

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

May 7, 2019

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6:04 p.m. by President Misheloff.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Madelyne A. (Maddi) Misheloff, Director Ann Marie Johnson, Director Richard M. Halket, and Director Georgean M. Vonheeder-Leopold.

Vice President Edward R. Duarte was absent.

District staff present: Dan McIntyre, General Manager; Carol Atwood, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager/District Engineer; Jeff Carson, Operations Manager; Robert B. Maddow, Assistant General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

New Employee Introductions:

Heidi Birdsell, Laboratory Technician

Deepa Ramachandra, Environmental Health & Safety Program Administrator

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:08 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 The Association of California Water Agencies Spring Conference is being held this week, May 7–10, in Monterey. DSRSD and Zone 7 Water Agency attendees will hold a joint dinner.
 - o A special DERWA Board meeting will be held at The Wave in Dublin on Monday, May 13 at 6 p.m. to conduct DERWA Authority Manager candidate interviews.
 - o A special LAVWMA Board meeting will be held at City of Pleasanton Council Chambers on Wednesday, May 15 at 4:30 p.m.
- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
5/1/2019	Invitation	Dublin Chamber of Commerce	Board of Directors	Meet & Greet new Dublin Chamber of Commerce President/CEO	N/A

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

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

7. CONSENT CALENDAR

Director Halket MOVED for approval of the items on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Duarte).

7.A. Regular Meeting Minutes of April 16, 2019 – Approved

7.B. Special Meeting Minutes of April 23, 2019 – Approved

7.C. Approve Proclamation Honoring May 19–25, 2019 as National Public Works Week – Approved

7.D. Adopt Revisions to Rules and Regulations Governing Employer-Employee Organization Relations and Rescind Resolution No. 12-14 – Approved – Resolution No. 18-19

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

Engineering Services Manager Zavadil reviewed the item for the Board. She reported the current estimated completion date for the restoration and renovation work is January 2020.

Director Halket 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 FOUR AYES and ONE ABSENT (Duarte).

8.B. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the Jeffrey G. Hansen Water Recycling Plant and Find that the Need for the Electrical Power Supply Failure Emergency Still Exists

Operations Manager Carson reviewed the item for the Board. He reported that the design drawings for the corrective actions are near completion, and the installation plan is being coordinated. The facility continues to produce recycled water and is expected to return to normal operations, with improved safety standards, no later than mid-July.

The Board and staff discussed concerns regarding the cause of the power outage (flawed equipment design installed in 2006), identification and inspection of other similar equipment, operations and maintenance of such equipment, and implementing measures to prevent similar incidents in the future.

Director Johnson MOVED to Approve Continuation of Emergency Action Procurement by General Manager for Repair of the Jeffrey G. Hansen Water Recycling Plant and Find that the Need for the Electrical Power Supply Failure Emergency Still Exists. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Duarte).

8.C. Second Reading: Adopt Ordinance Establishing the District's By-Division System for Electing Directors in Conformance with the California Voting Rights Act (CVRA)

President Misheloff read the title of the Ordinance: An Ordinance of Dublin San Ramon Services District to Establish a By-Division System for Electing Directors.

President Misheloff solicited a Motion to Waive Reading of the Ordinance.

Director Johnson MOVED to Waive Reading of Ordinance. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Duarte).

President Misheloff asked for the staff presentation. Executive Services Supervisor/District Secretary Genzale reviewed the item for the Board.

President Misheloff asked for any public comments.

Speaker: Mr. Scott Rafferty (Attorney representing Bay Area Voting Rights Initiative; issued demand letter to the District) – Mr. Rafferty expressed his appreciation for how the Board has handled the transition process and his respect for the Directors.

Speaker: Ms. Helen (Dougherty Valley resident) – Ms. Helen expressed her continued opposition to the District transitioning to by-division elections and urged the District to fight Mr. Rafferty's demand to do so, asserting it will harm the District, its customers and the security of water resources.

The Board discussed the possibility of deferring this item to the next regular Board meeting to afford Vice President Duarte the opportunity to participate in the decision-making regarding this item, and inquired how long the District has to complete the transition process. Ms. Genzale confirmed that the District has committed to completing the transition process by June 1, 2019 (per the District's extended "safe harbor" period negotiated with Mr. Rafferty in December 2018).

Director Johnson MOVED to Table Voting on the Adoption of the Ordinance Establishing the District's By-Division System for Electing Directors in Conformance with the California Voting Rights Act (CVRA) until the May 21, 2019 Board Meeting. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with THREE AYES, ONE NO (Halket), and ONE ABSENT (Duarte).

- 8.D. Receive Report on the Projected Financial Condition of the Local Wastewater Fund Family for Fiscal Year Ending 2019

General Manager McIntyre reviewed the item for the Board. The Board did not discuss nor take any action on the item.

- 8.E. Approve Mid-Year Operating and Capital Outlay Budget Adjustments for Fiscal Year Ending 2019

Administrative Services Manager Atwood reviewed the item for the Board. She confirmed that the budget adjustments have already been factored into the current status of the Local Wastewater Fund Family, as reported on in item 8.D. by General Manager McIntyre.

Director Halket MOVED to adopt Resolution No. 19-19, Approving Operating and Capital Outlay Budget Adjustments for Fiscal Year Ending 2019. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Duarte).

- 8.F. Receive Presentation on Draft Capital Improvement Program Ten-Year Plan for Fiscal Years Ending 2020 through 2029 and Two-Year Budget for Fiscal Years Ending 2020 and 2021 and Provide Direction to Staff

Engineering Services Manager Zavadil introduced Administrative Analyst Corrine Ferreyra and Acting Principal Engineer Steve Delight, who gave a presentation (handed out to the Board) providing an overview of the proposed Capital Improvement Program (CIP) Ten-Year Plan (Plan) and Two-Year Budget (Budget). Ms. Ferreyra reviewed the CIP financial information, including an explanation of capital funds for the Water, Local, and Regional enterprises and their related replacement and expansion funds, financial reserves, and revenue. Mr. Delight reviewed scheduled projects, the Plan's support of Strategic Plan initiatives (water supply diversification and energy management program), and identified projects currently deferred due to lack of funding and/or staff resources.

The Board and staff discussed various aspects of the proposed CIP Plan and Budget, including certain project timing, criticality, fund allocations, and impacts to currently suffering Local Replacement (Fund 210). The Board directed staff to proceed with the CIP as recommended.

- 8.G. Discuss the Strategic Plan 2019 Update and Provide Direction

General Manager McIntyre reviewed the item for the Board.

The Board noted that staff had accurately updated the draft Strategic Plan (Plan) per input given by the Board at its special workshop meeting on April 23, and directed staff to prepare the Plan for formal approval at the May 21 Board meeting.

9. BOARDMEMBER ITEMS

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

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported she attended the Executive Director Recruitment Subcommittee of the California Association of Sanitation Agencies Board of Directors

teleconference meeting on Wednesday, May 1, and the Zone 7 Water Agency special Board meeting held on Thursday, May 2 when Dublin resident Michelle Smith McDonald was appointed to its Board. She summarized the activities and discussions at the meetings. She also noted she was impressed by the District's Proposition 218 notice recently mailed to customers regarding upcoming water rate changes.

- Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda

Director Johnson requested an item regarding insurance services offered to District customers be added to a meeting in the June/July timeframe.

10. CLOSED SESSION

At 7:18 p.m. the Board went into Closed Session.

10.A. Conference with Labor Negotiators – Pursuant to Government Code Section 54957.6

Agency Negotiator:	Dan McIntyre, General Manager Carol Atwood, Administrative Services Manager
Employee Organizations:	1. Stationary Engineers, Local 39 2. Mid-Management Employees' Bargaining Unit 3. Professional Employees' Bargaining Unit 4. Confidential Employees' Bargaining Unit
Additional Attendees:	Robert B. Maddow, Assistant General Counsel

10.B. Conference with Legal Counsel – Anticipated Litigation

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case

11. REPORT FROM CLOSED SESSION

At 7:44 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 7:45 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary