS, the law, District MOUs, while also retaining good, qualified staff. He thanked the Board for rising above difficult situations and challenges. Mr. Requa directed the Board's attention to a photo of the former pine tree in the front of the District Office building that died and fell down some years ago. With the wood from that tree, retired District employee, John Mauck, handcrafted a gavel and base, which Mr. Requa presented to the Board of Directors for their use. Mr. Requa concluded his remarks with a hearty thank you to General Manager Michalczyk and the Board of Directors!

The Board happily accepted the treasure.

Director Howard likened Mr. Requa to some words from country music singer Willie Nelson and thanked him for all that he had done while at the District and for his ability to work the "middle of the road." He expressed how much he enjoyed working with him and said that he was a very special person.

V.P. Vonheeder-Leopold commented that she will really miss Mr. Requa and that she could always call upon him to get the truth. She always thought of Mr. Requa as a peace maker, particularly when it came to working with Pleasanton.

Director Halket commented that he will really miss Mr. Requa.

President Benson also told Mr. Requa that she will really miss him as he is cherished and valued for his opinions and he will be treasured in the hearts of those who know and who worked with him.

Having only known Mr. Requa for over a year or so, Director Duarte stated that whenever he had a question about the operations and construction related matters, Mr. Requa always understood him and he greatly appreciated him. Director Duarte said he, too, will miss Mr. Requa.

President Benson adjourned the meeting at 6:27 p.m. in support and in honor of District Engineer/Assistant General Manager Dave Requa.

Submitted by,

Nancy Gamble Hatfield  
District Secretary