

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

May 16, 2023

1. CALL TO ORDER

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

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting: President Georgan M. Vonheeder-Leopold, Vice President Ann Marie Johnson, Director Arun Goel, Director Dinesh Govindarao, and Director Richard M. Halket.

District staff present: Dan McIntyre, General Manager; Jan Lee, Assistant General Manager; Carol Atwood, Administrative Services Director/Treasurer; Steve Delight, Engineering Services Director/District Engineer; Jeff Carson, Operations Director; Michelle Gallardo, Special Assistant to the General Manager; Douglas E. Coty, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None

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

6. AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS) – General Manager McIntyre reported that Closed Session Item 10.A is not urgent and can be rescheduled if the Board so desires. The Board agreed to postpone the item to a future meeting.

7. CONSENT CALENDAR

Director Govindarao inquired about Items 7.B, 7.C, and 7.D pertaining to chemical pricing and cost sharing with other agencies. Staff explained that the District participates in the Bay Area Chemical Consortium's (BACC) annual cooperative bidding process to secure volume pricing, then bills the joint powers authority(ies) and/or partner agencies their pre-determined share of the total cost. Staff is also investigating the cost spikes for certain chemicals this year. Director Govindarao requested that staff explore other potential chemical purchasing opportunities in light of the pricing increases.

Vice President Johnson MOVED for approval of the items on the Consent Calendar. Director Govindarao SECONDED the MOTION, which CARRIED with FIVE AYES.

7.A. Approve Regular Meeting Minutes of May 2, 2023 – Approved

7.B. Authorize the General Manager to Execute Contract with Chemtrade Chemicals US LLC for the Supply and Delivery of Aluminum Sulfate – Approved

- 7.C. Authorize the General Manager to Execute Contract with Kemira Water Solutions Inc. for the Supply and Delivery of Ferrous Chloride – Approved
- 7.D. Authorize the General Manager to Execute Contract with Hasa Inc. for the Supply and Delivery of Sodium Hypochlorite – Approved

8. BOARD BUSINESS

- 8.A. Receive Report of District's Emergency Preparedness and Response Program Overview and Update

Special Assistant to the General Manager Gallardo reviewed the item for the Board and gave a presentation (handed out to the Board) that was added to the website as supplemental materials providing an overview of the following:

- Strategic Plan Goal, Policy and Priorities
- Emergency Response Program and Procedures
- District Assets, Equipment, Materials
- Staff Training and Exercises
- Interagency Coordination/Mutual Aid
- Next Steps

The Board and staff discussed various aspects of the presentation and emergency program including potential emergency scenarios and practice drills, safety equipment evaluation and maintenance, and Boardmember emergency duties. General Manager McIntyre explained that the Boardmembers' emergency duties are to gather a quorum at the District within 10 days of the emergency event to declare a formal emergency and to hold any necessary special meetings.

The Board directed staff to implement repetitive drills of various and wide-ranging emergency scenarios, and to hold regular and frequent safety topic sessions to embrace safety practices as part of the District's culture. Director Goel thanked staff for providing the Board emergency contact cards. The Board acknowledged and thanked staff for the presentation and progress made on the program.

- 8.B. Accept Annual Report on Rate Stabilization Fund Reserves and (1) Approve Transfer from the Water Rate Stabilization Fund (Fund 605) to the Water Operations Fund (Fund 600), and (2) Defer Transfers from the Local and Regional Wastewater Operations Funds (Funds 200 and 300) to the Local and Regional Rate Stabilization Funds (Funds 205 and 305)

Administrative Services Director Atwood reviewed the item for the Board. The Board and staff discussed deferring the transfers to the Rate Stabilization Funds until CalPERS (California Public Employees Retirement System) reports its projections for the Unfunded Actuarial Liability (UAL) in August. General Counsel Coty confirmed that the Board has the prerogative and flexibility to override its policy, in this case the Financial Reserves policy, in order to meet needs and strategic goals, such as better positioning the District to meet anticipated UAL funding needs. Staff explained the volatility of the CalPERS investment portfolio and its effects on UAL payment requirements, as well as the District's success funding it at a much higher level (approximately 92% funded) than

the majority of public agencies. Staff reported this item will be brought back to the Board in August to review and address the UAL report.

Director Govindarao MOVED to Accept the Annual Report on Rate Stabilization Fund Reserves and (1) Approve Transfer from the Water Rate Stabilization Fund (Fund 605) to the Water Operations Fund (Fund 600), and (2) Defer Transfers from the Local and Regional Wastewater Operations Funds (Funds 200 and 300) to the Local and Regional Rate Stabilization Funds (Funds 205 and 305). Director Goel SECONDED the MOTION, which CARRIED with FIVE AYES.

8.C. Receive Presentation on Zone 7 Water Agency 2023 Annual Sustainability Report

Assistant General Manager Lee reviewed the item for the Board and gave a presentation (handed out to the Board) that was added to the website as supplemental materials providing an overview of the following:

- Water Supplies
- Declining State Water Project Reliability
- Available Zone 7/Main Basin Groundwater Storage
- Kern County Storage and Recovery Programs
- Total Available Storage
- 2023 Water Supply Conditions
- Five-Year Supply and Demand Comparison (100% demand delivery from Zone 7 projected through 2027)
- Shadow Cliffs Regional Recreational Area (2023 lake refill project)

The Board and staff discussed various aspects of the presentation regarding groundwater management, storage capabilities and balances (currently about 190,000 acre-feet [AF] with a potential total of 500,000 AF), conveyance challenges, and delivery projections through 2027. Ms. Lee noted that Zone 7's five-year projections were developed with the assumption (stress test) that drought conditions will be seen again next year. She confirmed that any additional supply needed by City of Pleasanton, should its wells continue to be offline, has been built into the 2024 projections. They also discussed the ongoing concerns regarding Delta conditions and the catastrophic impact to the District's should the Delta (and, thereby, the Kern County storage banks) become inaccessible.

8.D. Receive Presentation on Long-term Water Resiliency Efforts

Assistant General Manager Lee and Senior Engineer Irene Suroso reviewed the item for the Board and gave a presentation (handed out to the Board) that was added to the website as supplemental materials providing an overview of the following:

- Background
- Updates
 - Zone 7 Long-term Water Projects
 - Near-term Pilots
 - Supplemental Recycled Water Supplies
 - Long-term Conservation Framework
- Next Steps

The Board and staff discussed various aspects of the presentation including the challenges posed by conservation legislation - by 2030, the per capita residential indoor use standard is lowered to 42 gallons per day and monetary penalties will be levied to the District should that be exceeded, the District's cost to purchase Zone 7 water, the current pilot projects exploring storage and emergency capabilities, and the regional efforts made by DSRSD and Tri-Valley agencies regarding potable and recycled water use. The Board directed staff to carry forward with current efforts.

8.E. Adopt Revised Budget Accountability Policy and Rescind Resolution No. 44-22

Financial Analyst Corinne Ferreyra reviewed the item for the Board. The Board and staff reviewed the maximum authority levels the Board has granted to staff for contracts and capital outlays and their alignment with State purchasing/bidding levels.

Director Govindarao MOVED to adopt Resolution No. 15-23, Revising the Budget Accountability Policy and Rescinding Resolution No. 44-22. Director Goel SECONDED the MOTION, which CARRIED with FIVE AYES.

9. REPORTS

9.A. Boardmember Items

9.A.1. Joint Powers Authority and Committee Reports – None

9.A.2. Submittal of Written Reports for Day of Service Events Attended by Directors

Director Govindarao did not submit a written report, but shared that he attended the Annual Employee Recognition Event on May 6 and wished to convey his appreciation for the hard work of staff who make DSRSD successful.

Director Goel submitted a written report to Executive Services Supervisor/District Secretary Genzale. He stated that he was unable to attend the Annual Employee Recognition Event, but wished to recognize DSRSD staff for a job well done. He reported that he attended the 2024 Association of California Water Agencies Spring Conference and Expo in Monterey on May 9–11. He summarized the activities and discussions at the conference. He shared how well received DSRSD was by its colleagues and stated he is honored to be a part of the District.

President Vonheeder-Leopold submitted a written report to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Alameda County Special Districts Association Chapter meeting on May 10 at the Alameda County LAFCo office in Hayward, and the Alameda LAFCo chapter meeting on May 11 at the City of Dublin (no written report submitted). She summarized the activities and discussions at the meetings. She also presented the engraved crystal figurine DSRSD received from the Dublin Chamber of Commerce at the April 19 State of the City event for being a Silver Level Leadership Circle sponsor.

9.A.3. Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda

Vice President Johnson requested that an item regarding the Rate Stabilization Fund Reserves be presented at an August Board meeting.

9.B. Staff Reports

9.B.1. Event Calendar – Staff reported on the following:

- The July 5, 2023 Board meeting will be cancelled.
- A LAVWMA Board meeting will be held tomorrow night at 6 p.m.
- A DSRSD/Dublin Liaison Committee meeting will be held Monday, May 22, 2023, at 4:15 p.m.
- Should an emergency event occur during Board proceedings, the Board and staff are to gather at the designated evacuation meeting location on the east side of the District Office and Drought Garden.

9.B.2. Correspondence from the Board – None

10. NOT HELD – CLOSED SESSION

10.A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: General Manager

11. NOT HELD – REPORT FROM CLOSED SESSION

12. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 8:18 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary