

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

**September 15, 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

3. ROLL CALL

Boardmembers present at start of meeting:

President Edward R. Duarte, Director Richard M. Halket, and Director Georgean M. Vonheeder-Leopold.

Vice President D.L. (Pat) Howard was absent.

District staff present: Bert Michalczyk, General Manager; Rhodora Biagtan, Principal Engineer-Supervisory; John Archer, Administrative Services Manager/Treasurer; Dan Lopez, Senior Mechanical Engineer – Supervisory; Carl P.A. Nelson, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

District Supervisors Dan Lopez and Michelle Gallardo introduced newly-hired employees in their divisions:

- John Bagakis, Fleet Mechanic, hired March 2015 to fill an existing vacancy.
- Jackie Simmerson, Human Resources Technician, hired September 2015 to fill an existing vacancy.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:02 p.m.

There was no public comment received.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager Michalczyk reported on the following:
  - o The annual Neighborhood Update for residents living near the Wastewater Treatment Plant will be held at the WWTP 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 Nominations for 2016-17 Association of California Water Agencies Committees (ACWA) are due by September 30, 2015. Please inform the General Manager or District Secretary within the next few days if interested in being nominated.
- 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>
8/5/15	Letter	Congressman Eric Swalwell	Bert Michalczyk	Participation in Water Roundtable Discussion	N/A
8/11/15	Letter	Warren K. Vest	Bert Michalczyk	Support of residential recycled water stations and recognition of station attendants	N/A
9/2/15	Email	Sinfronio Balderama	DSRSD Board	Appeal – fill new spa with water	Board discussed under Agenda Item 9.C
9/4/15	Email	William Lym	DSRSD	Expanding Recycled Water Use	N/A

- B. Agenda Management (consider order of items) – General Manager Michalczyk reported that Closed Session Item 9.B will not be held tonight and will be agendaized for the October 20 meeting.
- C. Committee Reports  
None
7. APPROVAL OF MINUTES – Special Meeting of *September 1, 2015* and Regular Meeting of *September 1, 2015*
- Director Halket MOVED for the approval of the September 1, 2015 Special Meeting minutes and the September 1, 2015 Regular Meeting minutes. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE ABSENT (Howard).
8. CONSENT CALENDAR
- Director Halket MOVED for approval of the items on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE ABSENT (Howard).
- A. Resolution Establishing a No Net Demand Rate for Alameda County under Terms of the Areawide Facility Agreement between Dublin San Ramon Services District, County of Alameda and Alameda County Surplus Property Authority – Approved – Resolution No. 80-15

- B. Accept the Following Regular and Recurring Reports: Warrant List, Upcoming Board Business, Low Income Assistance Program – Approved

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 Governor's declaration of the State of Emergency is still in effect and extends to February 29, 2016. It is staff's assessment that no changes are immediately needed at this time, but he noted that per previous Board direction, staff anticipates bringing forth to the October 6 Board meeting, a review of programmatic items including the water supply shortage rates and appeals to water use limitations.

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 Board discussed aspects of the reports including the progress of the Recycled Water Expansion Phase 1: Distribution to West Dublin and Alameda County Facilities project. The Board also commended the community for maintaining a 40% water conservation level, which exceeds the mandatory target of 12%.

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

Director Halket 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 THREE AYES, ONE ABSENT (Howard).

- C. Consider Appeal by Sinfionio & Abigail Balderama of Staff Denial of an Exemption to Water Use Limitations

Associate Civil Engineer Jackie Yee addressed the Board and explained that the customer's request for exemption was denied in accordance with District Ordinance No. 336.

Mr. and Mrs. Balderama addressed the Board with assistance from sign language interpreter, Mr. Kevin Mogg from Bay Area Communications Access (BACA), and explained they were not aware of the restrictions for filling a spa when they purchased one. Due to their low water use, conservation efforts and medical considerations, they have requested an exemption to this restriction.

The Board expressed its support for granting the requested exemption, but also commended District staff for their diligent work administering and enforcing the District's water use restriction ordinance.

Director Halket MOVED to uphold the Appeal by Sinfronio & Abigail Balderama of Staff Denial of an Exemption to Water Use. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE ABSENT (Howard).

In recognition of the community far exceeding water conservation requirements, the Board requested that a review of the ordinance restrictions pertaining to filling of spas be included in staff's upcoming review of the Drought Management Program.

D. Discuss Report on Zone 7 Rate Development

Administrative Services Manager Archer provided to the Board a report of Zone 7's current process and progress of developing new water rates, and reviewed the pertinent topics being discussed. Zone 7 has received feedback from the retailers, including the District, and is soliciting additional feedback from the public as efforts advance.

The Board discussed the matter including the need for a drought surcharge, but one that is temporary in nature. They also discussed a desire for a rate structure that is implementable in light of the District's pass through of the cost of water purchased from Zone 7, and a close review of the capital improvement program. Multi-year rate setting and the establishment of clear reserve targets is desirable. The positive aspects of community engagement and consultant input during this process were emphasized. Staff will continue to work with Zone 7 and brief the Board as further development warrants.

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

The Board thanked staff for the report and expressed interest in receiving additional information as the rate proposal becomes clearer.

E. Decide to Fill Board Vacancy Either by Making an Appointment or Calling an Election and Rescind Resolution No. 76-15

General Manager Michalczyk explained this item was presented at the September 1 regular Board meeting but has been agendized again tonight due to discovery of additional information, received from Alameda and Contra Costa counties, pertaining to the timing, methods and cost of holding an election to fill the vacancy. He advised that, in light of such information, the Board needs to revisit the options presented and decide which action to take. The most critical new information is that any election would have to be held in April 2016, rather than June 2016, as was previously thought to be correct. In any April election the District cost would be substantially higher because its election would very likely be the only matter on the ballot.

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

Director Halket MOVED to adopt Resolution No. 81-15, Appointing an Individual to fill the Vacancy created by the Resignation of Director Dawn L. Benson and Rescind Resolution No. 76-15. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE ABSENT (Howard).

- F. If Needed, Approve a Process, Schedule and Application Form to be Used for the Appointment to Fill the Board Position Formerly Held by Dawn L. Benson

General Manager Michalczyk provided the Board with an overview of the proposed process, schedule and application for consideration.

The Board discussed components of the proposed materials and reviewed and confirmed various details.

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

Director Halket MOVED to Approve the recommended Process, Schedule and Application Form to be used for the Appointment to Fill the Board Position Formerly Held by Dawn L. Benson. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE ABSENT (Howard).

10. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor Genzale for her attendance at the California Association of Local Agency Formation Commissions (CALAFCO) conference in Sacramento last week, and the East Bay Leadership Council Special Water Task Force Meeting on September 15. Director Vonheeder-Leopold summarized the activities and discussions at the meetings.

President Duarte reported that he also attended the East Bay Leadership Council Special Water Task Force Meeting and summarized the activities and discussions at the meeting.

11. CLOSED SESSION

At 6:54 p.m. the Board went into Closed Session.

- A. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957  
Title: General Manager
- B. NOT HELD - Public Employee Performance Evaluation – Pursuant to Government Code Section 54957  
Title: District General Counsel

12. REPORT FROM CLOSED SESSION

At 7:32 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 7:33 p.m.

Submitted by,

Nicole Genzale  
Executive Services Supervisor