

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

March 20, 2018

1. CALL TO ORDER

A Special meeting of the Board of Directors was called to order at 6:30 p.m. by President Vonheeder-Leopold.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

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

Director Richard M. Halket was absent.

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

New Employee Introduction:

Dan Martin, Water/Wastewater Operations and Maintenance Supervisor
Megan Bucci, Administrative Assistant II
Mara Narciso, Administrative Assistant II

General Manager McIntyre reported that Zone 7 Water Agency will appoint its new General Manager, Valerie Pryor, tomorrow evening.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:36 p.m. No public comment was received.

6. REPORTS

6.A. Reports by General Manager and Staff

- Event Calendar – General Manager McIntyre reported on the following:
 - o Alameda County Special District’s Association will hold its annual dinner Thursday, March 22 in Castro Valley.
 - o A retirement luncheon for Jill Duerig, Zone 7 Water Agency General Manager, will be held Friday, March 23 at the Shannon Community Center in Dublin.
 - o The Dublin Mayor’s State of the City Address will be held Wednesday, April 18 at the Shannon Community Center.
 - o The WaterReuse conference will be held March 26 - 28 in Monterey. Interested Boardmembers should contact Rhodora Biagtan to register.

- o The spring ACWA conference will be held May 8 - 10 in Sacramento. Interested Boardmembers should contact Mr. McIntyre regarding registration.
 - o DSRSD's 65th Birthday is Tuesday, April 17. A celebratory reception will be held at 5 p.m. prior to the Regular Board meeting.
- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
3/12/18	Email	Tegan McLane, City of Dublin	Madelyne Misheloff	Invitation to Fallon Sports Park Phase II Grand Opening	N/A
3/14/18	Email	Sandra Cole, P3 Water Summit	DSRSD Board	Invitation to 2018 P3 Water Summit	N/A

6.B. Joint Powers Authority and Committee Reports – None

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

7. APPROVAL OF MINUTES

7.A. Regular Meeting Minutes of March 6, 2018

Vice President Misheloff MOVED for the approval of the March 6, 2018 minutes.
Director Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

8. CONSENT CALENDAR

Director Howard MOVED for approval of the items on the Consent Calendar. Vice President Misheloff SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

8.A. Advance the Foul Air Line Rehabilitation Project (CIP 15-P018) to Fiscal Year Ending 2018 – Approved – Resolution No. 17-18

8.B. Accept the Following Regular and Recurring Reports: Warrant List – Approved

9. BOARD BUSINESS

9.A. First Reading: Introduction of Ordinance Revising District Code Section 5.20.120 Regarding Discharge from Self-Regulating Water Softeners

President Vonheeder-Leopold read the title of the Ordinance: An Ordinance of Dublin San Ramon Services District Amending Section 5.20.120 of the District Code to Revoke the Prohibition on Waste Discharged from Nonresidential Water Softeners

Laboratory Supervisor Diane Griffin reviewed the item for the Board.

The Board and staff discussed the District's long-standing prohibition against nonresidential water softeners, the health and safety code standards that legislate

residential water softeners, and the efficiency of new water softeners that discharge less salt content. Water softeners technology is expected to evolve and is unlikely to be a concern regarding anticipated advanced treatment regulations.

President Vonheeder-Leopold solicited a Motion to Waive Reading of the Ordinance.

Director Howard MOVED to Waive Reading of Ordinance. Director Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

There was no public comment received. The Board had no additional comments.

Director Howard MOVED to Schedule Adoption of Ordinance for April 3. Director Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

9.B. Authorize Task Order No. 7 with City of Dublin under the Tri-Valley Intergovernmental Reciprocal Services Agreement

General Manager McIntyre reviewed the item for the Board.

The Board and staff discussed utilizing the services agreement to outsource landscape maintenance work for District locations to City of Dublin. The proposal would provide the District with increased services, such as irrigation repairs, and alleviate District staff of contract administration duties. The task order approves one-year of service and can be revisited for renewal at its conclusion. The Board was pleased this collaborative agreement was proving successful.

Director Howard MOVED to Authorize Task Order No. 7 with City of Dublin under the Tri-Valley Intergovernmental Reciprocal Services Agreement. Director Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

9.C. Adopt Revised Purchasing Policy and Rescind Resolution No. 13-17

Financial Services Supervisor Karen Vaden reviewed the item for the Board.

The Board and staff briefly discussed the approved vendor lists that will be established in accordance with the newly adopted California Uniform Public Construction Cost Accounting Act. Current lists for on-call water/sewer repairs and on-call mechanical work at the treatment plant will be updated as well.

Vice President Misheloff MOVED to adopt Resolution No. 18-18, Revising the Purchasing Policy and Rescinding Resolution No. 13-17. Director Howard SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

9.D. Adopt Revised Budget Accountability Policy and Rescind Resolution No. 16-17

Administrative Services Manager Atwood reviewed the item for the Board.

Vice President Misheloff MOVED to adopt Resolution No. 19-18, Revising the Budget Accountability Policy and Rescinding Resolution No. 16-17. Director Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

- 9.E. Receive Report on Early Payoff of the East Bay Discharge Authority (EBDA) Debt by Livermore-Amador Valley Water Management Agency (LAVWMA)

Administrative Services Manager Atwood reviewed the item for the Board.

The Board conveyed its support for LAVWMA paying off its EBDA debt early.

- 9.F. Oppose Senate Bill 623 and Budget Trailer Bill Proposing the “Drinking Water Tax” and Approve a \$10,000 Contribution for the Association of California Water Agencies’ Educational Efforts Regarding Possible Negative Consequences of the Tax

Community Affairs Supervisor Sue Stephenson reviewed the item for the Board.

The Board and staff discussed aspects of the item pertaining to the negative impacts a water tax would produce, the existing funding sources that California could utilize instead, and ACWA’s goal to raise \$250,000 for educational efforts and outreach to challenge the proposed water tax. The Board conveyed its opposition to a water tax and agreed the services ACWA provides its member agencies are valuable.

Director Duarte MOVED to adopt Resolution No. 20-18, Opposing a Tax on Drinking Water, and to Approve a \$10,000 Contribution for the Association of California Water Agencies’ Educational Efforts Regarding Possible Negative Consequences of the Tax. Vice President Misheloff SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

- 9.G. Receive Presentation on Supervisory Control and Data Acquisition System

Engineering Services Manager Zavadil reported that the Supervisory Control and Data Acquisition System project has been completed and introduced District staff members to give a presentation. Rudy Portugal (Associate Civil Engineer/Project Manager), Aomar Bahloul (Information Technology Analyst II), Robert Brooks (Operations Control System Specialist), and Danny Leonardo (Water/Wastewater Systems Lead Operator) reviewed the project’s inception in 2015, its steady and within-budget progress, its uses and advantages, and its recent successful completion. They provided an overview of system network performance, redundancy and availability, enhanced security, remote access capabilities, data center virtualization, and monitoring. Staff reviewed the system dashboard and several screens utilized by District operators to observe the status of District facilities and systems, enabling the ability to respond more quickly and efficiently when needed. Staff reported they are pleased to have this enhanced tool to better perform the work of the District.

The Board and staff discussed some additional technical aspects and advantages of the system, the positive impacts on the District’s asset management program, and acknowledged that DSRSD continues to be a leader in technological innovation. The Board expressed delight that the project has been completed with such success and that

staff are happy with the outcome. The Board congratulated staff and thanked them for the presentation.

9.H. Support DERWA Operations and Maintenance Budget Submittal for Fiscal Year Ending 2019

Operations Manager Carson reviewed the item for the Board noting that DERWA's services are in high demand. He highlighted the proposed budget increases in the areas of labor, technical training, chemicals, mechanical and electrical work, and necessary support needed to sustain operations.

Director Howard MOVED to Support DERWA Operations and Maintenance Budget Submittal for Fiscal Year Ending 2019. Vice President Misheloff SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Halket).

9.I. Discuss Recycled Water Policy and Provide Direction

Engineering Services Manager Zavadil reviewed the item for the Board and gave a presentation that addressed the following areas for the Board to consider and discuss before the District updates its recycled water policy:

- Recycled Water Demand Versus Supply, Peak Days
- DERWA Agreement
- Supplemental Supplies
- Potable Addition Concept
- Potable Addition 2017 Demand Pattern
- Potable Addition Issues

At the conclusion of her presentation, Ms. Zavadil asked the Board to consider how the District might move forward, in the next five years and beyond, given recycled water supply uncertainties. The Board and staff held a discussion that included the following questions, comments, and themes:

- The Board and staff agreed the District's recycled water program has been extremely successful, yet is presenting other challenges due to increasing demand.
- Based on current levels of new development in Dublin, how would the District limit recycled water connections? The District can advise developers to connect to the potable water system instead due to lack of recycled water supply. It is a cost benefit to developers to install improvements (purple pipes) for recycled water.
- The District does not have much of a choice but to implement conservation and demand management. The District should certainly be thinking about this. A conservation program would need to be started and implemented in every year, not only during a drought.

- The District is out of options for the next 5-10 years other than conservation and demand management, as other options require time to build.
- The District achieved its goal of recycling all wastewater at the treatment plant, perhaps it is time to stop adding customers, not go any farther but to distribute what we have in summer. The District has used the treatment plant for recycling during the summer, now do that year-round? And should any of this supply be considered for a potable reuse project instead?
- Digging fringe wells are really expensive, though an option on the table.
- The District needs supply storage. Could more ways to save recycled water in the winter be considered, such as adding storage in another pond or tank? Staff looked at other options for storage at the treatment plant and the Dedicated Land Disposal areas, but they are not practical. Two lakes in the Chain of Lakes (Cope Lake and Lake I) were once considered for storage but are now being looked at for potable reuse, and is inconsistent with Zone 7's long-term use plan.
- Can recycled water conservation be implemented? Parks, schools, and fields need to cut back use as major waste has been observed by some users in the past. There needs to be a better stewardship of the available supply. Starting a conservation program is a step in the right direction.
- Is the District allowed to restrict recycled water supply? Yes, this is a classic example of a limited supply resulting in a water shortage. The District has never before had to contemplate a recycled water shortage as it was thought to be an endless supply.
- DERWA (DSRSD-EBMUD Recycled Water Authority) can lead the effort to place restrictions on recycled water customers via its partner agencies, but existing agreements would need to be rewritten to address this approach, as they were not written to grapple with the current challenges. The supply shortage will be discussed at the March 26 DERWA meeting.
- DERWA partner agencies (DSRSD, EBMUD and City of Pleasanton) have a firm grasp of their projected demand numbers based on build out and/or retrofits. Pleasanton has first right to the recycled water supply DERWA produces due to the wastewater Pleasanton provides.
- Customers believe using recycled water is a better way to conserve and that it is a never ending supply, but it really is a finite resource. California may establish a water budget for potable water, but it is unclear if agencies would be forced to conserve recycled water as well. The District may choose to go in that direction, but the state may mandate it anyway.

Ms. Zavadil stated staff will return to the Board in approximately six months to provide an update on how well the agencies did during the upcoming peak season and discuss the next season.

The Board expressed its hope that the discussion this evening proved helpful and concluded that investigating supplemental supply for both the short and long-term is imperative.

10. BOARDMEMBER ITEMS

- Submittal of Written Reports from Travel and Training Attended by Directors

President Vonheeder-Leopold submitted written reports to Executive Services Supervisor Genzale. She reported she attended an Alameda County Special Districts Association treasury meeting at Castro Valley Sanitation District March 15, and the California Association of Sanitation Agencies Board of Directors teleconference meeting March 19. She summarized the activities and discussions at the meetings.

- Request New Agenda Item(s) Be Placed on a Future Board of Committee Agenda – None

11. CLOSED SESSION

At 8:27 p.m. the Board went into Closed Session.

11.A. Conference with Legal Counsel –Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: (Two cases.)

12. REPORT FROM CLOSED SESSION

At 9:06 p.m. the Board came out of Closed Session. President Vonheeder-Leopold announced that there was no reportable action.

13. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 9:07 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary