

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

**September 1, 2015**

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6:00 p.m. by President Edward R. Duarte.

2. PLEDGE TO THE FLAG – Not Held

3. ROLL CALL

Boardmembers present at start of meeting:

President Edward R. Duarte, Vice President D.L. (Pat) Howard, Director Richard M. Halket, and Director Georgean M. Vonheeder-Leopold.

Recusals:

Director Vonheeder-Leopold - Item 9.M Director Vonheeder-Leopold stated that she would recuse herself from any participation in any discussions, decisions, or voting on the Health Insurance Contribution for Calendar Year 2016 for Board of Directors, Item 9.M, to ensure that she neither influence nor attempt to influence another member of the DSRSD Board regarding any matters pertinent to the item, consistent with applicable provisions of the Government Code, because she receives health care benefits as a retired Boardmember of Dublin San Ramon Services District.

Director Vonheeder-Leopold departed from the Boardroom at approximately 7:50 p.m. before Item 9.M. She returned to the Board meeting at 7:51 p.m. after the conclusion of discussion of Item 9.M.

District staff present: Bert Michalczyk, General Manager; Dan McIntyre, Engineering Services Manager; John Archer, Administrative Services Manager/Treasurer; Dan Gallagher, Operations Manager; Carl P.A. Nelson, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

President Duarte reported that a Special Meeting of the Dublin San Ramon Services District Board of Directors was held at 5:00 p.m. today September 1, 2015; Directors Halket, Vonheeder-Leopold, V.P Howard and President Duarte attended this Special Dublin San Ramon Services District Board of Directors Meeting. He stated that Pursuant to Government Code section 54952.3, no Director will receive any compensation or

stipend for participating in more than one meeting on this date, and as further specified in DSRSD policy P100-14-2, Day of Service.

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

Speaker: Mr. Rishi Kumar, Smart Utility Systems (SUS) – Mr. Kumar addressed the Board and introduced SUS and its platform Water iQ, which is a water saving software solution to assist water utilities and consumers.

Speaker: Ms. Dawn Benson, Dublin resident – Ms. Benson addressed the Board and apologized for her abrupt resignation from the Board of Directors. She commented that she had an extraordinary experience serving on the Board and complimented the ability and talent of the Board and District staff.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager Michalczyk reported on the following:
  - o Congratulations are in order for Director Vonheeder-Leopold who was elected to the California Association of Sanitation Agencies' Board of Directors at last week's conference held in San Diego.
  - o An Alameda County Special District Association meeting will be held on September 9, 2015 at 8:00 a.m. at the Hayward Area Recreation District.
  - o The East Bay Leadership Council will be holding a Special Water Task Force Meeting on September 15, 2015 at 8:15 a.m. in Pleasanton at the Firehouse Arts Center featuring a panel discussion of the District's recent long term water supply report. Please inform the General Manager or District Secretary if interested in attending to ensure proper Brown Act noticing.
  - o Nominations for 2016-17 Association of California Water Agencies Committees are due by September 30, 2015. Please inform the General Manager or District Secretary by September 15 if interested in being nominated.
  - o The annual WWTP Neighborhood Update meeting will be held on October 22, 2015 at 5:30 p.m. Please inform the General Manager or District Secretary if interested in attending to ensure proper Brown Act noticing.
  - o The ACWA Region 5 Fall Summit will be held in Buellton, CA October 25-26, 2015.
- Correspondence to and from the Board on an Item not on the Agenda

<b>Date</b>	<b>Format</b>	<b>From</b>	<b>To</b>	<b>Subject</b>	<b>Response</b>
8/19/15	Email	Dawn Benson	BOD	Resignation from the DSRSD BOD	

8/28/15	Voicemail	Gary Purnell	BOD (Item 9.I)	Suggestion to name a Pleasanton resident to fill the Board vacancy	
8/31/15	Email	Rishi Kumar/Smart Utility Systems	BOD	How citizens of DSRSD can save water and \$ resources	Administrative Services Manager Archer will meet with Mr. Kumar
9/1/15	Email	Kurt Arends	Dan McIntyre (Item 9.D & E)	DSRSD Long term alternative water supply study Zone 7 comments	
9/1/15	Email	Roz Rogoff	Sue Stephenson (Item 9.I)	Vacant BOD position	

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

C. Committee Reports

Tri-Valley Water Policy Roundtable  
Financial Affairs Committee

July 22, 2015  
August 4, 2015

Directors felt the available staff reports adequately covered the matters considered at committee meetings.

7. APPROVAL OF MINUTES – Regular Meeting of *August 4, 2015*

Director Vonheeder-Leopold MOVED for the approval of the August 4, 2015 minutes.  
V.P. Howard SECONDED the MOTION, which CARRIED with FOUR AYES

8. CONSENT CALENDAR

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

A. Approve Agreement with City of Dublin for Conversion to Irrigation with Recycled Water – Approved – Resolution No. 79-15

B. Approve Technical Services Agreements with JMB Construction, Inc., and C. Overaa and Co. for On-Call Construction and Repair - Mechanical Services for Fiscal Years Ending 2016 through 2018 – Approved – Resolution Nos. 68-15 and 69-15

- C. Approve Technical Services Agreements with JMB Construction, Inc., Mountain Cascade, Inc., and McGuire and Hester for On-Call Water and Sewer Repairs for Fiscal Years Ending 2016 through 2018 – Approved – Resolution Nos. 70-15, 71-15 and 72-15
- D. Approve Travel to the Lucity CMMS User's Conference in Kansas City, Missouri, for the Field Operations Supervisor and Water/Wastewater Systems Lead Operator – Approved
- E. Accept the Following Regular and Recurring Reports: Warrant List and Upcoming Board Business – Approved
- F. Adopt Revised Proposition 218 Receipt, Tabulation and Validation of Written Protests Policy and Rescind Resolution No. 28-12 – Approved – Resolution No. 73-15

9. BOARD BUSINESS

- A. Discuss Drought Management Program

General Manager Michalczyk reported that this is a standing agenda item intended for discussion by the Board, staff and the public on the District's Drought Management Program. The District continues to do very well to meet the Governor's conservation targets. The declaration of the State of Emergency extends to February 29, 2016, and it is staff's assessment that no changes are needed at this time.

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

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

- B. Accept Water Supply and Demand and Drought Response Action Plan Status Reports and Find that the Need for the Community Drought Emergency Still Exists

General Manager Michalczyk reported that this is a standing agenda item. The current report is essentially status quo as there was little precipitation in August, and what did fall did not have a significant bearing on the drought.

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

V. P. Howard MOVED to accept the Water Supply and Demand Report and the Drought Response Action Plan Status Report and find that the need for the Community Drought Emergency Still Exists. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES.

C. Discuss Potential District Programs: Instant Hot Water Systems and Recycled Water Trucking and Delivery

Engineering Services Manager McIntyre introduced the item and explained that the two potential program items were previously referred by the Board to staff for further review. The items will be presented in two parts by Engineering Department staff members.

Principal Engineer Rhodora Biagtan presented staff findings regarding hot water systems. She reported two types of these systems are available: tankless water heaters and hot water recirculating systems. Three agencies conducted pilot programs using these technologies and determined that results were not significant enough to continue the programs. Based on the small volume of water savings achieved using this technology and the relative high costs compared to other rebate programs, staff does not recommend this program be implemented at this time.

Clean Water Programs Specialist Stefanie Olson presented staff findings regarding proposed recycled water trucking and delivery as presented by a vendor at the July 21 Board meeting. She reported the District currently has a trucking program which allows haulers to apply recycled water directly to residential landscapes, but the District's permit from the Regional Water Quality Control Board does not allow for storage of recycled water, nor does it allow the District to pass on its associated responsibilities to a third party vendor. She also explained the potential threats to the potable water supply from storage of recycled water on residential property which necessitate the requirement for backflow devices on the potable water connections. Due to the concerns and restrictions discussed, staff recommends the District maintain its current trucking program as is.

Mr. Farzad Borozgad, President of Recycled Water Services, addressed the Board and explained in further detail his company's services, and possible mitigation of District or regulatory concerns.

The Board further discussed the potential program information as presented. The Board concluded that instant hot water heaters were not cost efficient and directed staff not to pursue this item any further.

The Board also determined that while not opposed to the concept of recycled water hauling and delivery, the District cannot engage such services and remain in compliance with the District's recycled water permit, and so advised staff that no further engagement of this concept is necessary.

D. Discuss Long Term Alternative Water Supply Study

Engineering Services Manager McIntyre introduced the item and Mr. Randy Raines, Consultant from RMC, the firm that conducted the study. He also

reported that per previous Board direction, the draft study has been circulated for comments by Tri-Valley agencies and posted on the District's website for public comment. He reported that, so far, one comment has been received from Zone 7 Water Agency. All comments received will be presented to the Board at the October 6 Board meeting, when the Board will consider approval of the study.

Mr. Raines made a presentation to summarize the study which was included in the agenda packet.

A copy of an email on the subject from Kurt Arend, Zone 7, was made available to the Board.

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

The Board further discussed the comments and approval process of the study, as well as possible desalination options as part of the District's future water supply portfolio, and partnerships with Tri-Valley agencies as a result of opportunities presented in the study.

E. Review Draft Water Supply, Storage, Conveyance, Quality and Conservation Policy

Engineering Services Manager McIntyre reviewed the proposed draft policy and explained that, if adopted, the proposed policy would supersede the District's existing Water Supply policy. The proposed policy is based in part on information from the Long Term Alternative Water Supply Study, and is consistent with the District's Strategic Plan. The draft policy has been made available for comment by Tri-Valley agencies and the public in order to engage key stakeholders on the fundamental rethinking of how water is supplied. The Board will consider approval of the final policy at the October 6 Board meeting. If approved, the policy would serve as the guiding document for the upcoming Urban Water Management Plan. Mr. McIntyre also confirmed that the draft policy is more aggressive than what the water study presented by RMC suggests in some areas.

General Manager Michalczyk also noted that as the policy title implies, this focuses on the ultimate water supply, not which agency or institutional arrangement is delivering it.

A copy of an email on the subject from Kurt Arend, Zone 7 was made available to the Board.

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

The Board agreed the draft policy was an excellent product and captured the Board's intentions and that they were anxiously waiting to hear what public input there may be.

F. Confirm District Participation in Public Opinion Survey on Water Supply

Engineering Services Manager McIntyre reported that this item is a product of discussions regarding outreach at the last Tri-Valley Water Policy Roundtable meeting held on July 22. He explained that a Bay Area wide survey had been conducted earlier this summer, but it did not specifically identify feedback from the Tri-Valley community. This survey would be conducted under the Intergovernmental Reciprocal Services Agreement established with Tri-Valley agencies. The anticipated cost of the proposed survey is less than \$10,000.

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

V.P. Howard MOVED to confirm District participation in Public Opinion Survey on Water Supply. Director Halket SECONDED the MOTION, which CARRIED with FOUR AYES.

G. Approve Kaiser Permanente Dublin Medical Center Water Supply Assessment

Engineering Services Manager McIntyre introduced the item and Ms. Elizabeth Drayer, Project Engineer from West Yost Associates, the firm that conducted the assessment.

Ms. Drayer addressed the Board and presented a brief overview of the water supply assessment which was included in the agenda packet. West Yost concluded that there is sufficient water supplies for the project's potable water demand due to land use changes, including reduction of approved residential unit development, and conversion to drought tolerant recycled water in the area. Use of recycled water inside the facility was also considered as a future water supply opportunity if able to meet necessary standards within a medical facility.

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

Director Vonheeder-Leopold MOVED to adopt Resolution No. 74-15, approving the Water Supply Assessment for the Kaiser Dublin Development Plan. V.P. Howard SECONDED the MOTION, which CARRIED with FOUR AYES.

H. Update on Biosolids to Energy, Approve Reimbursement Agreement with Synagro-WWT, Inc., and Authorize Out of State Travel for District Staff

Engineering Services Manager McIntyre introduced Senior Civil Engineer-Supervisory Steve Delight to present the item to the Board.

Mr. Delight addressed the Board and gave an update on activities of the Bay Area Biosolids to Energy Coalition, explaining that efforts have progressed and a prototype project facility has been established in Valencia, Spain. He explained Synagro's interest in establishing a second pilot project site at the District's Dedicated Land Disposal facility. The District is an ideal candidate since the District does not dewater its sludge, the location provides easy freeway access for haulers and is in close proximity to several other agencies. The proposed reimbursement agreement will cover preliminary design and CEQA costs during vetting of possible facility development. Staff has an opportunity to travel with Synagro to the facility in Spain to observe the operation firsthand for a better understanding of possible implementation at the District.

The Board agreed this was an innovative opportunity for the District regarding biosolids management and supported the recommendation.

No members of the public addressed the Board on this topic

Director Vonheeder-Leopold MOVED to adopt Resolution No. 75-15, approving a reimbursement agreement with Synagro-WWT, Inc., for the Biosolids to Energy Conversion Facility. Director Halket SECONDED the MOTION, which CARRIED with FOUR AYES.

I. Decide whether to Fill Board Vacancy by Making an Appointment or by Calling an Election

General Manager Michalczyk introduced the item and explained the Board needs to determine which action to take, noting that if the Board decides to fill the vacancy by election, as determined by District General Counsel, that election would be held in June 2016. If the Board decides to fill the vacancy by appointment, the next agenda item would be held to consider a proposed process. He stated that if the Board decides to take no action on tonight's item, then the Alameda County Board of Supervisors may make an appointment. If the county does not so dictate, than an election must take place.

The Board discussed and weighed the two available options to fill the Board vacancy, noting voter opportunity, budgetary impacts, and procedures when operating with one less Boardmember for a period of time.

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

V.P. Howard MOVED to adopt Resolution No. 76-15, calling an election to fill the vacancy created by the resignation of Director Dawn L. Benson. Director Halket SECONDED the MOTION, which CARRIED with FOUR AYES.

J. NOT HELD - If Needed, Approve a Process and Schedule for the Appointment to Fill the Board Position Formerly Held by Dawn L. Benson



- K. Approve a Proclamation Honoring Dawn L. Benson

General Manager Michalczyk stated he was honored to recommend the Board adopt the proclamation recognizing Dawn Benson for her years of service on the District's Board of Directors.

No members of the public addressed the Board on this topic

Director Vonheeder-Leopold MOVED to approve a Proclamation honoring Dawn L. Benson. Director Halket SECONDED the MOTION, which CARRIED with FOUR AYES.

- L. Approve Health Insurance Contribution for Calendar Year 2016 for Stationary Engineers Local 39, Professional, Mid-Management, Confidential and Senior Management Employees and Rescind Resolution No. 65-15

Administrative Services Manager Archer explained that this item and the next agenda item, Item 9.M, have come back before the Board in order to include required CalPERS language in the District's resolutions that staff was not aware of when the items were presented at the September 1 Board meeting.

No members of the public addressed the Board on this topic

Director Halket MOVED to adopt Resolution No. 77-15, fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act for Stationary Engineers Local 39, Professional, Mid-Management, Confidential, and Senior Management Employees, and Rescinding Resolution No. 65-15. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES.

- M. Approve Health Insurance Contribution for Calendar Year 2016 for Board of Directors and Rescind Resolution No. 66-15

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

V.P. Howard MOVED to adopt Resolution No. 78-15, fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act for Board of Directors and Rescinding Resolution No. 66-15. Director Halket SECONDED the MOTION, which CARRIED with THREE AYES, and ONE ABSENT (Vonheeder-Leopold).

10. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor Genzale for her attendance at the Executive Committee meeting for the Alameda County

Chapter of the Special District Association on August 11, the Bay Area Biosolids to Energy Coalition meeting held on August 20, and the CASA conference held last week in San Diego. Director Vonheeder-Leopold summarized the activities and discussions at the meetings.

11. ADJOURNMENT

President Duarte adjourned the meeting at 7:55 p.m.

Submitted by,

Nicole Genzale  
Executive Services Supervisor