

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

December 20, 2016

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6:04 p.m. by President D.L. (Pat) Howard.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

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

District staff present: Dan McIntyre, General Manager; Carol Atwood, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager/District Engineer; Jeff Carson, Operations Manager; Carl P.A. Nelson, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

A. Board of Directors Swearing In – Oaths of Office

General Manager McIntyre announced the swearing in of the four appointed Boardmembers. District Secretary Genzale administered the Oath of Office to Boardmembers D.L. (Pat) Howard, Richard M. Halket, Madelyne (Maddi) A. Misheloff and Edward R. Duarte.

General Manager McIntyre announced that Principal Engineer Rhodora Biagtan has been elected President of the Northern California chapter of the WaterReuse Association. He also shared that the City of Pleasanton Council will be considering an item directing staff this evening to issue the Notice to Proceed for the city's participation in the DERWA Recycled Water Treatment Plant Phase 2 expansion project.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:12 p.m. No public comment was received.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager McIntyre reported on the following:
 - o Staff will contact Committee representatives soon to schedule a Finance and Personnel Committee meeting.
 - o The proposed Zone 7 pass through fixed charge will be presented to the Board at the January 3 Board meeting.
 - o A groundbreaking ceremony for the DERWA Recycled Water Treatment Plant Phase 2 expansion project will be held on January 25 at 10 a.m. at the Regional Wastewater

Treatment Plant. Elected officials from surrounding agencies have been invited and many agency staff are expected to attend.

- Correspondence to and from the Board on an Item not on the Agenda - None
- B. Joint Powers Authority and Committee Reports - None
- C. Agenda Management (consider order of items) – General Manager McIntyre stated that Closed Session Item 11.A will not be needed if Item 8.F is approved on the Consent Calendar.

7. APPROVAL OF MINUTES – Regular Meeting of December 6, 2016

Vice President Halket MOVED for the approval of the December 6, 2016 minutes. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

8. CONSENT CALENDAR

Director Vonheeder-Leopold MOVED for approval of the items on the Consent Calendar. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- A. Authorize Execution of Amendment No. 1 to the Agreement for Personal Services between Daniel B. McIntyre and the Dublin San Ramon Services District – Approved – Resolution No. 78-16
- 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. 56-16 – Approved – Resolution No. 79-16
- C. Authorize Amendment No. 1 to Task Order No. OC-22 with Carollo Engineers, Inc. for Engineering Design Services for the Facilities Relocation for Dublin Blvd. Widening – Sierra Court to Dublin Court (CIP 16-A002) – Approved
- D. Approve Director Attendance and Reimbursements for 2017 Meetings, Conferences and Travel Expenses – Approved
- E. Notification of 2017 Ethics and Sexual Harassment Prevention Training Opportunities for Boardmembers in Compliance with AB 1234 (Government Code Section 53235(f)) and AB 1661 (Government Code Section 53237.1(g)) – Approved
- F. Notice of Rejection of Claim – Ms. Megan Ororke – Approved
- G. Accept the Following Regular and Recurring Reports: Water Supply and Conservation, District Financial Statements, Warrant List, Upcoming Board Business, and Annual Rate Stabilization Fund – Approved

9. BOARD BUSINESS

- A. Second Reading: Adopt Ordinance of Dublin San Ramon Services District Revising Sections 3.10.010, 3.20.050, 3.20.070, 3.30.010, 3.40.040, 3.60.010, 3.60.050, and 3.70.010 of its District Ordinance Code to Define Accessory Dwelling Units and Provide for Capacity Allocation and Capacity Reserve Fees Assessment for Accessory Dwelling Units

President Howard read the title of the Ordinance: Ordinance of Dublin San Ramon Services District Modifying Sections 3.10.010, 3.20.050, 3.20.070, 3.30.010, 3.40.040, 3.60.010, 3.60.050, and 3.70.010 of its District Ordinance Code to Define an Accessory Dwelling Unit and to Revise Capacity Rights and Capacity Reserve Fees as they Pertain to Accessory Dwelling Units.

President Howard solicited a Motion to Waive Reading of Ordinance.

Vice President Halket MOVED to Waive Reading of Ordinance. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

Engineering Services Manager Zavadil provided a summary of the item for the Board, explaining that the proposed ordinance will revise the District Code to conform to Senate Bill (SB) 1069 which will go into effect January 1, 2017.

There was no public comment received.

Vice President Halket MOVED to Adopt Ordinance No. 340, Modifying Sections 3.10.010, 3.20.050, 3.20.070, 3.30.010, 3.40.040, 3.60.010, 3.60.050, and 3.70.010 of its District Ordinance Code to Define an Accessory Dwelling Unit and to Revise Capacity Rights and Capacity Reserve Fees as they Pertain to Accessory Dwelling Units. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- B. Receive Residential Recycled Water Fill Station Status Report

General Manager McIntyre reviewed the item for the Board. He explained the three options identified by staff regarding viability of providing and operating a recycled water fill station in 2017, which considered several factors such as location, permitting, staffing and cost. He reported that upon examination of these factors, staff recommends the selection of Option #1. The Board must make a determination regarding two policy issues – which option to choose and, based on that decision, who would potentially bear the burden of the associated costs.

The Board and staff discussed the options presented. The Board discussed the value of continuing to provide the recycled water fill station services in light of the related costs to the District and ratepayers, as well as considerations regarding location, logistics and level of need. The District has been an industry leader and innovator in providing this service so this decision is not to be taken lightly. The Board agreed that the provision of a recycled water fill station served its purpose well during the drought emergency and, going forward, should be activated when mandatory water savings are imposed; if no

such mandate is imposed there is no need to continue the service at this time. While the Board recognized that the drought is not over, the Board, by consensus, directed staff to execute Option #1 with the caveat that this item shall be brought back for Board consideration if mandatory conservation is reinstated.

C. Selection of President and Vice President of the Board of Directors for 2017

President Howard opened the floor for nominations for the 2017 Board of Directors President and Vice President.

No members of the public addressed the Board on this topic. There were no nominations other than those discussed below.

Director Vonheeder-Leopold MOVED to NOMINATE Vice President Halket as the 2017 Board President. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

Director Vonheeder-Leopold MOVED to close nominations and elect Vice President Halket as President by ACCLAMATION. President Howard SECONDED the MOTION, which carried with FIVE AYES.

President Halket MOVED to NOMINATE and ELECT Director Vonheeder-Leopold as the 2017 Board Vice President. Director Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

President Halket presented outgoing President Howard an engraved plaque of appreciation for his faithful and dedicated service as the District's Board President during 2016.

Director Howard thanked the Board amidst a round of applause and stated it has been a pleasurable and an interesting year. He passed the gavel to President Halket who then presided over the remainder of the meeting.

D. Receive Update on Process for Determining Board Committees for Calendar Year 2017

General Manager McIntyre reviewed the item for the Board.

President Halket stated that his inclination was to maintain the current Committee structure and assignments as he believes they have been working well, however, he will entertain any preferences expressed by Boardmembers for alternative Committee assignments. He will prepare a proposal of assignments to be considered at the January 3, 2017 Board meeting.

10. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor Genzale. She reported that she attended the California Association of Sanitation Agencies Board of Directors teleconference meeting on December 12, and the Alameda County Special Districts

Association Executive Board meeting on December 14 held at the Castro Valley Sanitary District. She summarized the activities and discussions at the meetings.

She also inquired with the Board and staff if the January 17 Board meeting could be rescheduled to another night, such as January 16, as she and Director Misheloff will be traveling to the CASA winter conference in Palm Springs on January 17. The Board was agreeable to rescheduling the meeting and staff will coordinate the meeting scheduling as needed.

President Halket wished the Board and staff happy holidays. He then announced he would excuse himself from the meeting prior to the commencement of Closed Session 11.B.

11. CLOSED SESSION

At 6:50 p.m. the Board went into Closed Session.

- A. NOT HELD - Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: One case. Receipt of claim from Ms. Megan Ororke pursuant to the Government Claims Act (Government Code §§810-996.6).
- B. Conference with Legal Counsel – Existing Litigation Pursuant to subdivision (d)(1) of Section 54956.9: (Hendrix; Cameron; Schroen; Under Seal v. Under Seal).

12. REPORT FROM CLOSED SESSION

At 7:17 p.m. the Board came out of Closed Session. Vice President Vonheeder-Leopold announced that there was no reportable action.

13. ADJOURNMENT

Vice President Vonheeder-Leopold adjourned the meeting at 7:18 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor