

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

August 6, 2019

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6:01 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.

Recusals: Director Vonheeder-Leopold stated that she would recuse herself from any participation in any discussions, decisions, or voting on the Health Insurance Contribution for Calendar Year 2020 for Board of Directors, Item 8.G, to ensure that she neither influence nor attempt to influence another member of the DSRSD Board regarding any matters pertinent to the item, consistent with applicable provisions of the Government Code, because she receives health benefits as a retired Boardmember of Dublin San Ramon Services District.

Director Vonheeder-Leopold departed from the Boardroom at approximately 6:41 p.m. before Item 8.G. She returned to the Board meeting at approximately 6:45 p.m. after the conclusion of discussion of Item 8.G.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

New Employee Introduction:

Dairian Silva, Customer Field Representative II

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:03 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 August 20, 2019 Board meeting will be cancelled due to a conflict with Boardmember and staff travel to the California Association of Sanitation Agencies annual conference in San Diego.

- o The September 3, 2019 Board meeting agenda will be published a few days earlier than usual to allow the Board ample time for review ahead of the holiday weekend.

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

Date	Format	From	To	Subject	Response
8/6/19	Letter	Director Vonheeder-Leopold	Dublin City Council	State of the Dublin San Ramon Services District	N/A

6.B. Joint Powers Authority and Committee Reports

DERWA – July 22, 2019

Tri-Valley Water Liaison – July 24, 2019

President Misheloff invited comments on recent JPA/committee activities. Directors felt the available staff reports adequately covered the many matters considered at the DERWA JPA meeting and agreed to discuss the Tri-Valley Water Liaison Committee meeting under item 8.E.

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

7. CONSENT CALENDAR

Vice President Duarte requested Item 7.C be removed for discussion. The Board agreed to remove Item 7.C for discussion, and took Consent Calendar Items 7.A, 7.B, 7.D, 7.E, 7.F, and 7.G and passed these items first.

Director Vonheeder-Leopold MOVED for approval of Items 7.A, 7.B, 7.D, 7.E, 7.F, and 7.G on the Consent Calendar. Director Johnson SECONDED the MOTION, which CARRIED with FIVE AYES.

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

- 7.B. Approve Resolution Supporting the Nomination of Zone 7 Water Agency Director Sarah Palmer for Vice President of the Association of California Water Agencies for a Two-Year Term Beginning January 1, 2020 – Approved – Resolution No. 27-19

- 7.C. REMOVED - Approve Increase to the Construction Change Order Contingency for the Foul Air Line Rehabilitation Project (CIP 15-P018) – Approved – Resolution No. 32-19

Vice President Duarte inquired as to the need for the contingency increase and if the increase would be sufficient. Staff reported the contractor has done an admirable job given the travails of the work due to unexpected findings during the project and that the requested increase would be sufficient. The work is expected to be completed this month.

Vice President Duarte MOVED to approve Item 7.C on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 7.D. Approve a Master Agreement for Consulting Services with Barrett Business Services, Inc. for Temporary Employment Services for Fiscal Years Ending 2020 and 2021 – Approved – Resolution No. 28-19
- 7.E. Approve Revised Assistant General Manager Class Description – Approved – Resolution No. 29-19
- 7.F. Adopt Pay Schedule in Accordance with California Code of Regulations, Title 2, Section 570.5, Requirement for a Publicly Available Pay Schedule and Rescind Resolution No. 4-19 – Approved – Resolution No. 30-19
- 7.G. Approve Agreement with the DSRSD•EBMUD Recycled Water Authority to Provide Conveyance, Treatment, and Disposal of Supplemental Water Supply – Approved – Resolution No. 31-19

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.

Director Vonheeder-Leopold 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. Vice President Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- 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.

Vice President Duarte 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 FIVE AYES.

- 8.C. Public Hearing: Adopt Engineer's Report and Direct Levy of Annual Assessments in the Dublin San Ramon Services District Dougherty Valley Standby Charge District 2001-1 for Fiscal Year 2019–2020

President Misheloff announced the item. Financial Services Supervisor Herman Chen reviewed the item for the Board.

President Misheloff declared the Public Hearing open and inquired if there were any comments from the public. There was no public comment received. There was no discussion by the Board.

Director Vonheeder-Leopold MOVED to adopt Resolution No. 33-19, Adopting Engineer's Report and Directing the Levy of Annual Assessments in the Dublin San Ramon Services District Dougherty Valley Standby Charge District 2001-1 for Fiscal Year 2019–2020. Director Halket SECONDED the MOTION, which CARRIED with FIVE AYES.

President Misheloff declared the Public Hearing closed.

- 8.D. Public Hearing: Adopt Dougherty Valley Incremental State Water Project Report and Direct Levy of Dougherty Valley Incremental State Water Project Charges in the Dougherty Valley Standby Charge District 2001-1 for Fiscal Year 2019–2020

President Misheloff announced the item. Financial Services Supervisor Chen reviewed the item for the Board.

President Misheloff declared the Public Hearing open and inquired if there were any comments from the public. Ms. Susan Pricco, President of the Contra Costa Taxpayers Association, submitted a letter dated August 5, 2019 via email to the Board regarding this item. Executive Services Supervisor/District Secretary Genzale read the letter into the record as Ms. Pricco requested:

"Dear Madame President and Board members of the Dublin-San Ramon Services District,

In the event I am unable to attend your Board meeting and Public Hearing August 6, 2019 6 p.m. (estimated to be a one-hour meeting on your website), I respectfully request that this letter be read into the public record and made a part of the proceedings regarding Agenda Item 8D.

With regard to your Public Hearing to Adopt a Dougherty Valley Incremental State Water Project Report and Direct Levy of Dougherty Valley Incremental State Water Project Charges in the Dougherty Valley Standby Charge District 2001-1 for Fiscal Year 2019–2020: Though your supporting documents make reference to the requirements of Proposition 218, it appears that compliance with has not been achieved (Page 421 of 8/6/19 Board agenda). Your proposed resolution indicates Public hearings on June 18, 2018 and the immediate meeting of August 6, 2019. However, there has not been a ballot to the owners of identified parcels in the affected area, stating his/her support or opposition to the proposed assessment as required in California Constitution Article XIII, Section 4 (d), nor the applicable Public Hearing to be held within 45 days of such notice.

Therefore, I respectfully suggest that the Board not approve Agenda Item 8D, and proceed to properly notice the owners of affected parcels in your district, including the required ballot and following the Prop 218 procedures.

Contra Costa Taxpayers Association, Susan L. Pricco, President."

The Board and staff discussed that the required Proposition 218 noticing was properly conducted regarding the various proposed changes to water rates, including the proposed Dougherty Valley Incremental State Water Project Charge, and a public hearing was held on June 18, 2019. Ms. Atwood reported the District took a conservative approach in its noticing by sending notifications to both customers and property owners for each effected parcel. District Secretary Genzale reported that in response to the Proposition 218 noticing, 6 apparent protests were received and that over 13,000 valid protests were required for a successful majority protest.

Director Halket MOVED to adopt Resolution No. 34-19, Adopting Dougherty Valley Incremental State Water Project Charge Report and Directing the Levy of Dougherty Valley Incremental State Water Project Charges in the Dublin San Ramon Services District Dougherty Valley Standby Charge District 2001-1 for Fiscal Year 2019–2020. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

General Counsel Nelson stated he would send a response to Ms. Pricco. President Misheloff declared the Public Hearing closed.

- 8.E. Receive a Report on the Tri-Valley Water Liaison Committee Meeting of July 24, 2019

Engineering Services Manager Zavadil reviewed the item for the Board.

The Board representatives, President Misheloff and Director Vonheeder-Leopold, and staff and who attended the Tri-Valley Water Liaison Committee reported that the participating agencies agreed to move forward with the next phase of technical studies for potable reuse and continue discussing public outreach efforts regarding water supply. Each agency will approve a task order to the Tri-Valley Intergovernmental Reciprocal Services Agreement to conduct the technical studies.

- 8.F. Receive a Report on the Low Income Assistance (LIA) Program and Provide Direction

Administrative Services Manager Atwood reviewed the item for the Board.

The Board directed staff to make no change in the program based on its determination that the existing program is sound and operating efficiently, and provides the desired relief for qualifying customers and will continue to do so given recent changes in water rates.

- 8.G. Approve Health Insurance Contribution for Calendar Year 2020 for Board of Directors

Administrative Services Manager Atwood reviewed the item for the Board.

The Board agreed with staff recommended Option #3 and approved the related resolution provided in the item.

Director Halket MOVED to adopt Resolution No. 35-19, Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act for Board of Directors. Vice President Duarte SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Vonheeder-Leopold).

8.H. Discuss Day of Service Policy and Provide Direction

Executive Services Supervisor/District Secretary Genzale reviewed the item for the Board. The Board and staff discussed various aspects of the suggested policy updates and the Board requested the following updates/information: further delineation be made for events that could be approved for a day of service upon future Board approval with written report (and specifically inquired about items i, j, l, and m in the Activities and/or Events Ineligible for Compensation Section) and those that were not permissible by law, and explanation of the guiding California Government Code and Water Code sections for reference. The Board directed staff to bring a revised policy, incorporating the changes requested this evening, to the September 3, 2019 Board meeting for approval. The Board also requested that a separate item be presented at the September 3 Board meeting to provide day of service compensation information for comparable agencies.

9. BOARDMEMBER ITEMS

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

President Misheloff submitted a written report to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Tri-Valley Water Liaison Committee meeting on July 24, 2019 at the City of Dublin. She summarized the activities and discussions at the meeting under Item 8.E.

Director Johnson expressed concern that Zone 7 Water Agency Director Palmer's personal contact information was included in her resume attached to her ACWA candidacy materials in Item 7.B. Staff noted they would check into this issue and report back to the Board.

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

10. CLOSED SESSION

At 7:09 p.m. the Board went into Closed Session. Item 10.B. was taken ahead of Item 10.A.

10.A. Threat to Public Services or Facilities Pursuant to Government Code Section 54957
Consultation with: Dan McIntyre, Security Operations Manager

Acting Information Technology Services Supervisor Aomar Bahloul entered Closed Session Item 10.A at 7:34 p.m. Mr. Bahloul and Ms. Atwood exited Closed Session Item 10.A at 8:06 p.m.

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

Agency Negotiators: Dan McIntyre, General Manager
Carol Atwood, Administrative Services Manager
Michelle Gallardo, Human Resources and Risk Supervisor

Employee Organizations: Stationary Engineers, Local 39

Additional Attendees: Carl P. A. Nelson, General Counsel

Human Resources and Risk Supervisor Michelle Gallardo exited Closed Session Item 10.B at 7:34 p.m.

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

Ms. Genzale entered Closed Session Item 10.C at 8:06 p.m. and exited at 8:12 p.m. Ms. Atwood entered Closed Session Item 10.C at 8:12 p.m.

11. REPORT FROM CLOSED SESSION

At 8:25 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 8:26 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary