

AGENDA

NOTICE OF REGULAR MEETING

TIME: 6 p.m.
PLACE: Shannon Community Center, Ambrose Hall
11600 Shannon Avenue, Dublin, CA 94568

DATE: Tuesday, April 2, 2019

Our mission is to provide reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and environmentally responsible manner.

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL – Members: Duarte, Halket, Johnson, Misheloff, Vonheeder-Leopold
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES
5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)
At this time those in the audience are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight’s agenda. Comments should not exceed five minutes. Speaker cards are available from the District Secretary and should be completed and returned to the Secretary prior to addressing the Board. The President of the Board will recognize each speaker, at which time the speaker should proceed to the lectern, introduce him/herself, and then proceed with his/her comment.
6. REPORTS
 - 6.A. Reports by Staff
 - Event Calendar
 - Correspondence to and from the Board
 - 6.B. Joint Powers Authority and Committee Reports
DERWA – March 25, 2019
 - 6.C. Agenda Management (consider order of items)
7. CONSENT CALENDAR
Matters listed under this item are considered routine and will be enacted by one Motion, in the form listed below. There will be no separate discussion of these items unless requested by a Member of the Board or the public prior to the time the Board votes on the Motion to adopt.
 - 7.A. Approve Special Meeting Minutes of March 19, 2019
Recommended Action: Approve by Motion
 - 7.B. Approve Budget Increase to the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019 and Award Construction Agreement to Bay Pacific Pipelines Inc. for the Foul Air Line Rehabilitation Project (CIP 15-P018)
Recommended Action: Approve by Resolutions (2)

8. BOARD BUSINESS

- 8.A. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists
Recommended Action: Approve by Motion
- 8.B. Public Hearing: Receive Input from the Community Regarding Boundaries and Composition of Divisions to Be Established for Division-Based Elections Pursuant to Elections Code Section 10010, and Provide Direction
Recommended Action: Hold Public Hearing and Provide Direction
- 8.C. Receive Update on Preliminary Water Rate Study and Provide Direction
Recommended Action: Receive Presentation and Provide Direction
- 8.D. Receive Presentation on the 2015 Long-Term Alternative Water Supply Study
Recommended Action: Receive Presentation and Discuss

9. BOARD MEMBER ITEMS

- Submittal of Written Reports for Day of Service Events Attended by Directors
- Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda

10. CLOSED SESSION

- 10.A. Conference with Legal Counsel - Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case
- 10.B. Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)
Name of Case: Dublin Unified School District

11. REPORT FROM CLOSED SESSION

12. ADJOURNMENT

All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection at the front desk of the DSRSD Field Operations Facility at 7035 Commerce Circle, Pleasanton, during business hours, or by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

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

March 19, 2019

1. CALL TO ORDER

A special meeting of the Board of Directors was called to order at 6 p.m. by President Misheloff.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Madelyne A. (Maddi) Misheloff, Vice President Edward R. Duarte, Director Ann Marie Johnson, Director Richard M. Halket, 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

New Employee Introduction:

Tony Leonardo, Construction Inspector I

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:01 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 Zone 7 Water Agency is holding a Groundbreaking Ceremony for the Patterson Pass Water Treatment Plant Upgrades and Ozonation Project on Wednesday, April 10.
 - o The DSRSD/Pleasanton Liaison Committee meeting will be hosted by City of Pleasanton Thursday, April 11.
 - o The Dublin State of the City Address will be at the Shannon Community Center Wednesday, April 17.
 - o The next Tri-Valley Water Liaison Committee meeting will be hosted by City of Pleasanton Wednesday, April 24.

- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
2/28/19	Letter	California Association of Sanitation Agencies	Board of Directors	Thank you for Education Foundation donation	N/A

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

6.C. Agenda Management (consider order of items) – General Manager McIntyre recommended the Board take Closed Session item 10.A ahead of Item 7.A. The Board agreed with the recommendation. After item 8.D, Mr. McIntyre also inquired, due to the length of this evening's meeting, whether or not the Board wished to consider items 8.E and 8.F at a future meeting. The Board agreed to consider item 8.E as agendized, but defer item 8.F to a future special meeting.

7. CONSENT CALENDAR

General Manager McIntyre reported that a revised resolution for item 7.D has been distributed to the Board due to correction of the bid date cited. Director Duarte requested that item 7.D be removed for discussion. The Board agreed to remove Item 7.D for discussion, and took Consent Calendar items 7.A, 7.B and 7.C and passed these items first.

Director Halket MOVED for approval of the items 7.A, 7.B, and 7.C on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

7.A. Regular Meeting Minutes of March 5, 2019 – Approved

7.B. Accept the Following Regular and Recurring Report: Warrant List – Approved

7.C. Approve Increase to the Construction Change Order Contingency for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) – Approved – Resolution No. 12-19

7.D. REMOVED – Reject All Construction Bids for the Foul Air Line Rehabilitation Project (CIP 15-P018) – Approved – Resolution No. 13-19

Vice President Duarte asked for additional information regarding the bid rejection. Staff explained that the material error in the bid would be cause for an immediate change order should the current bid be accepted resulting in an increased project cost, and would likely see bid protests submitted by the unsuccessful bidders. Rebidding the project would be more practical from a cost and time perspective.

Vice President Duarte MOVED for approval to Reject All Construction Bids for the Foul Air Line Rehabilitation Project (CIP 15-P018), with the corrected resolution as noted, on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

8. BOARD BUSINESS

8.A. Public Hearing: Receive Input from the Community Regarding Boundaries and Composition of Divisions to Be Established for Division-Based Elections Pursuant to Elections Code Section 10010, and Provide Direction

President Misheloff declared the Public Hearing open and asked for the staff presentation.

Executive Services Supervisor/District Secretary Nicole Genzale reviewed the item for the Board. She reported that this is the third of four required public hearings the District will hold to transition from at-large to by-division based elections, that the public has an opportunity tonight to provide input on potential divisions, and that the Board has an opportunity to provide feedback on the division maps developed per the Board's direction on February 19. She explained the Board would be expected to select a division map and determine the order of division elections at the fourth public hearing on April 2. She introduced the District's independent demographer, Mr. Michael Wagaman of Wagaman Strategies.

Demographer Wagaman gave a presentation reviewing the transition process and timeline, the public input received as of the March 19 agenda publication, and the four draft map plans (identified as Yellow, Red, Green, Purple) that were created per the Board's direction at the February 19 meeting.

President Misheloff asked for any public comments.

Speaker: Ms. Helen (Dougherty Valley resident) – Ms. Helen expressed she strongly opposes the District's transition to by-division elections and asserted that Mr. Rafferty's demand is unnecessary and making the transition will harm the District and its customers by creating division within the service area.

Speaker: Mr. Scott Rafferty (Attorney representing Bay Area Voting Rights Initiative; issued demand letter to the District) – Mr. Rafferty commended the Board on their handling of the transition process, and restated he felt the transition would be beneficial to the District.

President Misheloff declared the Public Hearing closed.

After hearing public testimony, the Board discussed the four draft map plans developed by Mr. Wagaman. Directors expressed ideas and concerns regarding services represented in the divisions, using Interstate 680 as the boundary line in Contra Costa County (mirroring East Bay Municipal Utility District's ward map handed out to the Board by Director Johnson; she also shared the San Ramon Valley Unified School District's recently approved by-trustee area map for reference), and drawing horizontal boundaries across the service area. The Board also reiterated its concerns about the necessity of the CVRA legislation, the possible negative impacts to the District and its voters, the District's remarkable outreach efforts to inform its customers of the transition process, and its priority to protect the District financially by complying with this demand rather than lose hundreds of thousands of dollars to contest it. At the conclusion of its discussion, the Board directed Mr. Wagaman to keep the four existing maps for further consideration, and to also develop and present additional alternative maps for consideration at the fourth public hearing reflecting the following:

- Include Collection service in the Yellow and Red maps' Division 1;
- Use Interstate 680 freeway as the boundary between Divisions 2 and 3 in Contra Costa County in the Red and Green maps; and
- Develop a map that creates divisions east to west.

- 8.B. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists

Engineering Services Manager Zavadil reviewed the item for the Board.

Director Johnson MOVED to Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.C. Receive Presentation and Accept Proposed DERWA (Dublin San Ramon Services District - East Bay Municipal Utility District Recycled Water Authority) Operations and Maintenance Budget for Fiscal Years Ending 2020 and 2021

Operations Manager Carson reviewed the item for the Board. He distributed a PowerPoint presentation to the Board highlighting the following areas for increases in the proposed DERWA budget: operations and maintenance needs to meet demands, distribution of labor between the partner agencies, and proposed labor requested to properly manage DERWA to meet increasing demands (maintaining facility improvements, managing distribution system storage, repairs and growth, and meeting new regulatory requirements). The DERWA Board of Directors will consider the proposed budget at its Board meeting Monday, March 25. DSRSD's share of the DERWA operating costs will be reflected in the budget proposal presented to the DSRSD Board on May 21. The Board did not have any comments or questions on this item.

- 8.D. Receive Briefing on DERWA (Dublin San Ramon Services District - East Bay Municipal Utility District Recycled Water Authority) Recycled Water Connection Moratorium

Engineering Services Manager Zavadil reviewed the item for the Board.

The Board inquired if the cities of Dublin and San Ramon had ordinances requiring developers to use recycled water, and if any users would be grandfathered in to receive recycled water service if a moratorium is established. Staff explained that per the District Code, recycled water is required to be supplied to users only if supply is available. East Bay Municipal Utility District's Phase 2 Expansion of its recycled water distribution system will be grandfathered in to receive service as construction is already underway, per grant funding for this purpose. The Board and staff also briefly discussed the DERWA partner agencies' current supply usage, the current shortage of overall supply, and coordinating supply storage with City of Pleasanton.

- 8.E. Receive Presentation on Water Supply, Storage, Conveyance, Quality and Conservation Policy

Engineering Services Manager Zavadil reviewed the item for the Board. She gave a PowerPoint presentation which was distributed to the Board that outlined the following policy matters: increase supply portfolio reliability; increase local control; reduce concentration risk; meet 100% of DERWA demands; develop local water facility to supplement the groundwater basin; diversify transmission system, reduce potable demand, enhance water quality; and discharge no treated wastewater to the Bay (except brine). She also explained the following policy objectives: seek grant opportunities, ensure equitable funding, and collaborate with other agencies.

The Board and staff discussed the status of City of Pleasanton adopting a similar policy, as well as what the capacity of the wastewater treatment plant might be once the Tri-Valley is at buildout. Staff confirmed capacity would be approximately 13.5 million gallons per day in an average year.

8.F. NOT HELD – Receive Presentation on the Strategic Plan 2019 Update and Provide Direction

The Board deferred the item to a special Board meeting to be held Tuesday, April 23 at 5 p.m.

9. BOARDMEMBER ITEMS

- Submittal of Written Reports for Day of Service Events Attended by Directors

Director Vonheeder-Leopold submitted a written report to Executive Services Supervisor Genzale. She reported she attended the California Association of Sanitation Agencies teleconference Board meeting on March 15. She summarized the activities and discussions at the meeting.

President Misheloff reported she will be absent from the April 16, 2019 Board meeting.

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

10. CLOSED SESSION

Items 10.A and 10.B were taken ahead of item 7.A.

At 6:03 p.m. the Board went into Closed Session.

- 10.A. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case

Executive Services Supervisor Genzale, special counsel Ms. Robin Johansen, and independent demographer Mr. Wagaman left the closed session at 6:15 p.m.

- 10.B. Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)
Name of Case: Dublin Unified School District

11. REPORT FROM CLOSED SESSION

At 6:21 p.m. the Board came out of Closed Session. President Misheloff announced that there was no reportable action.

12. ADJOURNMENT

President Misheloff adjourned the meeting at 8:32 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary



TITLE: Approve Budget Increase to the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019 and Award Construction Agreement to Bay Pacific Pipelines Inc. for the Foul Air Line Rehabilitation Project (CIP 15-P018)

RECOMMENDATION:

Staff recommends the Board of Directors approve, by two (2) separate Resolutions, the following actions:

1. Increase the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019 to increase the Foul Air Line Rehabilitation (CIP 15-P018) (Project) budget by \$1,667,636 from \$492,364 to \$2,160,000, and
2. Award a construction agreement for the Project to Bay Pacific Pipelines Inc., the lowest responsive, responsible bidder, in the amount of \$1,453,575.

SUMMARY:

The odorous air from the wastewater treatment plant (WWTP) bar screen process is conveyed through a foul air line to three biofilters located along the western boundary of the WWTP along centennial trail near Interstate 680. The foul air line, constructed of corrugated plastic pipeline, is failing, and foul air is leaking through the access road pavement and holding basin #2 causing pavement failure and basin cracking. In addition, the biofilter laterals and some of the biofilter media are clogged. The Project will remove 405 feet of 42-inch diameter corrugated plastic line and replace it with fiberglass reinforced pipe, replace biofilter lateral piping, replace the perforated pipes which disperse the foul air through the biofilter beds, add manholes and clean-outs to facilitate future maintenance, replace some of the biofilter media, and repair the access road pavement and holding basin #2 concrete.

The bid period for the Project began on March 11, 2019 and four (4) bids were received on March 26, 2019. The apparent low bid was received from Bay Pacific Pipelines Inc. in the amount of \$1,453,575 and contained two irregularities. The first irregularity was a math error in multiplication where the total bid item price was incorrect. The second irregularity was in the total base bid amount, which was incorrectly written out in words such that the numerical total and the written-in-words total did not match on the bid schedule. Such defects are within the sole discretion of the District to waive, and staff recommends that it is in the best interest of the District to do so, and to award the contract for the project to Bay Pacific Pipelines Inc.

The original CIP budget was based on only re-lining the foul air line. Based on investigations on the condition of the foul airline, the pavement, and the biofilter, the project scope was expanded to the project description provided above. Staff requests the Board increase the project budget by \$1,667,636 from \$492,364 to \$2,160,000.

Additional information on the award of the project construction contract and the recommended project budget adjustment is provided in the staff report.

Originating Department: Engineering Services	Contact: R. Portugal	Legal Review: Yes
Cost: \$1,453,575 – Construction Contract	Funding Source: Regional Wastewater Replacement (Fund 310) - 100%	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input checked="" type="checkbox"/> Resolutions (2) <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)	Attachment 1 – Bid Results	
		8 of 72



**Results of Bid Opening for
Foul Air Line Rehabilitation (CIP 15-P018)
Tuesday, March 26, 2019 @ 2 p.m.**

Engineer's Estimate:	\$ 1,600,000
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No.	Name of Bidder, City, State	Bid Amount
1	Bay Pacific Pipelines Inc., Novato, CA	\$ 1,453,575
2	GSE Construction Co., Inc., Livermore, CA	\$ 1,591,110
3	Carone and Company, Inc., Concord, CA	\$ 1,802,000
4	Devaney Engineering, Inc., San Francisco, CA	\$ 1,951,970

Contractor/Subcontractor	Contractor License No.	Location	Trade	Amount of Work to be Performed
Bay Pacific Pipelines Inc.				
None				\$ -
GSE Construction Co., Inc.				
Ransome Company	22726	San Leandro, CA	Paving & demo	\$ 147,950
Carone and Company, Inc.				
None				\$ -
Devaney Engineering, Inc.				
Bay Area Paving Company	250290	San Carlos, CA	Asphalt paving	\$ 120,000
Mission City Rebar	273978	Livermore, CA	Furnish & install rebar	\$ 25,000

STAFF REPORT

District Board of Directors
April 2, 2019

Approve Budget Increase to the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019 and Award Construction Agreement to Bay Pacific Pipelines Inc. for the Foul Air Line Rehabilitation Project (CIP 15-P018)

DISCUSSION

The odorous air from the wastewater treatment plant (WWTP) bar screen process is conveyed through a foul air line to three biofilters located along the western boundary of the WWTP along centennial trail near Interstate 680. The foul air line, constructed of corrugated plastic pipeline, is failing (see photo below), and foul air is leaking through the access road pavement and holding basin #2 causing pavement failure and basin cracking. In addition, the biofilter laterals and some of the biofilter media are clogged. The Foul Air Line Rehabilitation Project (CIP 15-P018) (“Project”) will remove 405 feet of 42-inch diameter corrugated plastic line and replace it with fiberglass reinforced pipe, replace 210 feet of 24-inch diameter biofilter lateral piping (three laterals with a length of 70 feet), replace 2,350 feet of 10-inch diameter perforated pipes which disperse the foul air through the three biofilter beds, add manholes and clean-outs to facilitate future maintenance, replace some of the biofilter media, and repair the access road pavement and holding basin #2 concrete.



Odor Control during Construction

The foul air line is located under the current access road for chemical deliveries to the wastewater treatment plant. Due to the critical location, trench plates have been placed to protect the failed area and maintain vehicle access. The roadway will be repaired before the Primary Sedimentation Expansion and Improvements Project

(CIP 17-P004) breaks ground in late spring. To fast track construction, the foul air coming from the bar screens and grit tanks will not be scrubbed while under construction for about a month. Notification post cards notifying our WWTP neighbors will be sent out in advance of breaking ground. The photo below shows the access road overlaying the foul air line with the biofilter to the left beyond the trees.



Project Bid

The Project previously went out to bid in January, and bids were received on February 28, 2019. Due to incorrect quantities in the bid schedule, the project was rebid on March 11, 2019, and staff requested the Board to reject all the original bids on March 19, 2019. Four new bids were received on March 26, 2019. The apparent low bid was received from Bay Pacific Pipelines Inc. in the corrected amount of \$1,453,575. The apparent second low bid from GSE Construction Co. Inc. (GSE) was within 9.5% of the lowest bid.

The original low bid in February was \$1,376,599. Staff had anticipated a change order of approximately \$250,000 to adjust for the incorrect quantities based on the original February bid unit prices. When comparing the new low bid to the estimate projected cost if the District were to have awarded the original February bid, it is estimated \$173,000 was saved on construction costs through rebidding.

The low bid provided by Bay Pacific Pipelines Inc. contained two irregularities. The first irregularity was a multiplication error where the product of the unit price and the quantity for the biofilter bed material was incorrect. The second irregularity was that the final total base bid amount written out in words did not match the numerical total on the bid schedule. Such defects are within the sole discretion of the District to waive, and staff recommends that it is in the best interest of the District to do so, and to award the contract for the project to Bay Pacific Pipelines Inc.

Per the Contract Documents, if the product of a unit price and an estimated quantity does not equal the extended amount quoted, the unit price shall govern, and the correct product of the unit price and the estimate

quantity shall be deemed to be the amount bid. This minor multiplication error resulted in a \$1,200 reduction in the bid item cost. Also per the Contract Documents, Section 00100 8.2 Bid Prices, if the sum of two or more items in a bidding schedule does not equal the total amounts quoted (i.e. numerical and written in words totals), the individual item amounts shall govern and the correct total shall be deemed to be the amount of the bid. Summing all of the individual bid items by Bay Pacific Pipeline Inc. equates to \$1,453,575, the corrected total base bid amount.

The contract time for the Project is 50 calendar days and is estimated to be completed by June 2019.

Bid Protest

The District received a protest from GSE, asserting that the apparent low bid submitted by Bay Pacific Pipelines Inc. (Bay Pacific) contained 1) bid irregularities, 2) lack of experience, and 3) safety deficiencies. Bay Pacific and their insurance and surety broker, PentaRisk, responded. Staff reviewed the bid, contacted references and reviewed additional safety documentation for Bay Pacific. Staff also consulted with General Counsel and determined that the protest lacks merit and may properly be rejected (see Attachment 1).

Budget Increase

On March 20, 2018, the Board approved an amendment to the CIP Ten-Year Plan and the Two-Year Budget for Fiscal Years Ending 2018 and 2019 to advance the Project to investigate and provide recommendations for repairs or replacements to the foul air line with the possibility of a CIP budget and fund adjustment to cover anticipated construction expenses. The foul air line was examined with closed-circuit television, and soils were investigated in the vicinity of the air line failure. The original CIP budget was based on re-lining the main 42" pipeline as opposed to replacing the air line and did not include replacing the biofilter lateral piping, rehabilitating the three biofilter beds, and repairing pavement. Staff requests the Board increase the Project budget by \$1,667,636 from \$492,364 to \$2,160,000 to cover the expanded project scope.

The Project is 100% funded from the Regional Wastewater Replacement (Fund 310). Fund 310 is projected to have sufficient funding for the expanded project scope. As of the end of the second quarter of FYE 2019, Fund 310 had a working capital of \$27.2 million.

California Environmental Quality Act (CEQA)

In conformance with CEQA, the Project meets the CEQA criteria for the Categorical Exemption §15302, Class 2, (c) Replacement or Reconstruction of existing structures and facilities which applies to the replacement of the existing foul air line with a similar sized pipe. A Certificate of Determination of Exemption/Exclusion from Environmental Review was filed on March 25, 2019.

RECOMMENDATION

Staff recommends the Board of Directors approve, by two (2) separate Resolutions, the following actions:

- 1) Increase the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019 to increase the Foul Air Line Rehabilitation Project (CIP 15-P018) budget by \$ 1,667,636, from \$492,364 to \$2,160,000, and

- 2) Award a construction agreement for the Foul Air Line Rehabilitation Project (CIP 15-P018) to Bay Pacific Pipelines Inc., the lowest responsive, responsible bidder, in the amount of \$1,453,575.

ATTACHMENT

Attachment 1 – Letter from General Counsel to Engineering Services Manager on bid protest

BOLD, POLISNER, MADDOW, NELSON & JUDSON

CARL P. A. NELSON
CRAIG L. JUDSON

A PROFESSIONAL CORPORATION
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ROBERT B. MADDOW
(OF COUNSEL)

JEFFREY D. POLISNER
(RETIRED)

FREDERICK BOLD, JR.
(1913-2003)

March 28, 2019

SENT BY E-MAIL

Judy Zavadil
Engineering Services Manager
Dublin San Ramon Services District
7035 Commerce Circle
Pleasanton, CA 94588

to zavadil@dsrsd.com
WITH COPIES TO:
mcintyre@dsrsd.com
portugal@dsrsd.com

Re: ***Foul Air Rehabilitation Project (CIP 15-P018):***
March 27, 2019 Letter of Protest from GSE Construction

Dear Ms. Zavadil:

Rudy Portugal asked that I write a letter responding to the March 27, 2019 Letter of Protest timely received from GSE Construction ("GSE"), who submitted the apparent second low bid on the above project, asserting that the apparent low bid submitted by Bay Pacific Pipelines Inc. ("Bay Pacific") contained "numerous errors and omissions" that required the District to "deem their bid non responsive," and requesting that the District instead award the contract to GSE. It was subsequently suggested that I direct the letter to you instead of to GSE, and provide my analysis and conclusions concerning the merits – of lack thereof – of the bid protest. For the reasons that follow, it is my opinion that the protest lacks merit and may properly be rejected.

The first assertion in the GSE protest letter is that Bay Pacific does not identify sufficient experience in its bid. This is incorrect. Paragraph 00100-9.0, part of the Instructions to Bidders, specifies that "Bidders must complete and submit with their Bid Section 00460, CERTIFICATION OF BIDDER'S EXPERIENCE AND QUALIFICATIONS." Part B of Section 00460 is entitled "COMPANY EXPERIENCE"; the portion pertinent to this assertion provides: "the Bidder must list at least \$5 million in total construction cost on no more than five (5) projects completed within the last five (5) years by the Bidder of the following types of projects: [¶] Municipal wastewater facilities including sanitary sewer systems, foul air piping and manhole installations where coordination with owner's operations and/or facilities were part of the work." The first two projects listed in the Bay Pacific bid are both for "sanitary sewer systems," both involve "coordination with owner's operations and/or facilities," and the construction costs of the two projects combined is nearly \$5.8 million, well in excess of the \$5 million threshold. Contrary to GSE's assertions, there is no requirement that such facilities be "inside municipal wastewater facilities"; rather, the facilities constructed *were themselves* "municipal wastewater facilities."

BOLD, POLISNER, MADDOW, NELSON & JUDSON

March 28, 2019

Judy Zavadil

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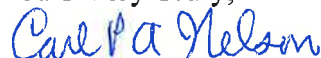
The second assertion is that the bid is nonresponsive because Bay Pacific did not list a subcontractor to perform paving work. That is not a valid basis for a protest based on non-responsiveness as a matter of law, for Public Contract Code section 4106 provides that “If a prime contractor fails to specify a subcontractor ... for ... work to be performed under the contract in excess of one-half of 1 percent of the prime contractor’s total bid, the prime contractor agrees that he or she is fully qualified to perform that portion himself or herself, and that the prime contractor shall perform that portion himself or herself.” GSE’s “belief” that Bay Pacific lacks paving experience does not suffice a basis for rejecting its bid, particularly since paving work is included in the sort of work required to be performed by a general engineering contractor holding an ‘A’ license, the type of license held by Bay Pacific. Moreover, the March 28, 2019 letter responding to GSE’s protest advises that Bay Pacific “perform[s] trench paving on all our projects.”

The third assertion – that Bay Pacific improperly submitted multiple bids – is likewise without merit. Paragraph 00100-9.0, part of the Instructions to Bidders, specifies the precise manner in which the correct bid total is determined where there are calculation errors in the Bid Schedule such as those about which GSE complains. First, each extended price (unit price times quantity) is correctly calculated, then the correct sum of the extended prices is “deemed to be the amount of the bid.” This is why the amount of the award is \$1,453,575 rather than \$1,454,775 (the total bid price as set forth in numerals) or \$1,400,775 (the total bid price as set forth in words). This correction confers no advantage on Bay Pacific, for its bid bond would be subject to forfeiture if it did not agree to an award of a contract in the amount of \$1,453,575.

The final assertion is that “Bay Pacific Pipeline’s EMR for 2019 was listed as 1.20” in Part C, “SAFETY QUALIFICATION CRITERIA,” within Section 00460. This is correct. However, the second paragraph within Part C states the procedure if a bidder has an EMR (Workers’ Compensation Experience Modification Rate) between 1.0 and 1.25: “the Bidder will be requested to submit additional information related to his/her EMR and safety record, including but not limited to OSHA Form 300A ‘Summary of Work-Related Injuries and Illnesses’ for the previous three (3) calendar years... within two (2) working days after the District’s request” for the information. The required information was timely submitted, and the District has reviewed the material and concluded that there is no basis for rejecting Bay Pacific’s bid on account of its safety practices. Bay Pacific’s insurance broker reported that there was no employer negligence associated with the injury that caused Bay Pacific’s EMR to rise above 1.0.

For these reasons, the staff recommendation that the Board reject the protest submitted by GSE and award to Bay Pacific the contract to construct this project in the amount of \$1,453,575 is fully consistent with the specifications for the project and applicable principles of law.

Yours Very Truly,



Carl P.A. Nelson

cc: Dan McIntyre
Rudy Portugal



C O N S T R U C T I O N

SENT VIA E-MAIL & HAND DELIVERED

March 27th, 2019

**Dublin San Ramon Services District
Public Works Department
Engineering Division**

**REF: Foul Air Line Rehabilitation Protest
Bid on March 26th, 2019**

To whom it may concern:

This is an official Letter of Protest to Bay Pacific Pipeline's Foul Air Line Rehabilitation Project (CIP 15-P018) bid submitted on March 26th, 2019.

Bay Pacific Pipeline has numerous errors and omissions in their bid documents that must deem their bid non responsive. Those errors and omissions are as follows:

First, Bay Pacific Pipeline doesn't meet the prequalification requirements. Per page 004600-2 of the contract specifications, the general contractor must have completed a minimum of \$5 million in total construction costs for projects at municipal wastewater facilities that include sanitary sewer systems, foul air piping & manhole installation where coordination with owner's operations and/or facilities were part of the work. The first error is the projects listed don't meet the requirement for being inside a municipal wastewater facility. These listed projects are neither inside municipal wastewater facilities nor require coordination with the owner operators of those facilities. The second error is listing a storm drain improvements project (listed project number 3), with doesn't meet the requirement for a sanitary sewer system.

Second, Bay Pacific Pipeline failed to list a paving subcontractor for bid item 6. We do not believe that Bay Pacific Pipeline has the experience required by Section 4100 of the Public Contract Code and specification section 00100 12.0, which also clearly prevents subletting or subcontracting at a later date:

"..Subletting or subcontracting of any portion of the work in excess of one half of one percent of the Contractor's total bid as to which no subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the District setting forth the facts constituting the emergency or necessity."

We also do not believe that in this contract a case for public emergency or necessity can be made, and therefore subletting or subcontracting at a later date are not an option in this case.

Third, there are multiple bids submitted by Bay Pacific Pipeline:

- 1) Bid item 9 has incorrectly multiplied quantity 813 x unit cost 100.00 = \$82,500. Correct bid item 9 total should be \$81,300. Per specification section 00100 8.0, the product of the unit price and the estimate quantity shall govern.

- 2) Given the requirements of section 00100 8.0, the total bid amount should be \$1,453,575. This amount is incorrectly totaled as \$1,454,775 per the Total Base Bid in figures.
- 3) The Total Base Bid in words was listed as one million, four hundred thousand, seven hundred seventy five, which equates to \$1,400,775 in figures. This was the total read aloud at the public bid opening.

The dissimilar bid amounts per figures and words allow Bay Pacific Pipeline to submit two bid prices at the same time, a clear violation of California Public Code. A contractor submitting multiple bids on the same project should be grounds for immediate bid rejection.

In addition, Bay Pacific Pipeline's EMR for 2019 was listed as 1.20. This value will require additional documentation to support Bay Pacific Pipeline's EMR being higher than the typical industry threshold of 1.0.

Bay Pacific Pipeline does not meet the prequalification requirements of the project, didn't list a subcontractor above the required 0.5% total bid price, and submitted multiple bid prices on the same project. We therefore, respectfully request that the Dublin San Ramon Services District declare Bay Pacific Pipeline's bid non responsive and award the contract for the Foul Air Line Rehabilitation Project to GSE Construction, the lowest responsible and responsive bidder.

Thank you for your time & consideration.

Sincerely,



GSE Construction Company, Inc.
Nate Jones, Lead Estimator

CC: Bay Pacific Pipeline (via email)

BAY PACIFIC PIPELINES INC.
P.O. Box 1162, Novato, CA 94948-1162 Ph:415 897-6958 Fax:415 897-1409
E-mail: baypacificpipelines@yahoo.com

March 28, 2019

Rudy Portugal, PE
Dublin San Ramon Services District
7051 Dublin Blvd.
Dublin, CA 94568

Ref: Protest letter from GSE Construction
Foul Air Line Rehabilitation
Bid Date: March 26, 2019

Dear Mr. Portugal:

In response to Letter of Protest from GSE Construction regarding the above-referenced project that bid on March 26, 2019 Bay Pacific Pipelines offers the following:


Bay Pacific Pipelines has completed approximately \$12 million of work in the past year. We have completed projects for several government projects including Presidio of San Francisco, Travis Air Force Base and San Quentin Federal Prison, Sierra Army Depot and Daly City Wastewater Treatment Plant.

We did not list a subcontractor on our bid for paving because it is our intention to do so ourselves. We perform trench paving on all our projects and have done several overlay projects through the years.

Attached find copies of our OSHA logs for the past three years and we will have our insurance agent get in touch with you regarding our EMR.

Bay Pacific inadvertently totaled our bid wrong and we are willing to stand with the total of \$1,453,575.00.

Sincerely,


Catherine Carew, President
Bay Pacific Pipelines Inc



March 28, 2019

Rudy Portugal, PE
Associate Engineer
Dublin San Ramon Services District

RE: Bay Pacific Pipelines 2019 EMR – Four Air Rehabilitation Project

Dear Mr. Portugal,

PentarisK is the insurance and surety broker for Bay Pacific Pipelines, Inc. They have asked us to provide an explanation of the 2019 EMR, which was published by WCIRB at 123%.

The 2019 EMR is being impacted by a 4/24/2017 injury sustained when an employee fell out of his truck while disembarking, resulting in a broken elbow. This one claim, with a value of \$74,775, contributed 27 points to the 2019 EMR, pushing it above 100%. There was no employer negligence with this claim – the vehicle was properly maintained with all appropriate safety protections in good working order.

Bay Pacific Pipelines has had zero workers' compensation claims since that incident and maintains an excellent safety culture.

PentarisK is proud to represent Bay Pacific Pipelines and recommend them as an excellent contractor. Please feel free to call me directly at 408.418.2735 for a personal recommendation.

Sincerely,

A handwritten signature in blue ink, appearing to be "C. Castellano", with a long horizontal line extending to the right.

Cynthia Castellano, ARM, CRIS
Sr. Vice President

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING AN ADJUSTMENT TO THE CAPITAL IMPROVEMENT PROGRAM TWO-YEAR BUDGET FOR FISCAL YEARS ENDING 2018 AND 2019 TO INCREASE THE PROJECT BUDGET FOR THE FOUL AIR LINE REHABILITATION PROJECT (CIP 15-P018)

WHEREAS, the Board of Directors adopted the current Capital Improvement Program (CIP) Ten-Year Plan for Fiscal Years Ending 2018 through 2027, and Two-Year CIP Budget for Fiscal Years Ending 2018 and 2019 on June 6, 2017, authorizing project and fund budgets to meet the District's capital infrastructure needs; and

WHEREAS, on March 20, 2018, the Board of Directors approved an amendment to the CIP Ten-Year Plan for Fiscal Years Ending 2018 through 2027 and the Two-Year CIP Budget for Fiscal Years Ending 2018 and 2019 to advance the Foul Air Line Rehabilitation Project (CIP 15-P018) ("Project") with a budget of \$492,364, from the 10-Year CIP Plan to the current Two-Year CIP Budget; and

WHEREAS, on March 20, 2018, staff presented to the Board that advancing the Project will allow staff to begin investigating and provide recommendations with the possibility of a CIP budget and fund adjustment to cover anticipated construction expenses once investigation and recommendations are completed; and

WHEREAS, staff recommends adjusting the CIP Budget by increasing the Project budget by \$1,667,636, from \$492,364 to \$2,160,000.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that the Foul Air Line Rehabilitation Project (CIP 15-P018) project budget increase from \$492,364 to \$2,160,000 is hereby approved and incorporated into the CIP Two-Year Budget for Fiscal Years Ending 2018 and 2019 in accordance with the project description sheet (Exhibit A).

Res. No. _____

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 2nd day of April, 2019, and passed by the following vote:

AYES:

NOES:

ABSENT:

Madelyne A. Misheloff, President

ATTEST: _____
Nicole Genzale, District Secretary

DSRSD CIP 10-Year Plan for FYEs 2018 through 2027

CATEGORY: RESOURCE RECOVERY FACILITIES

Regional Wastewater Replacement (Fund 310)

CIP No. 15-P018 Foul Air Line Rehabilitation

Funding Allocation: 100% 310

Project Manager: Jackie Yee

Status: New Project

Project Summary:

The odorous air from the WWTP bar screen process is conveyed through a foul air line to three biofilters. The foul air line, constructed of corrugated plastic pipeline, is failing and foul air is leaking through the access road pavement and holding basin #2 causing cracking and failure in the pavement. In addition, the biofilter laterals and some of the biofilter media are clogged. This project will replace the foul air line and the biofilter laterals, add manholes and clean-outs to allow for future maintenance, and replace some of the biofilter media.

CEQA: Categorical Exemption [CEQA Guideline 153012].

Reference: Operations staff recommendation.

Fund Allocation Basis: Project is required to replace or rehabilitate existing regional wastewater fund assets.

10-Year Cash Flow and Estimated Project Cost:

Prior	FYE 18	FYE 19	FYE 20	FYE 21	FYE 22	FYE 23	FYE 24	FYE 25	FYE 26	FYE 27	Future
104,696	29,675	2,025,629	0	0	0	0	0	0	0	0	0

Total Estimated Project Cost **\$2,160,000**

Current Adopted Budget \$492,364

Increase/(Decrease) \$1,667,636



RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING AN AGREEMENT WITH BAY PACIFIC PIPELINES INC. FOR CONSTRUCTION OF THE FOUL AIR LINE REHABILITATION PROJECT (CIP 15-P018)

WHEREAS, the Board of Directors adopted the current Capital Improvement Program (CIP) Ten-Year Plan for Fiscal Years Ending 2018 through 2027, and Two-Year CIP Budget for Fiscal Years Ending 2018 and 2019 on June 6, 2017, authorizing project and fund budgets to meet the District's capital infrastructure needs; and

WHEREAS, on March 20, 2018, the Board of Directors approved an amendment to the CIP Ten-Year Plan for Fiscal Years Ending 2018 through 2027 and the Two-Year CIP Budget for Fiscal Years Ending 2018 and 2019 to advance the Foul Air Line Rehabilitation Project (CIP 15-P018) ("Project"), from the 10-Year CIP Plan to the current Two-Year CIP Budget; and

WHEREAS, the Project will decrease foul air escaping into the atmosphere and provide more efficient treatment through the biofilter and;

WHEREAS, on March 11, 2019, the District Secretary advertised for bids for the Project in accordance with the District's Purchasing Policy, resulting in four bids received for the performance of said work; and

WHEREAS, Bay Pacific Pipelines Inc., is the lowest responsive, responsible bidder, and it is the intention and desire of this Board to accept said bid of One Million Four Hundred Fifty-Three Thousand Five Hundred Seventy-Five Dollars (\$1,453,575); and

WHEREAS, Bay Pacific Pipelines Inc., bid contained two minor irregularities that do not materially affect the bid, and such irregularities are within the sole discretion of the Board to waive; and

WHEREAS, the District filed a categorical exemption for the project per CEQA Guideline 15302, replacement or reconstruction of existing utility facilities, on March 25, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

1. The CEQA requirements for this project were satisfied through categorical exemption, per CEQA Guideline 15302.

Res. No. _____

2. That certain agreement titled "Agreement for the Construction of the Foul Air Line Rehabilitation Project (CIP 15-P018)" (Exhibit A), by and between Dublin San Ramon Services District, a California public agency, and Bay Pacific Pipelines Inc. is hereby approved, and the General Manager and District Secretary are hereby authorized and directed to execute, and to attest thereto respectfully, said agreement for and on behalf of the Dublin San Ramon Services District.
3. The District Secretary is hereby authorized and directed to return to all unsuccessful bidders, and to the successful bidder upon execution by it of the aforementioned agreement, all securities guaranteeing execution of the Agreement upon award.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 2nd day of April, 2019, and passed by the following vote:

AYES:

NOES:

ABSENT:

Madelyne A. Misheloff, President

ATTEST: _____
Nicole Genzale, District Secretary

SECTION 00500

AGREEMENT FOR THE CONSTRUCTION OF

Foul Air Line Rehabilitation (CIP 15-P018)

THIS AGREEMENT, made and concluded, in duplicate, this _____ day of _____, 20 _____, between the Dublin San Ramon Services District ("District"), Dublin, California, and **Bay Pacific Pipelines Inc., 214 Pacheco Avenue, Novato, CA 94947, (415) 897-6958** ("Contractor").

WITNESSETH:

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the District, and under the conditions expressed in the two bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the District, at his/her own proper cost and expense, to do all the work and furnish all the materials necessary to construct and complete in good workmanlike and substantial manner the project entitled: **Foul Air Line Rehabilitation (CIP 15-P018)** in strict conformity with the Contract Documents (collectively defined in Section 01090-2.0), prepared therefor, which said plans and specifications are hereby specially referred to and by said reference made a part hereof.
2. Now, therefore, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the Contractor hereby agrees to complete the work in accordance with the terms and conditions stipulated in the Contract Documents for the sum of **One Million Four Hundred Fifty-Three Thousand Five Hundred Seventy-Five Dollars (\$1,453,575)** computed in accordance with Contractor's accepted proposal dated **March 26, 2019**, which accepted proposal is incorporated herein by reference thereto as if herein fully set forth. Compensation shall be based upon any lump sum bid items plus the unit prices stated in the Bid Schedule times the actual quantities or units of work and materials performed or furnished. The further terms, conditions, and covenants of this Agreement are set forth in the Contract Documents, each of which is by this reference made a part hereof. Payments are to be made to the Contractor in accordance with the provisions of the Contract Documents in legally executed and regularly issued warrants of the District, drawn on the appropriate fund or funds as required by law and order of the District thereof.
3. The District hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.
4. The Contractor and any subcontractor performing or contracting any work shall comply with all applicable provisions of the California Labor Code for all workers, laborers and mechanics of all crafts, classifications or types, including, but not limited to the following:

(a) The Contractor shall comply with all applicable provisions of Section 1810 to 1815, inclusive, of the California Labor Code relating to working hours. The Contractor shall, as a penalty to the District, forfeit the sum of twenty-five dollars (\$25) for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, unless such worker receives compensation for all hours worked in excess of eight (8) hours at not less than 1-1/2 times the basic rate of pay.

(b) Pursuant to the provision of California Labor Code, Sections 1770 et. seq., the Contractor and any subcontractor under him shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Pursuant to the provisions of California Labor Code Section 1773.2, the Contractor is hereby advised that copies of the prevailing rate of per diem wages and a general prevailing rate for holidays, Saturdays and Sundays and overtime work in the locality in which the work is to be performed for each craft, classification, or type of worker required to execute the Contract, are on file in the office of the District, which copies shall be made available to any interested party on request. The Contractor shall post a copy of said prevailing rate of per diem wages at each job site.

(c) As required by Section 1773.1 of the California Labor Code, the Contractor shall pay travel and subsistence payments to each worker needed to execute the Work, as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with this Section.

(d) To establish such travel and subsistence payments, the representative of any craft, classification, or type of workman needed to execute the contracts shall file with the Department of Industrial Relations fully executed copies of collective bargaining agreements for the particular craft, classification or type of work involved. Such agreements shall be filed within ten (10) days after their execution and thereafter shall establish such travel and subsistence payments whenever filed thirty (30) days prior to the call for bids.

(e) The Contractor shall comply with the provisions of Section 1775 of the California Labor Code and shall, as a penalty to the District, forfeit up to fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of per diem wages for each craft, classification, or type of worker needed to execute the Contract. The Contractor shall pay each worker an amount equal to the difference between the prevailing wage rates and the amount paid worker for each calendar day or portion thereof for which a worker was paid less than the prevailing wage rate.

(f) As required under the provisions of Section 1776 of the California Labor Code, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, and straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Said payroll shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available for inspection or furnished upon request to the District, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available upon request by the public for inspection or for copies thereof; provided, however, that a request by the public shall be made through either the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to subparagraph 4(f)(2) herein, the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the Contractor, subcontractors, and the entity through which the request was made. The public shall not be given access to the records at the principal offices of the Contractor.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.

Each Contractor shall file a certified copy of the records, enumerated in Paragraph 4(f) with the entity that requested the records within ten (10) days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor awarded the Contract or performing the Contract shall not be marked or obliterated. The Contractor shall inform the District of the location of the records enumerated under Paragraph 4(f) including the street address, city and county, and shall, within five (5) working days, provide a notice of change of location and address. The Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this Paragraph 4(f). In the event that the Contractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or the District, forfeit twenty-five dollars (\$25.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. Responsibility for compliance with Paragraph 4(f) lies with the Contractor.

(g) The Contractor and any subcontractors shall, when they employ any person in any apprenticeable craft or trade, apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the construction site for a certificate approving the Contractor or subcontractor under the apprenticeship standards for

the employment and training of apprentices in the area or industry affected; and shall comply with all other requirements of Section 1777.5 of the California Labor Code. The responsibility of compliance with California Labor Code Section 1777.5 during the performance of this Contract rests with the Contractor. Pursuant to California Labor Code Section 1777.7, in the event the Contractor willfully fails to comply with the provisions of California Labor Code Section 1777.5, the Contractor shall be denied the right to bid on any public works contract for up to three (3) years from the date noncompliance is determined and be assessed civil penalties.

(h) In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860), and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to secure the payment of compensation to its employees and for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. If the Contractor, in the sole discretion of the District satisfies the District of the responsibility and capacity under the applicable Workers' Compensation Laws, if any, to act as self-insurer, the Contractor may so act, and in such case, the insurance required by this paragraph need not be provided.

The Contractor is advised of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code and shall comply with such provisions and have Employer's Liability Limits of \$1,000,000 per accident before commencing the performance of the Work of this Contract.

The Notice to Proceed with the Work under this Contract will not be issued, and the Contractor shall not commence work, until the Contractor submits written evidence that it has obtained full Workers' Compensation Insurance coverage for all persons whom it employs or may employ in carrying out the Work under this Contract. This insurance shall be in accordance with the requirements of the most current and applicable state Workers' Compensation Insurance Laws. In accordance with the provisions of Section 1861 of the California Labor Code, the Contractor in signing this Agreement certifies to the District as true the following statement: "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

A subcontractor is not allowed to commence work on the project until verification of Workers' Compensation Insurance coverage has been obtained and verified by the Contractor and submitted to the Construction Manager for the District's review and records.

(i) In accordance with the provisions of Section 1727 of the California Labor Code, the District, before making payment to the Contractor of money due under a contract for public works, shall withhold and retain therefrom all wages and penalties which have been forfeited pursuant to any stipulation in the Contract, and the terms of Chapter 1, Part 7, Division 2 of the California Labor Code (commencing with Section 1720). But no sum shall be withheld, retained or forfeited, except from the final payment, without a full investigation by either the Division of Labor Standards Enforcement or by the District.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this Agreement and the Bid Proposal of said Contractor, then this Agreement shall control, and nothing herein contained shall be considered as an acceptance of the said terms of said Proposal conflicting herewith.

6. The Contractor agrees to provide and maintain insurance coverage, and to indemnify and save harmless the parties named and in the manner set forth in Section 00800-2.0, **LIABILITY & INSURANCE**.

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include a duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein shall be construed to require Contractor to indemnify against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

7. The Contractor shall diligently prosecute the Work so that it shall be substantially completed within the time specified in Section 00800-1.1, **Time Allowed for Completion**.

8. Except as otherwise may be provided in other provisions of the Contract Documents, Contractor hereby expressly guarantees for one (1) full year from the date of the Substantial Completion of the Work under this Agreement and acceptance thereof by the District, to repair or replace any part of the Work performed hereunder which constitutes a defect resulting from the use of inferior or defective materials, equipment or workmanship. If, within said period, any repairs or replacements in connection with the Work are, in the opinion of the District, rendered necessary as the result of the use of inferior or defective materials, equipment or workmanship, Contractor agrees, upon receipt of notice from District, and without expense to District, to promptly repair or replace such material or workmanship and/or correct any and all defects therein. If Contractor, after such notice, fails to proceed promptly to comply with the terms of this guarantee, District may perform the work necessary to effectuate such correction and recover the cost thereof from the Contractor and/or its sureties.

In special circumstances where a particular item of work or equipment is placed in continuous service before Substantial Completion of the Work, the correction period for that item may start to run from an earlier date. This date shall be agreed upon by the Contractor and District on or before the item is placed in continuous service.

Any and all other special guarantees which may be applicable to definite parts of the Work under this Agreement shall be considered as an additional guarantee and shall not reduce or limit the guarantee as provided by Contractor pursuant to this paragraph during the first year of the life of such guarantee.

9. The Contractor shall provide, on the execution of this Agreement, a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount bid, which bond shall be on the form provided by the District in Section 00610, **BOND OF FAITHFUL PERFORMANCE**, and be conditioned upon the faithful performance of all work required to be performed by the Contractor under this Agreement. Said bond shall be liable for any and all penalties and obligations which may be incurred by Contractor under this Agreement. The corporate surety bond shall be issued by a corporate surety approved by the District's counsel. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California

be submitted by the Surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

10. In addition to the bond required under Paragraph 9, hereof, Contractor shall furnish a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount of Bid, which bond shall be on the form provided by the District in Section 00620, **PAYMENT BOND**, and conform strictly with the provisions of Chapter 7, Title 15, Part 4, Division 3, of the Civil Code of the State of California, and all amendments thereto. The corporate surety bond shall be issued by a corporate surety approved by the District's counsel. The corporate Surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the Surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

11. The Contractor may substitute securities for the amounts retained by the District to ensure performance of the work in accordance with the provisions of Section 22300 of the Public Contract Code.

12. Contractor covenants that Contractor is licensed in accordance with the provisions of the Contractors' License Law of California as provided in Section 00010, **NOTICE INVITING BIDS**.

13. The Contractor shall be provided the time period specified in Section 01340-2.0, **MATERIAL AND EQUIPMENT SUBSTITUTIONS**, for submission of data substantiating a request for a substitution of an "or equal" item.

14. As required by Section 6705 of the California Labor Code and in addition thereto, whenever work under the Contract involves the excavation of any trench or trenches five (5) feet or more in depth, the Contractor shall submit in advance of excavations, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Industrial Safety in Title 8, Subchapter 4, Article 6, California Code of Regulations, the plan shall be prepared by a registered civil or structural engineer employed by the Contractor, and all costs therefore shall be included in the price named in the Contract for completion of the Work as set forth in the Contract Documents. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the District, the Design Consultant, Construction Manager nor any of their agents, consultants, or employees. The District's review of the Contractor's excavation plan is only for general conformance to the California Construction Safety Orders.

Prior to commencing any excavation, the Contractor shall designate in writing to the Construction Manager the "competent person(s)" with the authority and responsibilities designated in the Construction Safety Orders.

15. In accordance with Section 7104 of the Public Contract Code, whenever any work involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, the provisions of Section 00700-7.2, **Differing Site Conditions**, shall apply.

16. In accordance with Section 7103.5 of the Public Contract Code, the Contractor and subcontractors shall conform to the following requirements. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchases of goods, materials or services pursuant to this Contract or the subcontract. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor, without further acknowledgment by the parties.

17. In accordance with Section 4552 of the Government Code, the Contractor shall conform to the following requirements. In submitting a Bid to the District, the Contractor offers and agrees that if the Bid is accepted, it will assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchase of goods, materials, or services by the Contractor for sale to the District pursuant to the Bid. Such assignment shall be made and become effective at the time the Authority tenders final payment to the Contractor.

18. Pursuant to Public Contract Code Section 7100, the acceptance by the Contractor of an undisputed payment made under the terms of the Contract shall operate as, and shall be, a release to the District, and their duly authorized agents, from all claim of and/or liability to the Contractor arising by virtue of the contract related to those amounts. Disputed contract claims in stated amounts may be specifically excluded by the Contractor from the operation of the release.

19. In accordance with California Business and Professions Code Section 7030, the Contractor is required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning the Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first set forth above.

CONTRACTOR

By: _____

Title: _____

Dublin San Ramon Services District

By: _____

Daniel McIntyre, General Manager

ATTEST:

Nicole Genzale, District Secretary

***** END OF SECTION *****



TITLE: Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Motion, a continuation of the Emergency Action as declared in Board Resolution No. 53-18 and find that there exists a need for continuing the District Office flooding emergency which the Board last confirmed on March 19, 2019.

SUMMARY:

On Sunday, November 11, 2018, the District Office flooded due to a leak in the fire service line. The General Manager, as the District’s Emergency Manager per the District’s Emergency Response Plan policy, immediately proclaimed a District State of Emergency to reduce potential further property damage due to water exposure and to minimize the time to restore core business operations.

The District Office is closed for restoration and repair. Staff is requesting the Board of Directors find that there still exists a need for continuing the State of Emergency reflected by Board Resolution No. 53-18. Expedited action, including the emergency procurement of equipment, furnishings, services, supplies, and repairs, is necessary to bring about re-occupancy of the District Office by staff at the earliest opportunity, in order to restore normal operations and core services. Delay in restoration and repair will have an unacceptable adverse impact on the services provided by the District.

Further detail on the emergency and the current state of restoration is reflected in the attached staff report.

Originating Department: Engineering Services	Contact: J. Ching	Legal Review: N/A
Cost: \$0	Funding Source: Insurance Claim	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	33 of 72	

STAFF REPORT



District Board of Directors
April 2, 2019

Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists

BACKGROUND

On Sunday, November 11, 2018, the District Office flooded due to a leak in the fire service line. The General Manager, as the District’s Emergency Manager per the District’s Emergency Response Plan policy, immediately proclaimed a District State of Emergency to reduce potential further property damage due to water exposure and to minimize the time to restore core business operations. As the Emergency Manager, the General Manager is charged with managing all emergency operations and making decisions to allocate resources and expend funds as necessary to meet the needs of the emergency.

Per the District’s Purchasing policy, in case of an emergency and in accordance with Public Contract Code Section 22050, the General Manager may let contracts for any amount without giving notice for bids for repair or replacement of a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes. On November 20, 2018, the Board of Directors adopted Resolution No. 53-18 approving emergency action procurement by the General Manager for restoration of the District Office. Per the Public Contract Code, at every regularly scheduled meeting after the initial emergency action, the Board is to review and determine by a four-fifths vote, that there is a need to continue the emergency action.

DISCUSSION

RESTORATION UPDATE

On March 13, 2019, Overaa Construction commenced work to replace the floor slab in the southeast area of the building. The work is expected to be completed by mid-April 2019.

Staff met with the City of Dublin regarding completing the restoration and the District Office Renovation Project (CIP 19-A005) through a change order with the City of Dublin’s contractor for the Police Building as a task order under the Tri-Valley Intergovernmental Reciprocal Services Master Agreement. Staff also discussed the required drawings and specifications for project permitting. Staff has determined that due to potential issues with contract responsibilities and the timing of the project that it would be more expedient for the district to complete the construction under the emergency action procurement process.

Two task orders for the District Office Renovation Project have been issued to date. A task order for ID Architecture, in an amount not to exceed \$124,600 for design services, was executed on March 19, 2019. A second task order for Swinerton Builders, DBA Swinerton Management & Consulting, in an amount not to exceed \$366,178 for cost estimating and construction management services, was executed by the General Manager on the same date, under District emergency provisions. Staff continues to have discussions with Sausal Corporation, the general contractor for the City of Dublin’s Police Building Project, to complete the District Office Renovation Project through a design-build process in coordination with ID Architecture.

NEED FOR CONTINUING EMERGENCY

The District Office is closed until further notice. Displaced District Office staff have been assigned to the Regional Wastewater Treatment Facility, the Field Operations Facility, the utility building behind the District Office, and Dublin City Hall. District administrative operations and customer service have been hampered in the following ways:

- The Board's customary meeting place for Board meetings is unavailable for use, inconveniencing the public who might wish to attend Board meetings;
- Customer service functions related to "in-person" bill payment have been suspended, because the Field Operations Facility where the Customer Services & Billing Division has been temporarily relocated to cannot accommodate in-person payment of water and sewer bills. Thus, one form of payment (in-person) is not available to the District's customers;
- There is minimal meeting space for staff for internal meetings, to meet with developer representatives and contractors, and to confer with other agency personnel;
- Work units in the Engineering Department, the Administrative Services Department, the Executive Services Division, and the Communications Division are located in inefficient and inconvenient locations at the Field Operations Facility, the Regional Wastewater Treatment Plant, and Dublin City Hall. The convenience of working in close proximity, with adequate work space, is hampered. Natural work efficiencies are degraded because of location of staff in scattered and inadequate work facilities;
- Many supervisory staff have lost use of their individual offices for confidential meetings pertaining to performance management, coaching, and recruiting;
- Through relocation of some District staff to the Field Operations Facility Training Room, space for large group training activities has been lost. Moreover, meeting space for regional meetings has been lost (neither the Boardroom nor the Field Operations Facility Training Room are available).

Based on the above consequences of the District Office being closed for restoration and repair, staff is requesting the Board of Directors find that there still exists a need for continuing the State of Emergency reflected by Board Resolution No. 53-18. Expedited action, including the emergency procurement of equipment, furnishings, services, supplies, and repairs, is necessary to bring about re-occupancy of the District Office by staff at the earliest opportunity, in order to restore normal operations and core services. Delay in restoration and repair will have an unacceptable adverse impact on the services provided by the District.

RECOMMENDATION

Staff recommends the Board of Directors approve, by Motion, a continuation of the State of Emergency as declared by Board Resolution No. 53-18 and find that there exists a need for continuing the District Office flooding emergency which the Board confirmed at the previous regularly scheduled meeting on March 19, 2019. A four-fifths vote by the Board of Directors is required to continue the State of Emergency.



TITLE: Public Hearing: Receive Input from the Community Regarding Boundaries and Composition of Divisions to Be Established for Division-Based Elections Pursuant to Elections Code Section 10010, and Provide Direction

RECOMMENDATION:

Staff recommends the Board of Directors:

- 1) Hold the fourth public hearing to receive input from the community regarding the boundaries, composition, and sequencing of divisions to be established for division-based elections for Directors pursuant to Elections Code Section 10010;
- 2) Consider configurations of the draft map alternatives and either select the final division map from those alternatives, or provide additional changes to one of the draft maps and select the map as thus amended; and
- 3) Provide direction regarding sequencing of divisions in future elections.

SUMMARY:

On January 15, 2019, the Board of Directors adopted a resolution of intent to transition from an at-large to a division-based election system in conformance with the California Voting Rights Act of 2001 ("CVRA"). The Board of Directors considered adoption of the resolution after the District received a letter on November 6, 2018 from Walnut Creek attorney Scott Rafferty, on behalf of the Bay Area Voting Rights Initiative ("BAVRI"), asserting that "racially polarized voting" is occurring in the San Ramon Valley, and that the District's at-large electoral system therefore violates the CVRA. Mr. Rafferty's letter threatened litigation unless the District voluntarily transitioned to division-based elections in time for the November 3, 2020 election. After weighing the legal implications and potential costs of litigation, the Board decided to adopt the resolution of intent and begin the transition process.

Based on comments received from members of the public and direction received from the Board of Directors during the prior public hearings, eight alternative maps have been prepared for consideration. The eight maps are identified by a special name based on color, to minimize any bias in favor of or opposition to any option that might result from using a numerical designation. The eight names are: Yellow, Red, Green, Purple, Canary, Scarlet, Emerald, and Navy. The first four maps (Yellow, Red, Green, Purple) were presented for consideration at the third public hearing. The second four maps (Canary, Scarlet, Emerald, Navy) were developed per additional Board direction given during the third public hearing.

This fourth public hearing is to inform the community about the transition process, present options, and receive public input regarding the boundaries and composition of divisions as set forth on the eight maps and on any alternative maps that might be proposed by members of the community. This hearing is the second of two hearings to enable the Board to receive input on the draft maps and on any alternative maps that might be proposed.

At the conclusion of tonight's hearing, the Board of Directors is expected to select the final map and provide direction to staff regarding the sequence of division elections. The ordinance adopting the final map will be introduced on April 16, 2019, and scheduled for adoption following a second reading on May 7, 2019. The District must complete the transition process no later than June 1, 2019 to remain legally compliant.

Originating Department: Office of the General Manager	Contact: C. Nelson/N. Genzale	Legal Review: Yes
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)		
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STAFF REPORT



District Board of Directors
April 2, 2019

Public Hearing: Receive Input from the Community Regarding Boundaries and Composition of Divisions to Be Established for Division-Based Elections Pursuant to Elections Code Section 10010, and Provide Direction

BACKGROUND

On January 15, 2019, the Board of Directors adopted a resolution of intent to transition from an at-large to a division-based election system in conformance with the California Voting Rights Act of 2001 (“CVRA”). The Board of Directors considered adoption of the resolution after the District received a letter on November 6, 2018 from Walnut Creek attorney Scott Rafferty, on behalf of the Bay Area Voting Rights Initiative (“BAVRI”), asserting that “racially polarized voting” is occurring in the San Ramon Valley, and that the District’s at-large electoral system therefore violates the CVRA. Mr. Rafferty’s letter threatened litigation unless the District voluntarily transitioned to division-based elections in time for the November 3, 2020 election. After weighing the legal implications and potential costs of litigation, the Board decided to adopt the resolution of intent and begin the transition process.

Based on comments received from members of the public and direction received from the Board of Directors during the prior public hearings, eight alternative maps have been prepared for consideration. The eight maps are identified by a special name based on color, to minimize any bias in favor of or opposition to any option that might result from using a numerical designation. The eight names are: Yellow, Red, Green, Purple, Canary, Scarlet, Emerald, and Navy. The first four maps (Yellow, Red, Green, Purple) were presented for consideration at the third public hearing. The second four maps (Canary, Scarlet, Emerald, Navy) were developed per additional Board direction given during the third public hearing.

This fourth public hearing is to inform the community about the transition process, present options, and receive public input regarding the boundaries and composition of divisions as set forth on the eight maps and on any alternative maps that might be proposed by members of the community. This hearing is the second of two hearings to enable the Board to receive input on the draft maps and on any alternative maps that might be proposed.

The tentative timeline for the entire transition process is included as Attachment 5 to the staff report. The public meetings are being held on regularly scheduled Board meeting dates at locations throughout the District’s service area to facilitate participation in this process by all of its citizens and customers. The District must complete the transition process no later than June 1, 2019 to remain legally compliant.

DISCUSSION

On January 15, 2019, the Board of Directors adopted a resolution of intent to transition from an at-large to a division-based election system in conformance with the California Voting Rights Act of 2001 (“CVRA”). The transition will be implemented for the 2020 general municipal election, when three of the five Board of Director seats will be up for election.

Pursuant to Elections Code Section 10010, the District is required to hold at least two public hearings over a period of no more than 30 days before any map or maps of the boundaries for the proposed voting districts are drawn. Following that, two public hearings must be held, over a period of no more than 45 days, regarding the

maps showing division boundaries prior to the adoption of the division-based elections ordinance. This is the second of the two hearings to consider configuration of the draft map alternatives prepared by the District's independent demographer, Mr. Michael Wagaman, from Wagaman Strategies.

Public Outreach and Input

In addition to testimony at the public hearings, District staff has developed a public outreach strategy. Since the Board of Directors adopted the resolution of intent on January 15, 2019, the District immediately engaged in public outreach efforts to help inform the public on division-based elections and to encourage and obtain feedback and input, per the following methods:

- Established a dedicated web page on the District's website to provide information regarding the boundary drawing and transition process, including a toolkit to facilitate drawing communities of interest and proposed division maps: <http://www.dsrds.com/about-us/area-based-elections>
- Created a home page slide on the District's website that promotes the meetings and links to the dedicated web page
- Mailed over 38,000 notification postcards to residents and businesses in the District's service area informing them about the District's transition to division-based elections and how they can participate in the process
- Posted ongoing social media outreach to Facebook, Twitter, and Nextdoor
- Issued a press release to local outlets to inform residents and businesses in the District's service area about the District's transition to division-based elections and how they can participate in the process
- Issued DSRSDToday news update emails to DSRSD community subscribers
- Published the eight draft division maps in the East Bay Times newspaper
- Providing ongoing staff responses to all community inquiries received

No proposed maps have been received from the community as of the date of the agenda publication, March 28, 2019. Input received from the four residents who spoke at the three previously held public hearings (February 5, February 19, and March 19) has been captured in the Board meeting minutes which are available at www.dsrds.com. An overview of public input received by noon on March 28, 2019 is included in the Demographer Presentation (Attachment 1) and Public Input Received on Draft Division Map Alternatives (Attachment 4).

Public Hearings

On February 5, 2019, the first public hearing was held to receive input regarding the boundaries and composition of divisions. Five members of the public attended the public hearing. Two of the attendees were residents who provided public testimony conveying opposition to the District having to transition its election system. Mr. Rafferty then shared his perspective on the CVRA. The Board of Directors asked questions and commented generally on the process of transitioning from at-large to division-based elections, and expressed concerns about possible impacts division-based voting may have on future elections, and candidate and voter opportunities.

On February 19, the second public hearing was held. At that meeting, two members of the public attended. One attendee was a resident who provided public testimony suggesting the Board consider the District's different services and usages when drafting the division maps. Mr. Rafferty also spoke and suggested making the creation of one to two Asian-majority districts a priority, considering the high concentration of Asians in East Dublin and Dougherty Valley. He also suggested the Board consider county lines, types of service areas, and common interests. Mr. Rafferty later expressed support for blended service areas. After hearing public testimony, the

Board of Directors asked questions and discussed possible criteria, including county lines, service areas, geography, natural borders such as existing communities and thoroughfares, and incumbent location by election year. The Board expressed difficulties developing areas without accurate population figures. The Board discussed trying to have division boundaries conform to the county lines when possible. Additionally, the Board discussed an alternative approach of encouraging a blended customer base, where divisions might need to cross the county line.

Mr. Wagaman clarified for the record that he always starts with race-neutral criteria and only after drawing plans does he check to make sure the plans appear to comply with the federal Voting Rights Act. In this way, he avoids using race as the predominant factor. He summarized the Board's direction: to draw at least one map that prioritizes county lines and at least one map that prioritizes keeping service districts together to the extent feasible. The Board then discussed commercial versus residential areas, prison population, and build-out of Dougherty Valley for criteria considerations. The Board provided direction not to exclude the prison population when comparing the relative population of the proposed divisions.

Four draft division map alternatives (Red, Yellow, Green, Purple) were published and posted on the District's Area-Based Elections web page on March 1, 2019 and published in the East Bay Times on March 6, 2019.

On March 19, the third public hearing was held. At that meeting, two members of the public attended. One attendee was a resident who provided public testimony strongly opposing the District's transition to by-division elections and asserting that Mr. Rafferty's demand is unnecessary and making the transition will harm the District and its customers by creating division within the service area. Mr. Rafferty also spoke and commended the Board on its handling of the transition process, and restated he felt the transition would be beneficial to the District.

After hearing public testimony, the Board discussed the four draft map plans developed by Mr. Wagaman. Directors expressed ideas and concerns regarding services represented in the divisions, using Interstate 680 as the boundary line between Divisions 2 and 3 within Contra Costa County (mirroring East Bay Municipal Utility District's ward map handed out to the Board by Director Johnson), and drawing divisions with predominantly horizontal boundaries between them, such that divisions extend greater distances eastward or westward across the District.

At the conclusion of its discussion, the Board directed Mr. Wagaman to keep the four existing maps for further consideration, and to also develop and present additional alternative maps for consideration at the fourth public hearing reflecting the following:

- Include Collection service in the Yellow and Red maps' Division 1;
- Use Interstate 680 freeway as the boundary between Divisions 2 and 3 in Contra Costa County in the Red and Green maps; and
- Develop a map that creates divisions east to west.

Based on Board direction, Mr. Wagaman drafted four additional map alternatives, three of which modify the Yellow, Red, and Green maps, and one that is entirely new. The eight maps showing possible District division boundaries are attached to the staff report, including the four originally presented map alternatives and the four new alternative maps based on the Board's direction at the March 19, 2019 meeting (Attachment 2). Population data for each of the divisions that would be created by each of the maps is attached (Attachment 3).

The four new draft map alternatives (Canary, Scarlet, Emerald, Navy) were published and posted on the District's Area-Based Elections web page on March 22, 2019 and published in the East Bay Times on March 26, 2019.

Analysis of Map Alternatives:

Four map alternatives prepared in response to initial Board direction - February 19, 2019:

Red Map: District 1 is entirely in Contra Costa County and consists of those portions of the Dougherty Valley north and east of the intersection of Bollinger Canyon and Dougherty Roads. District 2 is also entirely in Contra Costa County and consists primarily of the portions of San Ramon between Davona Drive to the west and Bollinger Canyon Road to the east. District 3 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of the portions of San Ramon west of Davona Drive and the Alameda portion consisting primarily of the portions of Dublin west of Village Parkway. District 4 is entirely in Alameda County and consists of central Dublin, roughly bordered by Village Parkway in the west and Hacienda Drive in the east. District 5 is entirely in Alameda County and consists of the portions of Dublin east of Hacienda Drive, and the prison and military facilities.

Yellow Map: Districts 1 and 5 are identical to the Red Map as described above. District 4 is nearly identical to the Red Map except the border along Village Parkway in the west is slightly different. District 2 is entirely in Contra Costa County and consists of the bulk of San Ramon west of Bollinger Canyon Road except for communities to the north and the south of the San Ramon Golf Club. District 3 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of communities to the north and the south of the San Ramon Golf Club and the Alameda portion substantially similar to the Red Map.

Green Map: District 1 is entirely in Contra Costa County and generally consists of most of the Dougherty Valley except those portions south of Windemere Parkway. District 2 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting of communities to the north and the south of the San Ramon Golf Club roughly between Broadmoor Drive in the west and Alcosta Blvd in the east and the Alameda portion consisting roughly of the portions of Dublin east of I-680 and west of the military facility. District 3 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of the portions of San Ramon west of Broadmoor Drive and the Alameda portion consisting of the portion of Dublin east of I-680. District 4 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of the Bent Creek Drive area and the Alameda portion roughly bordered by the military facility in the west and Tassajara Road in the east. District 5 is in both Alameda and Contra Costa Counties, with the Contra Costa portion generally consists of the portions of the Dougherty Valley south of Windemere Parkway and the Alameda portion consisting of the portions of Dublin east of Tassajara Road.

Purple Map: Districts 1, 4, and 5 are nearly identical to the Green Map as described above except Districts 1 and 5's border along Windemere Parkway is slightly different, and Districts 1 and 4's border around Bent Creek Road are slightly different. District 2 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting of communities to the south of the San Ramon Golf Club and the Alameda portion consisting roughly of the portions of Dublin east of San Ramon Road and west of the military facility. District 3 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of the portions of San Ramon north and west of Alcosta Boulevard and the Alameda portion consisting of the portion of Dublin west of San Ramon Road.

Four map alternatives prepared in response to additional Board direction – March 19, 2019:

Canary Map: Variant of the Yellow Map described above. Adds to Division 1 a small portion of the Bent Creek Drive area west of Dougherty Road where the District provides wastewater collection services.

Scarlet Map: Variant of the Red Map. Adds to Division 1 the same small portion of the Bent Creek Drive area west of Dougherty Road. Additionally, moves line between divisions 2 and 3 to use Interstate 680 as dividing line in Contra Costa County.

Emerald Map: Variant of the Green Map described above. Moves line between divisions 2 and 3 to use Interstate 680 as dividing line in Contra Costa County.

Navy Map: New plan. Division 5 is identical to the Red and Yellow Maps described above. Division 1 is entirely in Contra Costa County and consists of the portions of the Dougherty Valley north of Windemere Parkway and Bollinger Canyon Road, in addition to the portions of San Ramon bounded by Alcosta Boulevard to the east, Pine Valley Road to the south, and Broadmoor Drive to the west. Division 2 is entirely in Contra Costa County and consists of the portions of the Dougherty Valley south of Windemere Parkway and Bollinger Canyon Road, in addition to the portions of San Ramon consisting roughly of the areas south of Pine Valley Road and North of Alcosta Boulevard, along with the portions north of Pine Valley Road and west of Broadmoor Drive. Division 3 is in both Alameda and Contra Costa Counties, with the Contra Costa portion consisting primarily of the portions of San Ramon south of Alcosta Boulevard and Old Ranch Road, along with the portions west of Interstate 680 and south of Pine Valley Road and the Alameda portion consisting primarily of the portion north of Amador Valley Boulevard. Division 4 is entirely in Alameda County and consists primarily of the portions of Dublin south of Amador Valley Boulevard and west of Hacienda Drive.

Sequence of Division Elections

The sequence of division elections has not yet been determined. The transition to division-based elections will be implemented in the 2020 election at which time three Director seats will be on the ballot, with the two remaining Director seats on the ballot in applicable election years.

In determining final sequencing this evening, the Board should keep in mind the purposes of the CVRA and also take into account the preferences expressed by members of the public residing within the respective divisions.

Next Steps

At the conclusion of tonight’s hearing, the Board of Directors is expected to select the final map and provide direction to staff regarding the sequence of division elections. The ordinance adopting the final map will be introduced on April 16, 2019, and adopted on second reading on May 7, 2019. The District must complete the transition process no later than June 1, 2019 to remain legally compliant.

Once new census data is available from the 2020 federal census in 2021, the Board will consider how to revise the voting divisions to equalize the population within the divisions in time to be effective for the 2022 election. Because of substantial growth east of Dougherty Road from 2001 through 2010, staff anticipates that the voting divisions for the 2022 election will differ significantly from the voting divisions that the Board will approve for the 2020 election.

Fiscal and Administrative Impacts

The fiscal and administrative impacts to adopt the resolution and to implement the procedures to transition from an at-large election system to a division-based election system within the safe harbor time period will include several dedicated hours from multiple staff and consultants. Total costs to the District are anticipated to be \$200,000, and may require a budget adjustment for FYE 2019 at a later Board meeting.

Once updated federal census data becomes available in 2021, the District will need to consider adjusting the division boundaries to assure compliance with federal and state voting law. The estimated cost for this work in late 2021 or early 2022 is \$50,000 to \$100,000.

RECOMMENDATION

Staff recommends the Board of Directors:

- 1) Hold the fourth public hearing to receive input from the community regarding the boundaries, composition, and sequencing of divisions to be established for division-based elections for Directors pursuant to Elections Code Section 10010;
- 2) Consider configurations of the draft map alternatives and either select the final division map from those alternatives, or provide additional changes to one of the draft maps and select the map as thus amended; and
- 3) Provide direction regarding sequencing of divisions in future elections.

ATTACHMENTS:

1. Demographer Presentation
2. Division Map Alternatives (8) Prepared per February 19, 2019 Board Direction (Yellow, Red, Green, Purple) and per March 19, 2019 Board Direction (Canary, Scarlet, Emerald, Navy)
3. Population Data for Map Alternatives
4. Public Input Received on Draft Division Map Alternatives
5. Tentative Timeline

DUBLIN SAN RAMON SERVICES DISTRICT AREA-BASED ELECTIONS

PUBLIC HEARING #4

MICHAEL WAGAMAN
WAGAMAN STRATEGIES
DEMOGRAPHER, CONSULTANT

APRIL 2, 2019



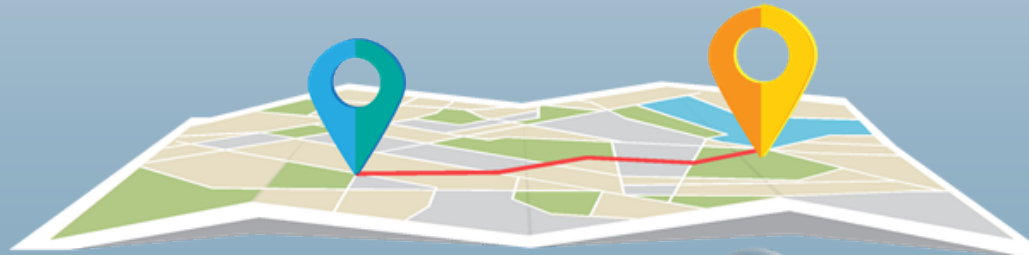
**Dublin San Ramon
Services District**

Water, wastewater, recycled water



BOARD ACTION REQUESTED

- Conduct fourth public hearing on the Board election divisioning process
- Introduce four revised draft maps
- Provide direction to staff and the District's independent demographer on:
 - ✓ Selection of the final map (including any final modifications)
 - ✓ Sequencing of division elections



TIMELINE

- Jan 15** Board adopted resolution to transition to area-based elections
- Feb 5** **Public Hearing #1** - Receive public input
- Feb 19** **Public Hearing #2**- Receive public input, provide direction on criteria for boundaries
- Mar 6** Draft maps published
- Mar 19** **Public Hearing #3** - Public input on draft maps and provide direction on adjustments
- Mar 26** Revised maps published
- Apr 2** **Public Hearing #4** - Public input on revised maps, and Board selection of map and sequencing of division elections
- Apr 16** Introduction of ordinance
- May 7** **Public Hearing #5** - Adoption of ordinance

MARCH 19 BOARD DIRECTION

- In addition to four previous draft maps:
 - ✓ **Yellow, Red, Green, Purple**
- Create four additional draft maps:
 - ✓ **Canary-** Modified version of Yellow. Moves portion of collection only service area from Division 2 to Division 1.
 - ✓ **Scarlet-** Modified version of Red. Moves portion of collection only service area from Division 2 to Division 1. Additionally moves boundary between Divisions 2 and 3 to I-680 in Contra Costa County.
 - ✓ **Emerald-** Modified version of Green. Moved boundary between Divisions 2 and 3 to I-680 in Contra Costa County.
 - ✓ **Navy-** New plan. Draw divisions from east to west to extent possible.

PUBLIC INPUT

- **Public hearing speaker comments:**
 - ✓ **March 19** – One San Ramon resident expressed opposition to the District transitioning to a division-based election system (and emailed with this commentary prior to the hearing).
- **Email comments** (new since March 19 meeting information):
 - ✓ **March** – One Dublin resident suggested a map plan that contained divisions 1 & 2 in Contra Costa County divided by 2 areas of interest (Water & Collections), and divisions 3,4 & 5 in Dublin (all services) divided by equal population.
- **Social media Poll #2 results and other comments:**
 - ✓ **March 25 Poll (62 Votes)**

<u>Yellow</u> = 1%	<u>Red</u> = 9%	<u>Green</u> = 0%	<u>Purple</u> = 5%
<u>Canary</u> = 48%	<u>Scarlet</u> = 10%	<u>Emerald</u> = 13%	<u>Navy</u> = 11%

Nextdoor poll results are as of Noon March 28. Updated results will be provided at the April 2 Board meeting.
 - ✓ **March** – (Nextdoor) One San Ramon resident inquired about local vs. federal control. One San Ramon resident asked if divisioning is similar to the electoral college.

Input noted above was received after the March 19 Board meeting agenda packet was published.

APRIL 2 NEXT STEPS

Apr 2 Public Hearing #4 - Public input on revised maps, and Board selection of map and sequencing of division elections

Apr 16 Introduction of ordinance

May 7 Public Hearing #5 - Adoption of ordinance

QUESTIONS?

Michael Wagaman
Demographer, Consultant
(916) 440-0883

michael@wagamanstrategies.com



Draft Map
Plan Red

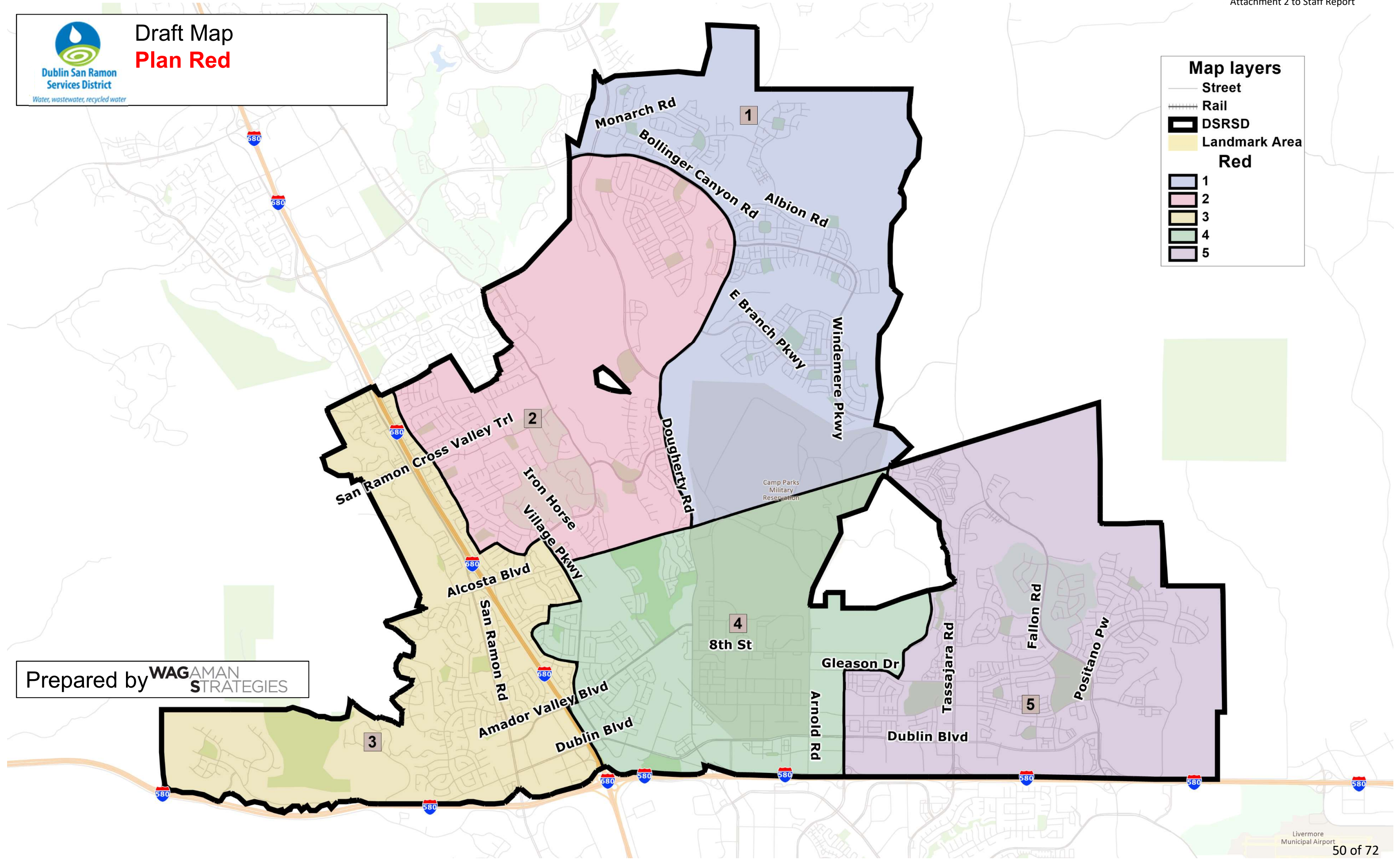
Dublin San Ramon Services District
Water, wastewater, recycled water

Map layers

- Street
- Rail
- DSRSD
- Landmark Area





Red

- 1
- 2
- 3
- 4
- 5








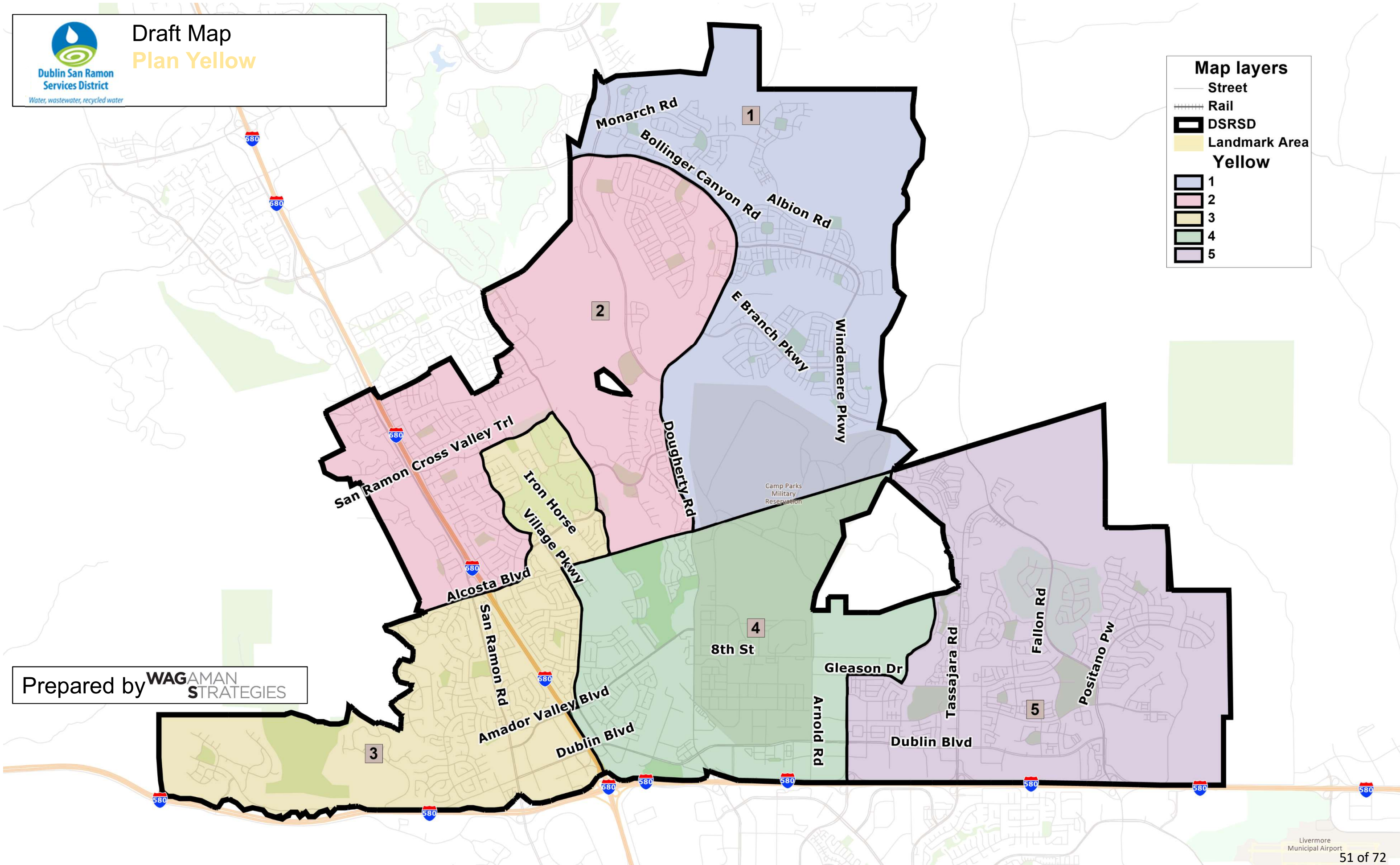
Prepared by **WAGAMAN STRATEGIES**

Map layers

-  Street
-  Rail
-  DSRSD
-  Landmark Area

Yellow

-  1
-  2
-  3
-  4
-  5



Prepared by **WAGAMAN STRATEGIES**



Dublin San Ramon Services District
Water, wastewater, recycled water

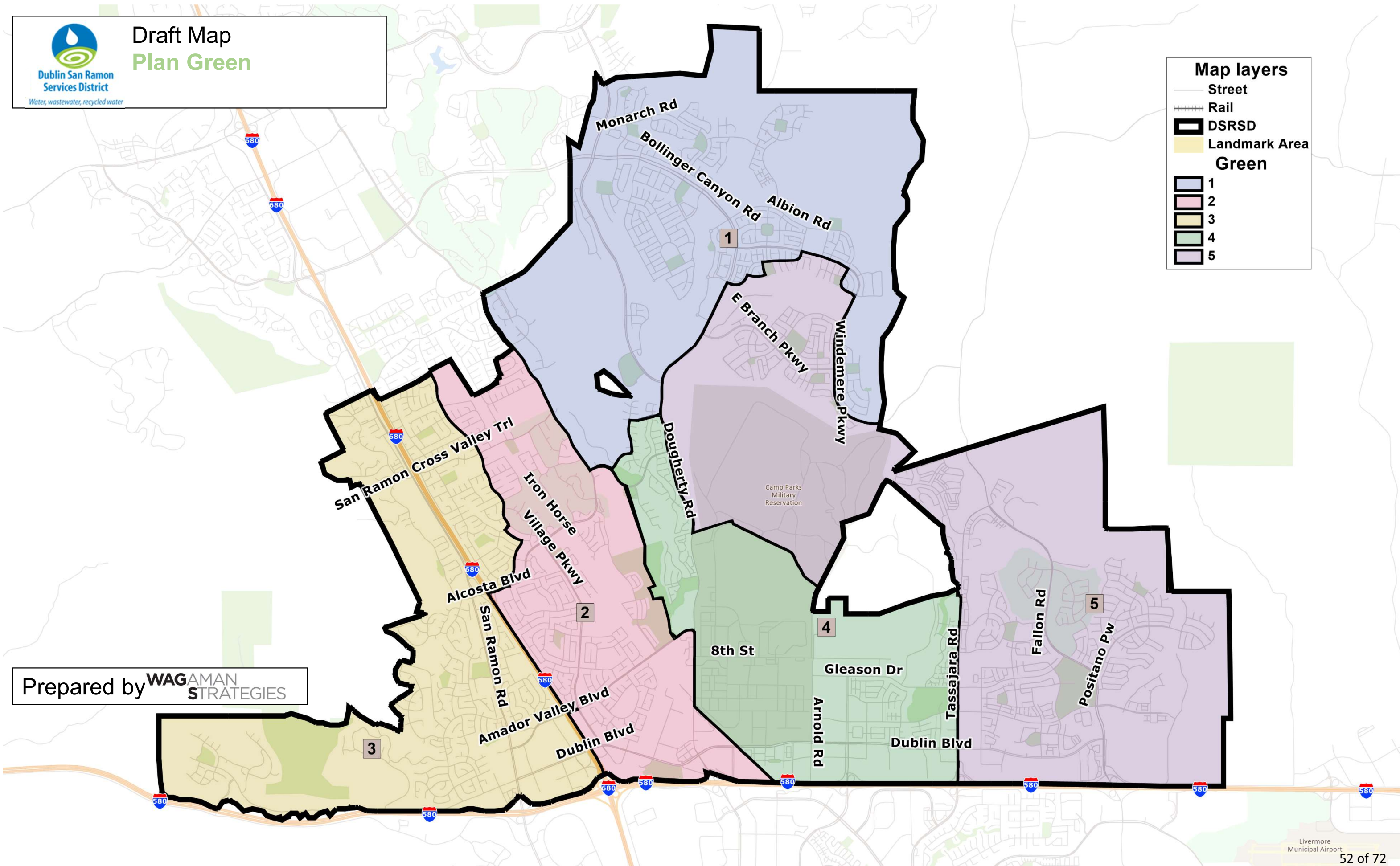
Draft Map Plan Green

Map layers

- Street
- Rail
- DSRSD
- Landmark Area

Green

- 1
- 2
- 3
- 4
- 5



Prepared by **WAGAMAN STRATEGIES**



Dublin San Ramon Services District
Water, wastewater, recycled water

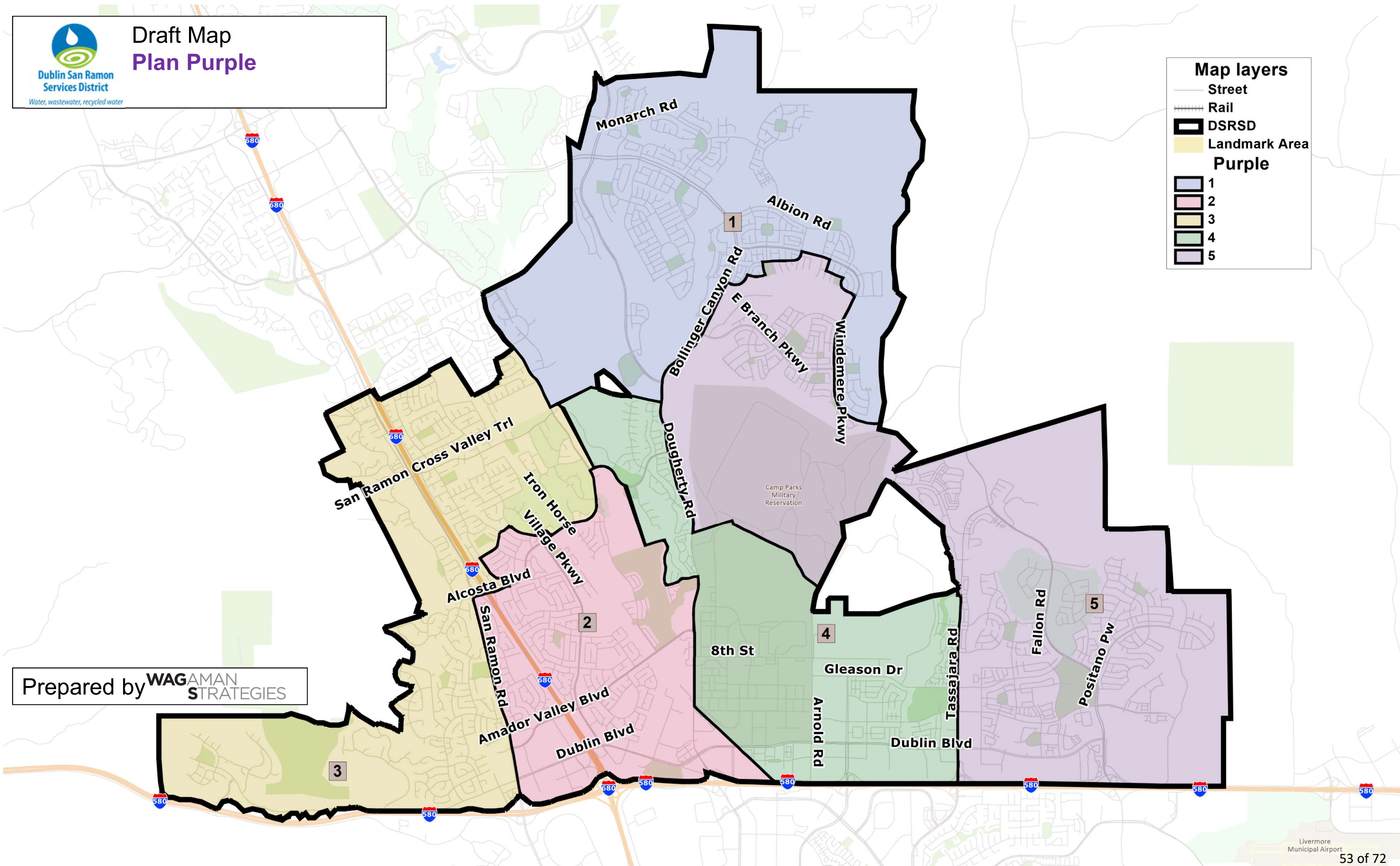
Draft Map Plan Purple

Map layers

- Street
- Rail
- DSRSD
- Landmark Area

Purple

- 1
- 2
- 3
- 4
- 5



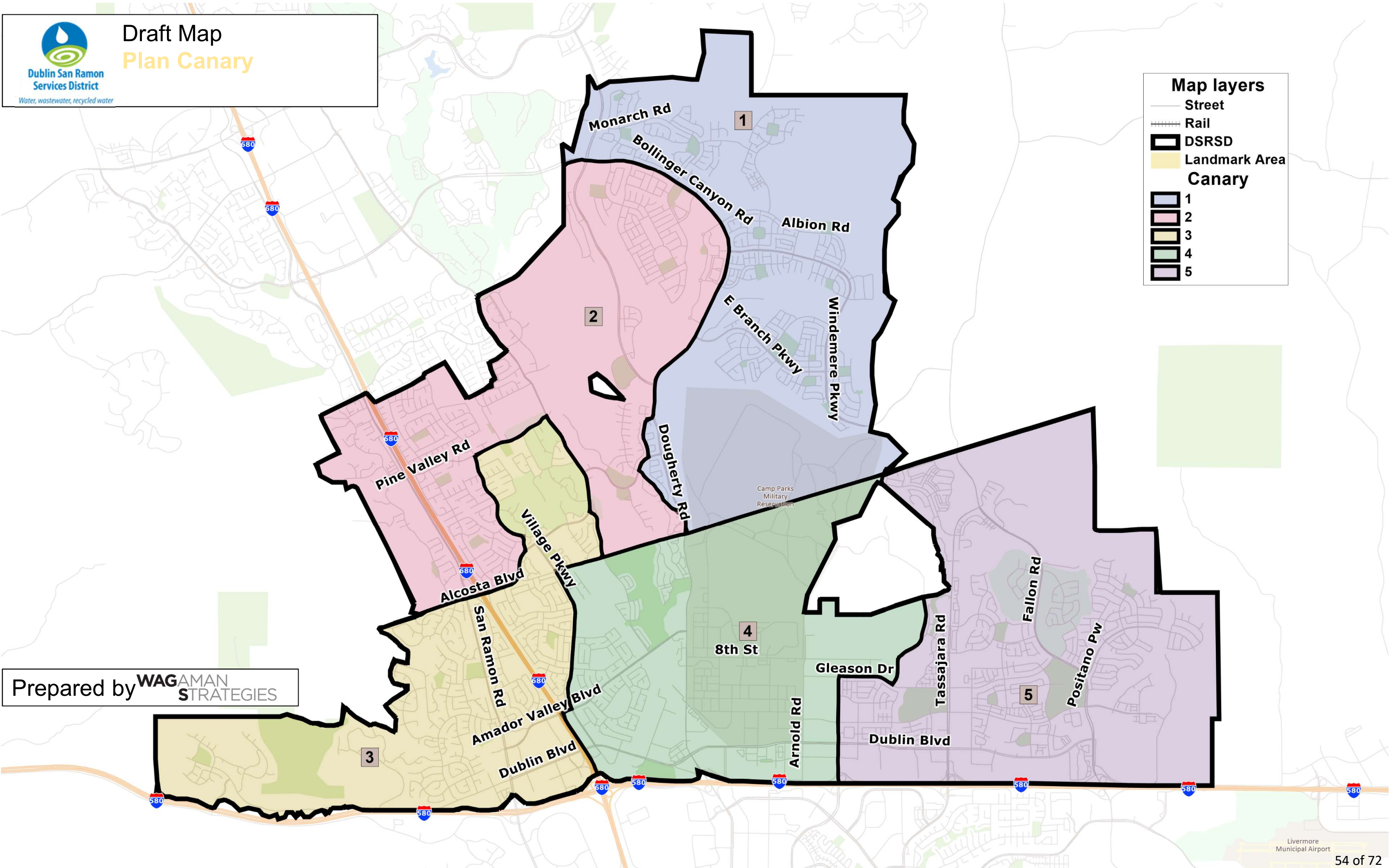
Prepared by **WAGAMAN STRATEGIES**

Map layers

- Street
- ▬ Rail
- ▭ DSRSD
- ▭ Landmark Area

Canary

- 1
- 2
- 3
- 4
- 5



Prepared by **WAGAMAN STRATEGIES**



Dublin San Ramon Services District
Water, wastewater, recycled water

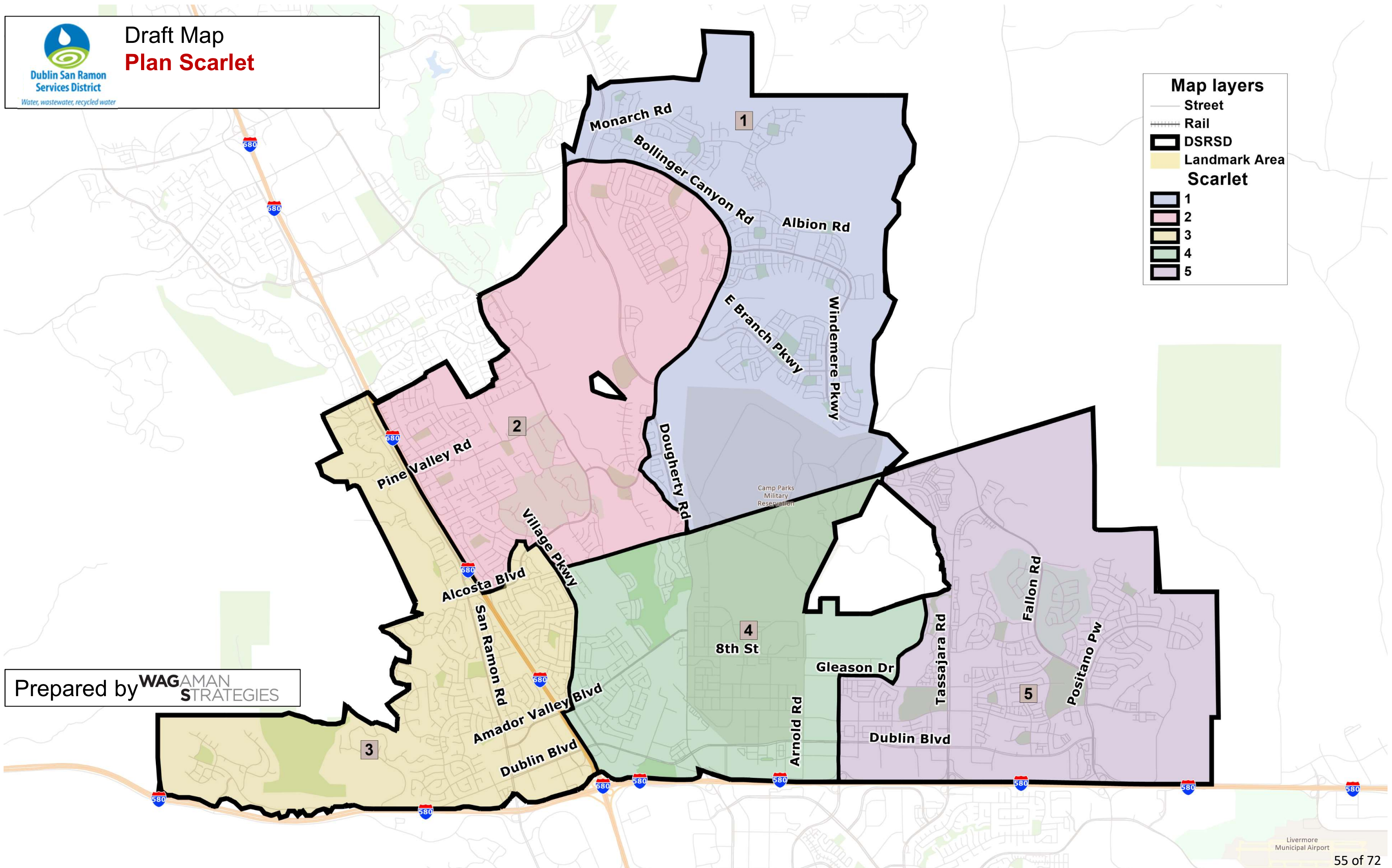
Draft Map Plan Scarlet

Map layers

- Street
- Rail
- DSRSD
- Landmark Area

Scarlet

- 1
- 2
- 3
- 4
- 5



Prepared by **WAGAMAN STRATEGIES**

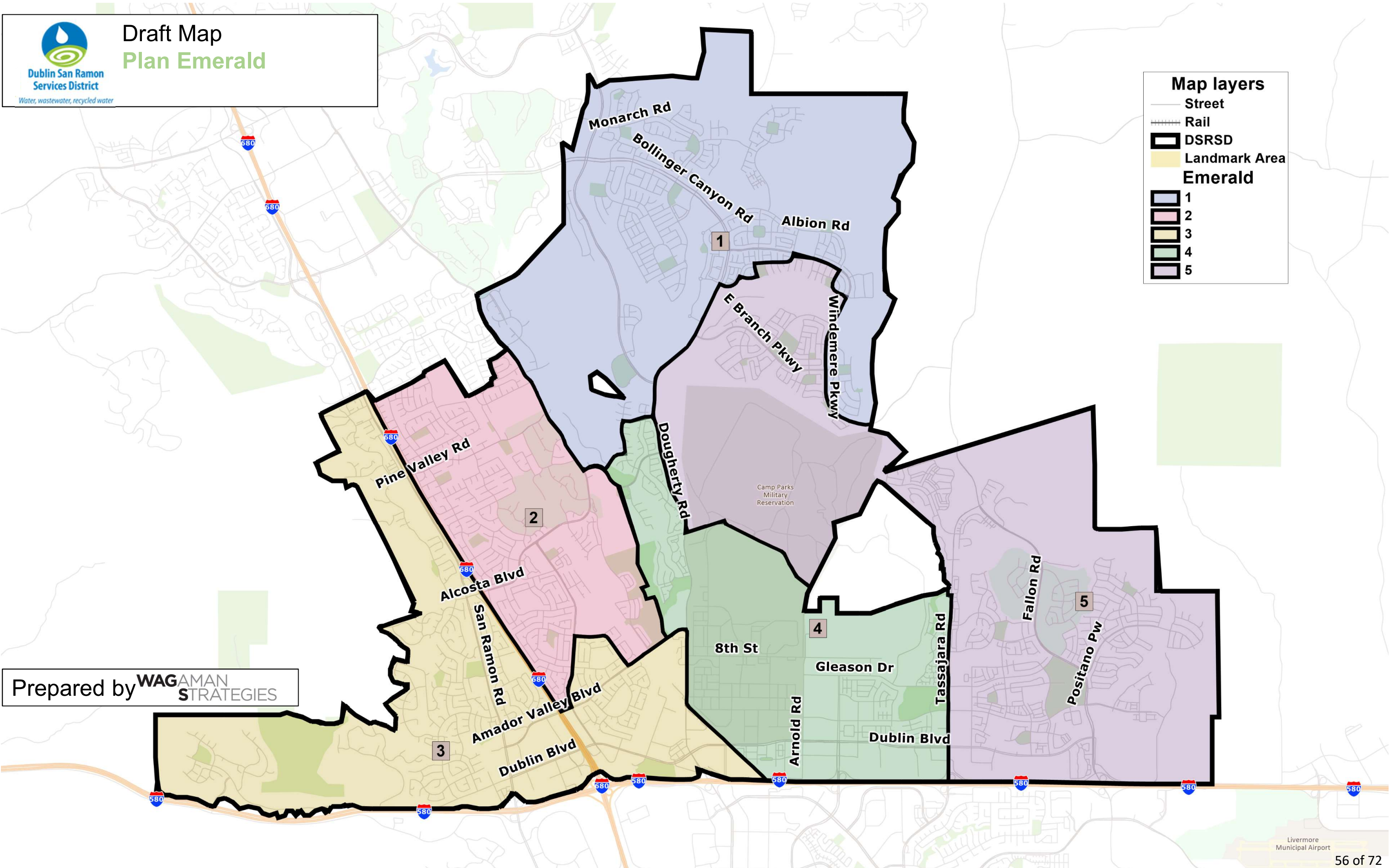
Livermore Municipal Airport

Map layers

- Street
- ▬ Rail
- ▭ DSRSD
- ▭ Landmark Area

Emerald

- 1
- 2
- 3
- 4
- 5



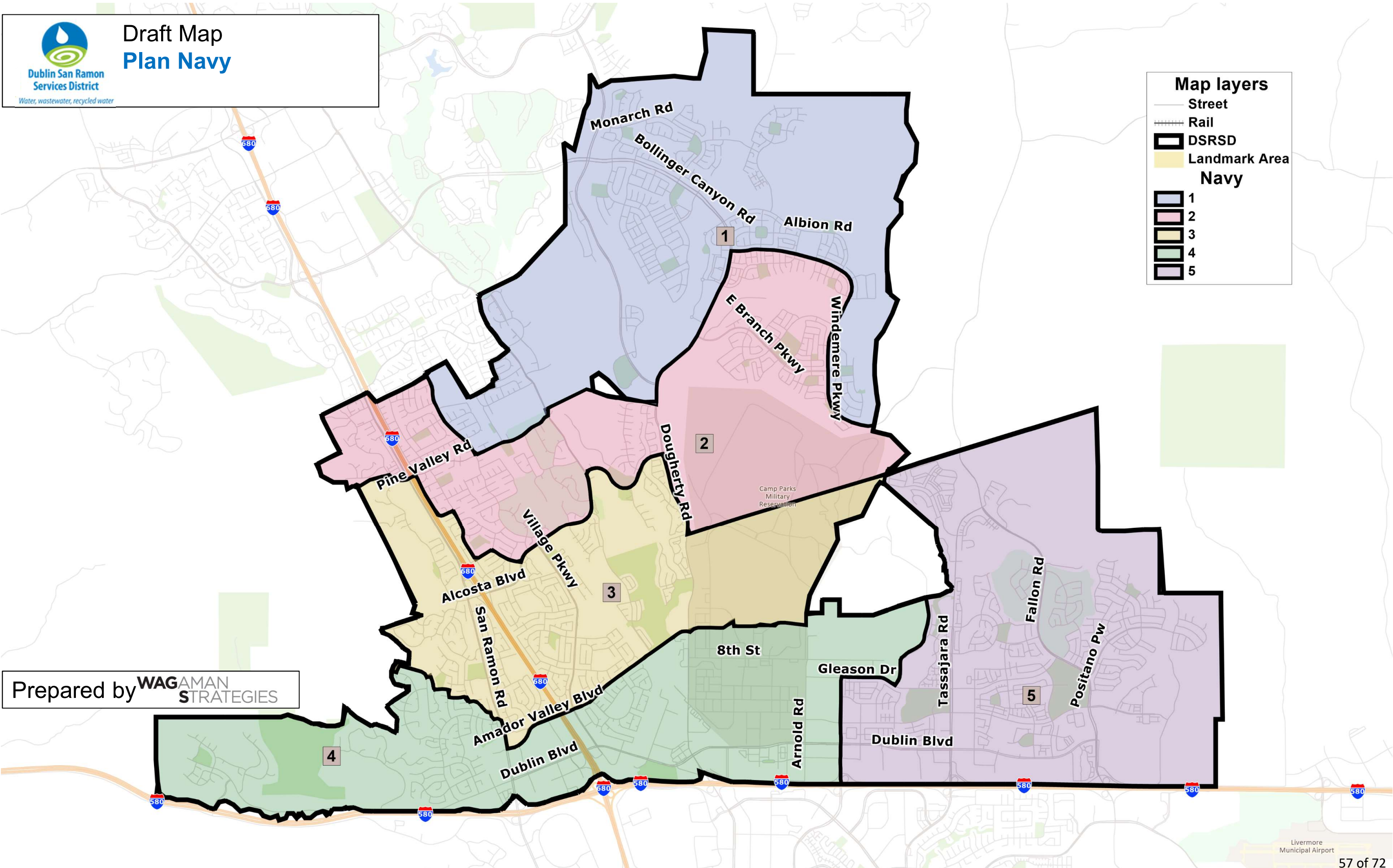
Prepared by **WAGAMAN STRATEGIES**

Map layers

-  Street
-  Rail
-  DSRSD
-  Landmark Area

Navy

-  1
-  2
-  3
-  4
-  5



Prepared by **WAGAMAN STRATEGIES**

**DUBLIN SAN RAMON SPECIAL DISTRICT
ROUND 1 DRAFT MAP DEMOGRAPHICS**

Plan	Division	Population^							Voting Age Population^				Citizen Voting Age Population+			
		Total	Deviation	% Dev	% White*	% Latino	% Asian*	% Black*	% White*	% Latino	% Asian*	% Black*	% White*	% Latino	% Asian*	% Black*
Red	1	17,234	261	1.5%	23.0%	4.8%	68.9%	2.1%	24.6%	4.4%	68.0%	2.0%	27.3%	4.1%	66.2%	1.1%
	2	16,921	-52	-0.3%	54.2%	10.5%	29.1%	4.7%	58.1%	9.3%	27.0%	4.1%	55.1%	11.1%	28.4%	4.7%
	3	16,967	-6	0.0%	56.7%	14.5%	23.4%	3.2%	59.6%	12.8%	22.5%	3.0%	63.8%	8.5%	22.9%	4.2%
	4	17,089	116	0.7%	42.7%	19.9%	16.7%	18.7%	42.1%	19.6%	15.6%	20.7%	50.7%	14.7%	18.1%	15.0%
	5	16,654	-319	-1.9%	35.2%	8.5%	49.6%	5.1%	37.9%	8.0%	48.0%	4.8%	36.6%	6.7%	50.1%	5.8%
Yellow	1	17,234	261	1.5%	23.0%	4.8%	68.9%	2.1%	24.6%	4.4%	68.0%	2.0%	27.3%	4.1%	66.2%	1.1%
	2	17,492	519	3.1%	51.7%	11.1%	30.7%	4.9%	55.3%	10.0%	28.8%	4.4%	52.7%	11.0%	30.1%	5.8%
	3	17,385	412	2.4%	59.5%	14.3%	21.2%	2.8%	62.5%	12.5%	20.3%	2.6%	67.6%	8.5%	20.2%	3.1%
	4	16,100	-873	-5.1%	41.5%	19.9%	16.8%	19.7%	40.9%	19.7%	15.7%	21.8%	48.8%	15.0%	18.6%	15.8%
	5	16,654	-319	-1.9%	35.2%	8.5%	49.6%	5.1%	37.9%	8.0%	48.0%	4.8%	36.6%	6.7%	50.1%	5.8%
Green	1	16,891	-82	-0.5%	30.8%	7.2%	55.8%	4.6%	34.2%	6.8%	53.4%	4.3%	33.4%	7.4%	53.9%	4.2%
	2	16,680	-293	-1.7%	59.0%	14.8%	20.8%	3.4%	62.4%	12.8%	19.7%	3.2%	67.4%	10.8%	18.2%	2.8%
	3	16,611	-362	-2.1%	60.0%	13.1%	21.8%	3.1%	62.6%	11.6%	21.0%	2.9%	62.6%	9.2%	23.2%	4.4%
	4	17,234	261	1.5%	35.1%	16.6%	28.2%	18.3%	34.8%	17.6%	24.9%	21.0%	38.6%	13.4%	28.9%	17.0%
	5	17,449	476	2.8%	27.6%	6.6%	60.2%	4.2%	30.3%	6.2%	58.4%	4.0%	32.0%	5.4%	56.9%	5.1%
Purple	1	16,445	-528	-3.1%	30.1%	7.2%	56.6%	4.6%	33.3%	6.8%	54.3%	4.3%	32.8%	7.3%	54.5%	4.2%
	2	17,251	278	1.6%	55.5%	17.1%	21.5%	3.7%	58.9%	14.9%	20.6%	3.5%	63.2%	11.3%	21.0%	3.5%
	3	17,434	461	2.7%	63.2%	10.9%	21.2%	2.9%	65.9%	9.7%	20.2%	2.7%	65.6%	8.9%	20.5%	4.5%
	4	16,432	-541	-3.2%	33.9%	16.3%	29.0%	18.9%	33.4%	17.5%	25.5%	21.9%	37.6%	13.5%	30.0%	17.2%
	5	17,303	330	1.9%	27.6%	6.7%	60.2%	4.2%	30.4%	6.2%	58.3%	4.1%	32.0%	5.4%	56.8%	5.1%

* Does not include Latinos. Calculated pursuant to OMB BULLETIN NO. 00-02.

^ 2010 Census Redistricting Data [P.L. 94-171] Summary File, U.S. Census Bureau.

+ Citizen Voting Age Population Special Tabulation from the 2012-2016 5-Year American Community Survey, U.S. Census Bureau.


**DUBLIN SAN RAMON SPECIAL DISTRICT
ROUND 2 DRAFT MAP DEMOGRAPHICS**

Plan	Division	Population^							Voting Age Population^				Citizen Voting Age Population+			
		Total	Deviation	% Dev	% White*	% Latino	% Asian*	% Black*	% White*	% Latino	% Asian*	% Black*	% White*	% Latino	% Asian*	% Black*
Canary	1	17,753	780	4.6%	23.7%	4.9%	68.1%	2.1%	25.4%	4.4%	67.2%	2.0%	28.1%	4.2%	65.3%	1.2%
	2	16,973	0	0.0%	51.8%	11.2%	30.3%	5.0%	55.5%	10.1%	28.4%	4.5%	52.7%	11.1%	29.9%	5.8%
	3	17,385	412	2.4%	59.5%	14.3%	21.2%	2.8%	62.5%	12.5%	20.3%	2.6%	67.6%	8.5%	20.2%	3.1%
	4	16,100	-873	-5.1%	41.5%	19.9%	16.8%	19.7%	40.9%	19.7%	15.7%	21.8%	48.8%	15.0%	18.6%	15.8%
	5	16,654	-319	-1.9%	35.2%	8.5%	49.6%	5.1%	37.9%	8.0%	48.0%	4.8%	36.6%	6.7%	50.1%	5.8%
Scarlet	1	17,753	780	4.6%	23.7%	4.9%	68.1%	2.1%	25.4%	4.4%	67.2%	2.0%	28.1%	4.2%	65.3%	1.2%
	2	17,670	697	4.1%	54.9%	11.0%	27.8%	4.7%	58.9%	9.8%	25.8%	4.1%	55.8%	11.4%	26.4%	5.7%
	3	16,688	-285	-1.7%	56.5%	14.7%	23.4%	3.1%	59.5%	13.0%	22.5%	3.0%	65.0%	8.1%	23.3%	3.1%
	4	16,100	-873	-5.1%	41.5%	19.9%	16.8%	19.7%	40.9%	19.7%	15.7%	21.8%	48.8%	15.0%	18.6%	15.8%
	5	16,654	-319	-1.9%	35.2%	8.5%	49.6%	5.1%	37.9%	8.0%	48.0%	4.8%	36.6%	6.7%	50.1%	5.8%
Emerald	1	16,891	-82	-0.5%	30.8%	7.2%	55.8%	4.6%	34.2%	6.8%	53.4%	4.3%	33.4%	7.4%	53.9%	4.2%
	2	16,657	-316	-1.9%	61.6%	14.0%	19.8%	2.7%	65.0%	12.3%	18.4%	2.6%	69.1%	11.4%	16.2%	3.0%
	3	16,634	-339	-2.0%	57.4%	13.8%	22.8%	3.7%	60.1%	12.1%	22.2%	3.5%	61.2%	8.7%	24.9%	4.2%
	4	17,234	261	1.5%	35.1%	16.6%	28.2%	18.3%	34.8%	17.6%	24.9%	21.0%	38.6%	13.4%	28.9%	17.0%
	5	17,449	476	2.8%	27.6%	6.6%	60.2%	4.2%	30.3%	6.2%	58.4%	4.0%	32.0%	5.4%	56.9%	5.1%
Navy	1	16,710	-263	-1.5%	33.8%	7.7%	52.3%	4.7%	37.5%	7.3%	49.6%	4.3%	35.9%	8.0%	50.6%	4.2%
	2	17,403	430	2.5%	42.3%	8.0%	46.0%	2.3%	46.7%	7.4%	42.4%	2.3%	48.1%	8.3%	40.8%	2.5%
	3	17,496	523	3.1%	56.9%	15.4%	22.6%	3.1%	59.9%	13.5%	21.8%	2.9%	64.1%	9.8%	21.7%	3.5%
	4	16,602	-371	-2.2%	42.6%	18.6%	17.6%	19.0%	42.0%	18.5%	16.3%	21.1%	51.9%	13.0%	18.1%	15.6%
	5	16,654	-319	-1.9%	35.2%	8.5%	49.6%	5.1%	37.9%	8.0%	48.0%	4.8%	36.6%	6.7%	50.1%	5.8%

* Does not include Latinos. Calculated pursuant to OMB BULLETIN NO. 00-02.

^ 2010 Census Redistricting Data [P.L. 94-171] Summary File, U.S. Census Bureau.

+ Citizen Voting Age Population Special Tabulation from the 2012-2016 5-Year American Community Survey, U.S. Census Bureau.

 Communications Specialist Leanne Blevins, Dublin San Ramon Services Distr... ▼

Poll: How should DSRSD draw boundaries for new election divisions?


DSRSD is in the process of transitioning from at-large to area-based elections, and we want you to share your input on draft maps displaying potential election area boundaries. A couple weeks ago, we asked your opinion on four maps -- now, based on public input and Board direction, there are four additional maps to consider before the next public hearing at 6 p.m. Tuesday, April 2, at the Shannon Community Center (Ambrose Hall, 11600 Shannon Ave., Dublin).

The choices are the original four (red, yellow, green, purple), plus the new maps (canary, scarlet, emerald, navy). Three of the new maps are slight variations to the originals (canary-yellow; scarlet-red; emerald-green); the navy map is a new option entirely.






View the Google Maps version (that shows service areas, as well):
https://drive.google.com/open?id=1ZxG4zuwlv8ai9kEM7_kr-lzPGeUlfjJB&usp=sharing
 View the PDF version: <http://www.dsrdsd.com/home/showdocument?id=6787>

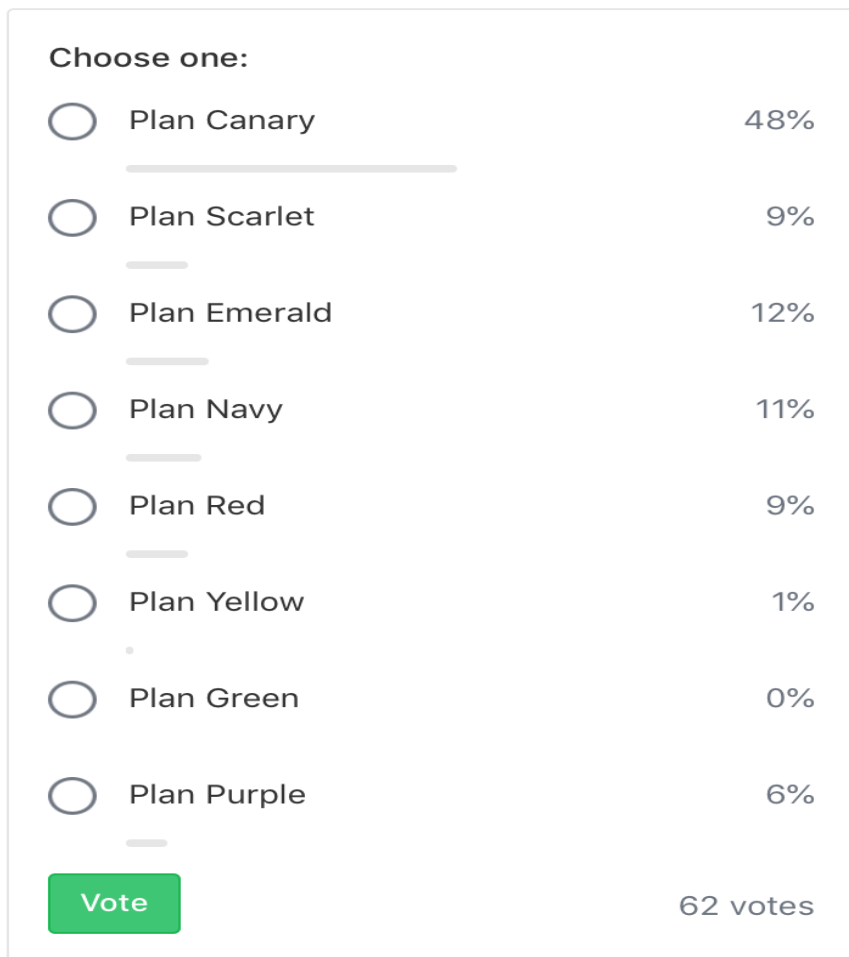
Learn more about this process on our dedicated webpage:
<http://www.dsrdsd.com/area-based-elections>

Thanks to all who voted in the last survey (and in this one)!

Verizon LTE 11:37 AM 91% 
 nextdoor.com

Invite





Communications Specialist Leanne Blevins, Dublin San Ramon Services Distr...



Poll: Which map do you prefer?

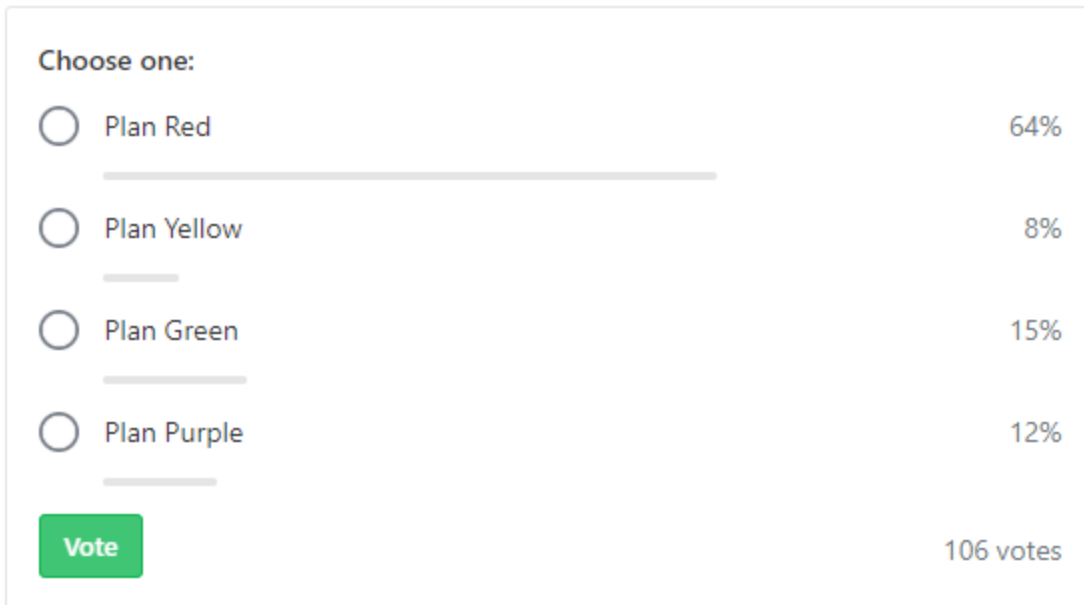
As DSRSD makes the transition from at-large to area-based elections, we want to know what election divisions you prefer from the demographer's draft maps. View a PDF of the maps: <http://www.dsrdsd.com/home/showdocument?id=6767> or via Google Maps that include our service areas: https://drive.google.com/open?id=1gIT4_bOOEFNiHrUivHuRAv6ntOi1yA6&usp=sharing

If you don't see a map you like, we encourage the public to draw their own: <http://www.dsrdsd.com/home/showdocument?id=6761>

The next Board of Directors meetings with public hearings on this process are:

6 p.m. Tuesday, March 19
Dougherty Station Community Center, Front Row Theater
17011 Bollinger Canyon Road, San Ramon

6 p.m. Tuesday, April 2
Shannon Community Center, Ambrose Hall
11600 Shannon Ave., Dublin



1d ago · Subscribers of Dublin San Ramon Services District in 1 area

Reply

1 10 · 3389 Impressions



Communications Specialist Lea Blevins, Dublin San Ramon Services Distr...



Weigh in on election area boundaries

There's still time to **let** us know what you think about election area boundaries as we transition from at-large to area-based elections. The demographer's draft maps are now available. and you can draw election boundary maps too, all for Board consideration. Learn more from our DSRSDtoday news:

<https://www.dsrSD.com/Home/Components/News/News/1504/400>

The next Board of Directors meetings with public hearings on this process are:

6 p.m. Tuesday, March 19

Dougherty Station Community Center. Front Row Theater
17011 Bollinger Canyon Road, San Ramon

6 p.m. Tuesday. April 2

Shannon Community Center. Ambrose Hall
11600 Shannon Ave., Dublin

YOU COUNT

YOU can play a role in determining district election boundaries



DSRSD Today | Dublin San Ramon Services District

DSRSD.COM

4 Mar · Subscribers of Dublin San Ramon Services District in 1 area

Reply

2 4 · 4175 Impressions



Steve V. West Dublin , 4 Mar



I like the RED map plan

2 Thanks

-----Original Message-----

From: Brian Morales [<mailto:whiteglives@comcast.net>]

Sent: Wednesday, March 6, 2019 9:30 AM

To: *Contact Resource <Contact@dsrsd.com>

Subject: Comments on boundaries

Hello,

I just read the article in the paper and wanted to share my opinion. I [REDACTED] [REDACTED] [REDACTED] have lived in Dublin for 30 years. I believe the "Red" map is the fairest map drawing and seems to divide each section clearly. Hopefully, this will give each section a voice by electing a board member from each section.

Thank you,

Brian

Sent from Brian's iPhone

Tentative Timeline

Board Meeting	Actions	Date & Location
1	Public Hearing without maps to provide input on criteria to be used for drawing voting divisions	<p align="center">February 5, 2019 Alcosta Senior & Community Center Garden View Room 9300 Alcosta Blvd., San Ramon</p>
2	<p>Public Hearing without maps to provide input on criteria to be used for drawing voting divisions</p> <p>Board to provide direction to demographer on desired criteria to be used for drawing maps</p>	<p align="center">February 19, 2019 The Wave Wave Community Room 4201 Central Parkway, Dublin</p>
3	Public Hearing with maps produced by the demographer for consideration and feedback by the public and Board	<p align="center">March 19, 2019 Dougherty Station Community Center Front Row Theater 17011 Bollinger Canyon Road, San Ramon</p>
4	Public Hearing with revised map(s) produced by the demographer for consideration and selection of one of the published maps and sequencing of voting divisions	<p align="center">April 2, 2019 Shannon Community Center Ambrose Hall 11600 Shannon Avenue, Dublin</p>
5	Introduce the ordinance to establish voting divisions	<p align="center">April 16, 2019 Shannon Community Center Ambrose Hall 11600 Shannon Avenue, Dublin</p>
6	Public Hearing to adopt the ordinance to establish voting division on second reading	<p align="center">May 7, 2019 Shannon Community Center Ambrose Hall 11600 Shannon Avenue, Dublin</p>



TITLE: Receive Update on Preliminary Water Rate Study and Provide Direction

RECOMMENDATION:

Staff recommends the Board of Directors receive an update on the Preliminary Water Rate Study and provide direction.

SUMMARY:

The Dublin San Ramon Services District (District) conducts water rate studies approximately every five years to ensure financial sufficiency to meet operation and maintenance (O&M) and capital asset replacement costs, achieve policy reserve fund targets, realign rates to more closely reflect costs incurred, and adequately recover the water enterprise’s revenue requirements. The District engaged consultant, Raftelis, to complete a comprehensive review of water rates, which were last updated in 2013.

At the February 5, 2019 Board meeting, staff requested Board guidance on several policy issues to provide the framework for Raftelis to conduct the water rate study. Staff will be presenting an update to the status of the study, and will review policy guidance given by the Board as well as several other issues that have been addressed subsequent to the February 5 Board meeting.

The water rates to be presented to the Board on April 16, with a proposed effective date of July 2019, will be reflective of a rate restructuring only as a result of the San Juan Capistrano case and our updated service delivery costs for potable and recycled water. No rate adjustment was implemented by the District for January 2019, and based on projected water demand, account growth, and operating expenses, there is sufficient working capital to forego a rate adjustment for January 2020.

Originating Department: Administrative Services	Contact: H. Chen/C. Atwood	Legal Review: Yes
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	65 of 72	

STAFF REPORT



District Board of Directors
April 2, 2019

Receive Update on Preliminary Water Rate Study and Provide Direction

BACKGROUND

Dublin San Ramon Services District (District) water rates are periodically reviewed to ensure financial sufficiency to meet operation and maintenance (O&M) and capital asset replacement costs, achieve policy reserve fund targets, realign rates to more closely reflect costs incurred, and adequately recover the water enterprise's revenue requirements. The District engaged consultant, Raftelis, to complete a comprehensive review of water rates, which were last updated in 2013.

At the February 5, 2019 Board meeting, staff requested Board guidance on several policy issues to provide the framework for Raftelis to conduct the water rate study. Staff has incorporated the Board's guidance and will be presenting an update to the status of the study. A draft of the water rate study is anticipated to be presented with preliminary rates at the April 16, 2019 Board meeting.

DISCUSSION

Below is a summary of the Board's guidance from the February 5, 2019 Board meeting.

Policy Guidance #1 – Dougherty Valley Standby Charge District (DVSCD)

The Zone 7 Water Agency (Zone 7) recovers State Water Project (SWP) costs through the Alameda County property tax roll and charges to Tri-Valley retailers. The DVSCD was established in 2000 to provide potable water service to the newly developed Dougherty Valley in the City of San Ramon, which is located in Contra Costa County. Since Zone 7 does not have jurisdiction to place assessments on the Contra Costa County property tax roll, DSRSD assessed the DVSCD a proportionate share of SWP costs on Zone 7's behalf. The assessments were placed on the Contra Costa County property tax bills based on parcel Dwelling Unit Equivalents (DUEs) and remitted to Zone 7. The agreement that established the DVSCD placed a limit on total collected assessments to \$1.56 million. It is projected that this limit will be exceeded in the next few years as SWP costs increase, requiring a Proposition 218 process to recover the increase.

The Board directed staff to retain the DVSCD and assessment limit, but to charge for the additional cost increment separately. Staff has been evaluating administrative options separately from the water rate study and will be coordinating with the DVSCD assessment consultant (NBS) regarding the additional cost increment.

Policy Guidance #2 – Zone 7 Fixed Charges

Zone 7 charges a "wholesale rate" for water in the Tri-Valley. This rate covers the cost of purchasing water from the Department of Water Resources, as well as treating and storing water. The actual cost of distributing water to individual customers is reflected in a separate "retailer rate" charged by DSRSD. Zone 7 had historically consolidated fixed and variable charges into the "wholesale rate" to retailers based on projected water sales. In 2016, Zone 7 started separately charging retailers fixed and variable charges. Thus, each retailer in the Tri-Valley is required to pay a fixed amount based on estimated use. As of January 1, the fixed rate from Zone 7 accounts for approximately 37.5% of the cost of water purchased from Zone 7 by the retailers. Up to now, the District has

chosen to allocate the fixed charge as a variable component to the Zone 7 charge, in proportion to estimated water use.

The Board directed staff to continue “blending” Zone 7 fixed and variable costs to minimize the impact to low usage customers. The risk of this approach is that if water sales in a year are less than projected, DSRSD will collect insufficient revenue to pay all of the \$5.8 million fixed fee, and Water Enterprise reserves will have to pick up the shortfall. Conversely, if water sales are higher than projected, DSRSD will generate more water rate revenue than is necessary to pass through to Zone 7.

Policy Guidance #3 – Residential Potable Variable Charges

In addition to the Zone 7 pass-through charge on water bills, DSRSD charges its own fixed rate and variable rate on the water bill. This “retail rate” is to cover the cost of DSRSD delivering water to the retail customers, and to maintain the water storage and distribution system in Dublin and San Ramon (Dougherty Valley). Currently, District potable water rates have the following rate structures:

- Residential – Three-tiered rate structure
- Commercial, Institutional, Industrial – Seasonal rate structure
- Potable Irrigation – Uniform rate structure

The Board directed staff to develop a uniform rate for all potable customers. One flat rate for all customers would be viewed as treating all potable customers equally. However, the effect of this change is that on a per unit basis, the District’s lowest usage customers would pay more than they do currently, while the highest users would pay less than they do currently. Uniform rates would reduce and simplify the number of charges on customer water bills and are also easier to understand and administer. However, in order to minimize the impact of uniform rates, staff will be recommending a separate potable irrigation charge to account for higher peaking costs.

Policy Guidance #4 – Recycled Water Rates

Recycled water rates (\$4.57/unit) are currently calculated based on the Zone 7 cost of water (\$3.48/unit) plus the impact of DSRSD’s distribution charge for potable irrigation. New requirements from the San Juan Capistrano case now require agencies to calculate the recycled water rate on a cost of service basis similar to potable water.

The Board directed staff to develop a recycled water rate based on cost of service. The preliminary recycled water rate will be primarily be based on the District’s share of the Dublin San Ramon Services District - East Bay Municipal Utility District Recycled Water Authority (DERWA) joint powers authority costs and is projected to be lower than the current rate.

Policy Guidance #5 – Power Charge

The District has currently established a power charge of \$0.28 per unit for all customers in elevation zones 2, 3, and 4. The Board directed staff to maintain a uniform power charge for customers in higher elevations.

Policy Guidance #6 – Commercial Seasonal Fee

As mentioned in Policy Guidance #3, the Board directed staff to develop a uniform rate for all potable customers.

Policy Guidance #7 – Funding for an Alternative Water Supply Project

The District's current water rates are sufficient to provide \$30 million of funding toward an alternative water supply project, such as indirect potable reuse. The current Capital Improvement Program assumed that all this funding would be expended by 2023, with additional funding coming from the Water Expansion fund in the amount of \$10 million. Other funding needed to complete a project, such as from a grant or from Tri-Valley partners on a joint project, has not yet been identified. The Joint Potable Reuse Feasibility Study estimates that the cost of a Regional Potable Reuse project will range from \$112 to \$222 million.

The Board directed staff to evaluate and to spread funding of an alternative water supply over a longer time period.

Preliminary Water Rate Study Update

The Board guidance above was primarily intended to realign and simplify the District's water rates. Although the realignment is revenue neutral, the financial impact of the proposed water rates will vary by customer class and usage levels. At the February 5 Board meeting, staff was directed to minimize the financial impact to low usage customers. The water rate study incorporates additional measures discussed below to partially mitigate the financial impact to low usage customers as a result of the realignment.

Forego a rate adjustment on January 1, 2020

Proposition 218 allows for the adoption of a schedule of charges that include automatic adjustments for inflation for a period not to exceed five years. The District has historically adopted water rates with annual adjustments based on the Consumer Price Index (CPI). Instead of adopting a rate schedule that includes the allowable full five years of CPI adjustments, staff is recommending foregoing a rate adjustment for the first year. The first CPI adjustment would be scheduled for January 1, 2021 with annual adjustments through January 1, 2024. The District last adjusted the potable water rate in January 1, 2018 (excludes increases to the Zone 7 pass through).

Revise the allocation between fixed and variable charges

The District has two types of water charges to meet revenue requirements. A fixed service charge based on meter size and a variable consumption charge based on water demand. Collecting a higher percentage of revenue requirements through fixed charges provides greater revenue stability during periods of lower demand. However, higher fixed charge allocations impact lower usage customers because fixed charges represent a greater proportion of their overall water bill. The District had originally targeted a 30% fixed/70% variable allocation in the prior water rate study. However, staff is recommending a 20% fixed/80% variable allocation in the preliminary water rate study. The reallocation will decrease current fixed charges, which will be offset by higher variable charges.

Reduce transfers to Water Replacement (Fund 610)

The District's replacement capital improvement projects are budgeted in Fund 610, which is funded by transfers from Water Operations (Fund 600/605) and the buy-in component of Water Capacity Reserve Fees. For FYE19, \$4.601 million was budgeted in transfers to Fund 610. Staff is recommending reducing transfers to \$4.4 million for FYE20 through FYE23 and reducing transfers further to \$4 million in FYE24. The decrease will slightly reduce revenue requirements and improve projected cash flows for the operating fund.

The current funding level in the Water Replacement capital fund is \$28.6 million, well in excess of the minimum reserve requirement of \$10 million. Staff projects that there is sufficient reserves in Fund 610 to fund replacement capital improvement projects over the next 10 years. Staff also anticipates a comprehensive review of replacement reserve policies and transfers for all enterprises (local wastewater, regional wastewater, water) over the next 2 years.

Utilize the Water Rate Stabilization Fund

Based on estimated water demand, account growth, and operating expenses, the District is projected to be in strong financial position over the five year rate period. The measures discussed above will require drawdowns of the water rate stabilization fund, but the District is projected to still maintain reserves above policy target levels. Such drawdowns will minimize the financial impact to all usage customers.

Impacts of Policy Recommendations

As noted previously, there were no DSRSD rate adjustments implemented on January 1, 2019, and no DSRSD rate adjustments are proposed for 2020. However, all water rates and charges are proposed to be realigned to assure equity and conformance with applicable state law, effective July 1, 2019. In general, recycled water rates will decrease, which will be offset by increases to potable water rates. Total revenue for the water enterprise (potable and recycled) will change only slightly. Staff is currently working with Raftelis to finalize the impacts to each customer class.

Preliminarily, the impact of the realignment effective July 1, 2019 on the lowest water users (10 units of water per bimonthly billing cycle) is that the combined water bill (DSRSD charges and Zone 7 'pass through' charges) will increase from approximately \$80 to \$88 per bimonthly bill. The impact on moderate water users (30 units of water per bimonthly billing cycle) will increase from approximately \$179 to \$193 per bimonthly bill. Recycled water customers are estimated to see total bills reduced by 20%.

Next Steps

The schedule presented at the February 5 Board meeting has been revised to accommodate further refinement of the water rate model. Proposed rates are still anticipated to be effective July 1, 2019.

- A first review of the rate study and proposed water rates will be presented to the Board on April 16 and staff will request authorization to issue Proposition 218 notices for the proposed rates.
- Proposition 218 notices will be mailed out to all rate payers no later than April 19.
- Public hearing to consider water rates will be held on June 4.
- New water rates will go into effect on July 1, 2019.

RECOMMENDATION

Staff recommends the Board of Directors receive an update on the Preliminary Water Rate Study and provide direction.



TITLE: Receive Presentation on the 2015 Long-Term Alternative Water Supply Study

RECOMMENDATION:

Staff recommends the Board of Directors receive a presentation on the 2015 Long-Term Alternative Water Supply Study.

SUMMARY:

In September 2015, in response to the 2014/2015 drought, the District completed a high-level Long-Term Alternative Water Supply Study (Study) (<http://www.drsrd.com/home/showdocument?id=2529>); and in October 2015, the Board adopted the attached Water Supply, Storage, Conveyance, Quality and Conservation policy (Policy).

The Study used water demand and water supply information from DSRSD’s 2010 Urban Water Management Plan. The Study looked at a variety of ‘DSRSD only’ portfolios, and explored the ideas of a DSRSD desalination facility in Hayward, a DSRSD inter-tie for transfers with East Bay Municipal Utilities District (EBMUD), a ‘DSRSD only’ potable reuse project, and expansion of the current recycled water system. Ultimately, the study did not recommend the ‘DSRSD only’ transfers, and focused on various combinations of desalination, potable reuse, and recycled water expansion.

The anticipated water demand assumptions have changed significantly from the 2010 projections, and the District’s wastewater supply is considerably less than anticipated. In addition, the California legislature and governor approved [Senate Bill 606](#) (Hertzberg) and [Assembly Bill 1668](#) (Friedman) into law in 2018 to improve water conservation and drought planning, which may have the effect of reducing growth in future wastewater flows. Moreover, new information on the cost and feasibility of various water supply options has been developed through a number of new plans and studies, including:

- 2015 DSRSD Urban Water Management Plan
- 2017 Wastewater Treatment and Biosolids Facilities Master Plan
- 2018 Joint Potable Reuse Feasibility Study
- Draft 2019 Zone 7 Water Agency Water Supply Evaluation Update.

At the March 19, 2019 Board meeting, staff provided an overview of the District’s Water Supply, Storage, Conveyance, Quality and Conservation policy. At the April 2, 2019 Board meeting, staff will provide an overview of the 2015 Long-Term Alternative Water Supply Study and present new information and developments since the completion of the Study.

The District’s water wholesaler, Zone 7 Water Agency, and the Tri-Valley retailers will need to make important decisions regarding long-term water supply for the valley over the next year or two, in advance of the completion of the 2020 Urban Water Management Plans. The objective of the review is for the Board to determine whether the Policy should be refined and whether any additional information is needed for the Board to make water supply investment, partnership, and timing decisions. At the April 16, 2019 meeting, staff will provide recommendations and seek direction regarding revisions to the Policy and steps moving forward.

Originating Department: Engineering Services	Contact: J. Zavadil	Legal Review: Not Required
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)	Attachment 1 – Water Supply, Storage, Conveyance, Quality and Conservation Policy	
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Policy

Policy No.: P300-15-1	Type of Policy: Operations
Policy Title: Water Supply, Storage, Conveyance, Quality and Conservation	
Policy Description: Provides guidance for addressing the current water supply challenges	
Approval Date: 10/20/2015	Last Review Date: 2015
Approval Resolution No.: 89-15	Next Review Date: 2019
Rescinded Resolution No.: 57-06	Rescinded Resolution Date: 11/21/2006

It is the policy of the Board of Directors of Dublin San Ramon Services District:

1. To meet continuously the water demands of existing customers and the needs of new development planned by the Cities of Dublin and San Ramon.
2. To maintain a safe, secure, and reliable water supply and water storage system so that the water supplied continuously meets full customer demands in no less than 85% of calendar years, and that 75% of water supplied continuously meets demands in no less than 99% of calendar years.
3. To diversify the sources of water supply so that no less than 60% of total demand (potable and recycled) is satisfied by local and regional water supplies, and that no more than 40% of total water supply (potable and recycled) comes from any one physical source.
4. To take measures to meet continuously the recycled water demands of DERWA 100% of time, which may include acquiring additional wastewater effluent supplies and/or off-season wastewater effluent storage.
5. Given the uncertainty of consistent water deliveries from the State Water Project, explore in partnership with other Tri-Valley agencies the development of an expanded or additional local water facility to supplement the groundwater basin when flows from the State Water Project are jeopardized.
6. To diversify the transmission system so that there are at least two independent conveyance systems for each water supply source to serve DSRSD's customers, and each conveyance system in concert with local storage facilities has the capacity to convey 70% of maximum day demands for extended periods of time.

Policy No.: P300-15-1	Policy Title: Water Supply, Storage, Conveyance, Quality and Conservation
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7. To actively promote water conservation for commercial and residential customers, with a long-term goal of a permanent system-wide average annual residential potable use of no more than 70-gallons per capita per day.
8. To enhance the quality of the District’s water supply.
9. With the exception of brine produced from recycling production, to discharge no treated wastewater to the Bay.
10. To seek grant opportunities and project partners so that the costs to District customers for implementing these policy objectives are acceptable.
11. To ensure that the ultimate beneficiaries of the water supply equitably participate in the funding of the costs associated with the acquisition and delivery of the water supply into the District service area.
12. These policy objectives can best be met through collaboration with the other Tri-Valley water agencies and cities, and regional water agencies.