

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

January 16, 2024

1. CALL TO ORDER

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

2. PLEDGE TO THE FLAG

3. ROLL CALL

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

Vice President Goel was absent.

District staff present: Jan Lee, General Manager; Carol Atwood, Administrative Services Director/Treasurer; Steve Delight, Engineering Services Director/District Engineer; Dan Gill, 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

4.A. New Employee Introductions
Natalie Croak, Public Affairs Specialist
Michele Tan, Accountant II

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:03 p.m. No public comment was received.

6. AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS) – No changes were made.

7. CONSENT CALENDAR

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

7.A. Approve Regular Meeting Minutes of December 19, 2023 – Approved

7.B. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the LAVWMA Livermore Interceptor Pipeline and Find that the Need for the LAVWMA Livermore Interceptor Pipeline Emergency Still Exists – Approved

8. BOARD BUSINESS

8.A. Receive Presentation on the Energy Facilities Master Plan Project (CIP 22-P009) and Proposed Energy Policy

Engineering Services Director Delight introduced the item, Senior Engineer Jason Ching, and Carollo consultants Paul Friedlander and Ricky Gutierrez. Mr. Ching reviewed the Energy Facilities Master Plan (“Plan”) presentation and draft Energy policy for the Board. An updated presentation was subsequently provided on the website as supplemental materials.

The Board and staff discussed various aspects of the presentation, including the 17 proposed Plan projects and their individual and cumulative energy/greenhouse gas impacts, respective costs, potential funding opportunities, timing, operational considerations, and return on investment. The projects support the areas of regulatory compliance, renewable energy generation/energy diversification, asset replacement (efficiency), and electrical resiliency/reliability, with some supporting multiple areas. Five of the 17 recommended projects are already included in the current adopted Capital Improvement Program (CIP). If fully implemented, the recommended Plan would cost \$121.2 million and add an additional \$66.9 million to the District’s CIP over a 25-year period.

Mr. Ching reported on two recent regulation changes that will benefit the following Plan projects:

- Project #1: Fleet Assets Program – will be easier to accomplish due to new flexibility in the timeline to convert fleet vehicles to Zero Emission Vehicles (ZEVs). (Staff will also research if leasing ZEVs is a possibility based on President Johnson’s inquiry).
- Project #9: Co-Digestion of Food Waste & Other High-Strength Wastes – will be more feasible due to DSRSD’s Dedicated Land Disposal facility no longer being considered a “landfill.”

As a point of interest, Mr. Ching shared that the cogeneration engines (Project #2: Cogeneration Engine Replacement) installed in 1983 are one of the 10 oldest installations in the country.

Other key Plan discussion points pertained to exploring potential cost offsets and revenue opportunities from solar installation and food waste projects, seeking potential state and federal funding opportunities, and assessing the forecast data (cost break-even point, equipment warranties, maintenance, etc.) and viability of PPA (power purchase agreement) funded projects. The Board and staff discussed the difficulty in evaluating cost savings and return on investment (ROI) for projects given the uncertainty in future energy costs and other factors. The Board requested that staff include additional information on District funded versus PPA funded solar projects when the item is brought to the Board.

The Board and staff also discussed the projects’ overall estimated timeline (a 25-year outlook), if any project(s) are considered marginal, and which would be the riskiest to take on in terms of operations, maintenance, and cost. After some discussion of these matters, President Johnson requested that the long-term operational and maintenance costs and other potential risks and uncertainties be evaluated as part of staff’s process for incorporating the Plan projects into the next CIP and operating budget.

Mr. Ching reviewed the draft Energy policy which reflects the Board's Energy Guiding Principles, the Plan projects, and elements of the District's Green Business policy. President Johnson asked staff to reconcile the Green Business policy's Energy Management section with the Energy policy and stated her preference that measurable targets be included under policy item 4 rather than programs.

Director Halket informed the Board he will confer with General Counsel Coty prior to Board consideration of project approvals as he may have a conflict of interest relating to solar projects.

The Board thanked and commended staff for the great presentation and expressed its support for the staff proposals. The Board directed staff to proceed with finalizing the Plan, refining the Energy policy for adoption, amending the current CIP to add two new solar projects and advance one existing project, and recommend strategies to incorporate other projects during development of the next CIP and operating budget.

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 Vonheeder-Leopold submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the virtual California Association of Sanitation Agencies Board of Directors meetings on December 21 and 27. She summarized the activities and discussions at the meetings.

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

Director Govindarao requested that staff keep the Board apprised of the State's newly adopted regulations regarding direct potable reuse.

9.B. Staff Reports

General Manager Lee reported that a DERWA Board meeting will be held on Tuesday, February 5 at 6 p.m.

10. ADJOURNMENT

President Johnson adjourned the meeting at 7:23 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary