



AGENDA

NOTICE OF REGULAR MEETING

TIME: 6 p.m.
PLACE: Dublin San Ramon Services District
Boardroom
7051 Dublin Boulevard, Dublin, CA
www.derwa.org

DATE: Monday, February 5, 2024

Our mission is to maximize the amount of recycled water delivered while recovering its costs; in doing so it will provide a reliable and consistent supply of recycled water to DSRSD and EBMUD for service to each of the agencies' customers.

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL - Members: Coleman, Vonheeder-Leopold, Chan, and Johnson
Alternates: Goel and Young
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 Authority Secretary and should be completed and returned to the Authority Secretary prior to addressing the Board. The Chair 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. Written comments may be submitted to the Authority Secretary at genzale@dsrsd.com. Comments received by 3 p.m. on the day of the meeting will be provided to the Board.
6. BOARD REORGANIZATION
 - A. Approve Selection of Board Officers for 2024
Recommended Action: Approve by Motions (3)
7. CONSENT CALENDAR

Matters listed under this item are considered routine and will be enacted by one action 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.

 - A. Approve Minutes of Regular Board Meeting of December 11, 2023
Recommended Action: Approve by Motion
 - B. Approve Treasurer's Reports for October 31, November 30, and December 31, 2023
Recommended Action: Approve by Motion

- C. Approve Quarterly Investment Report for December 31, 2023
Recommended Action: Approve by Motion

- D. Adopt New Cash Reserves Policy
Recommended Action: Adopt by Resolution

8. BOARD BUSINESS

- A. Receive Presentation on EBMUD-Central San Recycled Water Feasibility Evaluation
Recommended Action: Receive Presentation

- B. Approve the First Amendment to the Interim Agreement Related to the Supply and Sale of Recycled Water Between the Dublin San Ramon Services District•East Bay Municipal Utility District Recycled Water Authority, Dublin San Ramon Services District, and East Bay Municipal Utility District
Recommended Action: Approve by Resolution

9. STAFF REPORTS

- A. Authority Manager Update
- B. Confirm Special Board Meeting – March 25, 2024

10. BOARDMEMBER ITEMS

11. CLOSED SESSION

As Authorized Pursuant to Government Code Section 54957:
Public Employment
Position: Authority Manager

12. REPORT FROM CLOSED SESSION

13. ADJOURNMENT

All materials made available or distributed in open session at Board meetings are public information and are available for inspection during business hours by calling the Authority 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 Authority Secretary as soon as possible, but at least two days prior to the meeting.

Item 6.A

DERWA Summary & Recommendation

Approve Selection of Board Officers for 2024

Summary:

The DSRSD•EBMUD Joint Exercise of Powers Agreement (JPA) requires the election of Chair, Vice Chair, and the appointment of the Authority Secretary by a majority vote of the Directors. The JPA provides that the officers of the Board hold office until the next election or until relieved by their agency. The attached table summarizes the past DERWA Chair and Vice Chair officers.

In December 2023, the Dublin San Ramon Services District (DSRSD) Board appointed Georgean Vonheeder-Leopold and Ann Marie Johnson as the DSRSD representatives to the DERWA Board, and Arun Goel as the DSRSD Alternate Representative. In January 2024, the East Bay Municipal Utility District (EBMUD) Board appointed John A. Coleman and April Chan as the EBMUD representatives to the DERWA Board, and Marguerite Young as the EBMUD Alternate Representative.

Following DERWA's past practice of alternating positions of Chair and Vice Chair between the Member Agencies, in 2024 the Chair should be a DSRSD representative, and the Vice Chair should be an EBMUD representative.

In 2023, EBMUD Director John A. Coleman served as DERWA Chair, and DSRSD Director Georgean Vonheeder-Leopold served as Vice Chair. Therefore, in 2024, Director Vonheeder-Leopold should be nominated as DERWA Chair, and EBMUD Director April Chan should be nominated as DERWA Vice Chair.

In addition to the above, DSRSD's Joint Powers Agency Rotation policy provides guidance for which DSRSD representative to the DERWA Board should be designated as Chair and supports that Director Georgean Vonheeder-Leopold should be nominated as DERWA Chair for 2024.

In October 2015, the DERWA Board appointed DSRSD Executive Services Supervisor/District Secretary Nicole Genzale as Authority Secretary. She has ably served DERWA, and it would be appropriate to continue her appointment.

Recommendation:

The Authority Manager recommends the DERWA Board of Directors select, by three separate Motions, the officers of Chair, Vice Chair, and Authority Secretary for 2024.

February 5, 2024

Attachment:

1. Past DERWA Officers

PAST DERWA OFFICERS

YEAR	CHAIR	VICE CHAIR
2010	Jeff Hansen	John A. Coleman
2011	John A. Coleman	Dwight "Pat" Howard
2012	Georgean Vonheeder-Leopold	Frank Mellon
2013	Frank Mellon	Rich Halket
2014	Dwight "Pat" Howard	John A. Coleman
2015	John A. Coleman	Edward "Ed" Duarte
2016	Georgean Vonheeder-Leopold	Frank Mellon
2017	Frank Mellon	Dwight "Pat" Howard
2018	Dwight "Pat" Howard	John A. Coleman
2019	John A. Coleman	Georgean Vonheeder-Leopold
2020	Georgean Vonheeder-Leopold	Frank Mellon
2021	Frank Mellon	Marisol Rubio
2022	Marisol Rubio	John A. Coleman
2023	John A. Coleman	Georgean Vonheeder-Leopold

Item 7.A

**DSRSD•EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Regular Meeting Minutes
Monday, December 11, 2023**

1. CALL TO ORDER – Chair Coleman called the DSRSD•EBMUD Recycled Water Authority (DERWA) meeting to order at 6 p.m.
2. PLEDGE TO THE FLAG
3. ROLL CALL – Directors present: Chair John Coleman, Vice Chair Georgan Vonheeder-Leopold, and Directors April Chan, and Ann Marie Johnson. DERWA Staff present: Jan Lee, Authority Manager; Jacqueline Lee, Treasurer; Austin Cho, General Counsel; and Nicole Genzale, Authority Secretary
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES
Authority Manager Lee introduced DSRSD Operations Director Dan Gill who will oversee DERWA operations.
5. PUBLIC COMMENT – 6:01 p.m. – None
6. CONSENT CALENDAR

Vice Chair Vonheeder-Leopold MOVED for approval of the items on the Consent Calendar. Director Chan SECONDED the MOTION, which CARRIED with FOUR AYES.

- A. Approve Minutes of Regular Board Meeting of September 25, 2023 – Approved
- B. Approve Treasurer’s Reports for August 31, and September 30, 2023 – Approved
- C. Approve Quarterly Investment Report for September 30, 2023 – Approved

7. BOARD BUSINESS

- A. Accept Independent Auditors’ Report for Fiscal Year Ended June 30, 2023

Director Chan requested that DERWA’s auditor provide a presentation to the Board for next year’s report. Treasurer Lee confirmed that will be arranged.

Vice Chair Vonheeder-Leopold MOVED to Accept Independent Auditors’ Report for Fiscal Year Ended June 30, 2023. Director Johnson SECONDED the MOTION, which CARRIED with FOUR AYES.

- B. Discuss Proposed DERWA Cash Reserves Policy

Treasurer Lee reviewed the item for the Board. She stated that the finalized policy will be brought to the next Board meeting for formal adoption.

Vice Chair Vonheeder-Leopold MOVED to Accept the Proposed Cash Reserves Policy. Director Chan SECONDED the MOTION, which CARRIED with FOUR AYES.

DRAFT

C. Receive Presentation on Recycled Water Supply and Operation Plans Update

Authority Manager Lee reviewed the item for the Board. She introduced Katie Ruby, Project Manager from consultant Brown and Caldwell, who reviewed the presentation which covered:

- Demand management strategies
 - Improved water efficiency
 - City recycled water budgets
 - Rebates
 - Water loss control
- Refined demand projections
 - Total demand projections for today, by 2030, and beyond 2030
- Triggers and decision points for connecting new customers in the near-term
 - Eight customers are ready to connect (EBMUD = three, DSRSD = five)
- Proposed roadmap for lifting the moratorium, including recommendations for pursuing various supply alternatives and near-term policy changes
 - Supply alternatives recap (7 of 14 supply alternatives carried forward)
 - Takeaways from September Board meeting
 - Road map for expansion by 2025, 2030, and 2045
- Next Steps
 - Finalize study
 - Member agencies to initiate proposed near-term actions (policy changes, discussions with Central Contra Costa Sanitary District (Central San) and City of Livermore, and planning for test well
 - Fiscal Year 2025 budget considerations at April 2024 Board meeting

The Board and staff discussed various aspects of the presentation with emphasis placed on potential demand management measures and further understanding of the supply alternatives. The Board expressed its desire to continue discussions with Central San, City of Livermore, and Zone 7 Water Agency regarding their potential interest in partnering with DERWA on future recycled water projects. Authority Manager Lee stated that more will be known about possible partnership opportunities after the EBMUD-Central San Recycled Water Feasibility Evaluation and EBMUD Recycled Water Strategic Plan are completed. Preliminary results from the EBMUD-Central San Recycled Water Feasibility Evaluation will be shared with the DERWA Board at the February Board meeting and will include additional discussion on the approach and schedule for pursuing long-term opportunities with Central San.

The Board also conveyed some historical perspective regarding DERWA's progress and growth, noting how views on the benefits of recycled water projects have changed over time. The Board also emphasized the importance of keeping the lines of communication open with the potential partner agencies identified in the presentation.

The Board directed staff to carry forward all seven supplemental supply alternatives and to proceed with the next steps as recommended by staff.

D. Approve Appointment of Richard G. Sykes as Interim Authority Manager and Authorize Agreement for Services, and Discuss Authority Manager Recruitment

Chair Coleman reviewed the item for the Board.

Vice Chair Vonheeder-Leopold MOVED to Approve the Appointment of Richard G. Sykes as Interim Authority Manager, and Approve Resolution No. 23-5, Approving and Authorizing Execution of an Agreement for the Services of an Interim Authority Manager Between the DSRSD•EBMUD Recycled Water Authority and Richard G. Sykes. Director Johnson SECONDED the MOTION, which CARRIED with FOUR AYES.

Authority Manager Lee reviewed the proposed approach and schedule for recruitment of the permanent Authority Manager, who will fill the position following Mr. Sykes' interim service. DSRSD staff has agreed to begin the recruitment next month, with the intent to provide the Board with a short list of candidates to interview at a special Board meeting in March and to make a final selection in April. The Board directed staff to have DSRSD begin the Authority Manager recruitment as proposed.

8. STAFF REPORTS

A. Authority Manager Update

Authority Manager Lee had no additional updates to report since publication of the agenda packet.

B. Confirm Next Board Meeting – February 5, 2024

The Board acknowledged the February meeting date and did not request any changes.

9. BOARDMEMBER ITEMS

The Board wished Happy Holidays to all.

10. ADJOURNMENT

Chair Coleman adjourned the meeting at 7:19 p.m.

Submitted by,

Nicole M. Genzale, CMC
Authority Secretary

Item 7.B

DERWA Summary & Recommendation

Approve Treasurer's Reports for October 31, November 30, and December 31, 2023

Summary:

Attached are the Treasurer's Reports for the months ending October 31, November 30, and December 31, 2023, submitted by Treasurer Jacqueline Lee.

Recommendation:

The Treasurer recommends the DERWA Board of Directors approve, by Motion, the Treasurer's Reports for the months ending October 31, November 30, and December 31, 2023.

February 5, 2024

Attachments:

1. Treasurer's Report – October 31, 2023
2. Treasurer's Report – November 30, 2023
3. Treasurer's Report – December 31, 2023

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR OCTOBER 31, 2023**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending October 31, 2023. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$157,530 in agency reimbursements and \$9,251 in interest was received. Fiscal year-to-date revenue for FY24 totaled \$161,361. No other miscellaneous payments were received this month.

Expenses: Current month disbursements were \$215,716. Fiscal year-to-date expenditures for FY24 total \$488,448; of which \$354,568 was for operating expenses. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY24.

Cash: The cash balance at October 31, 2023 was \$2,838,174.

Submitted by:



Jacqueline Lee
Treasurer

Dated: November 27, 2023

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED OCTOBER 31, 2023**

CAPITAL - PROJECT	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
Pipeline Reach 1	-	7,560,517	-	-	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	-	4,558,120	-	-	4,558,120	3,882,264	675,856
Pipeline Reach 3	-	2,286,003	-	-	2,286,003	1,719,204	566,799
Pipeline Reach 4	-	1,614,959	-	-	1,614,959	363,685	1,251,274
Pipeline Reach 5	-	1,430,991	-	-	1,430,991	200,195	1,230,796
Pipeline Reach 6	-	6,759,869	-	-	6,759,869	430,784	6,329,085
Treatment Plant	-	15,732,794	-	-	15,732,794	8,948,843	6,783,951
Pump Stations	-	8,563,294	-	-	8,563,294	6,776,648	1,786,646
Water Tanks	-	12,393,483	-	-	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	-	3,462,938	-	-	3,462,938	-	3,462,938
Backbone Corrosion	-	1,109,004	-	-	1,109,004	122,302	986,702
SCADA	-	341,726	-	-	341,726	194,784	146,942
EBMUD Pipeline Phase 2, 3 & 4	-	602,193	-	-	602,193	-	602,193
Fine Screening	-	927,811	-	-	927,811	528,852	398,959
New/Replacement Capital <50K	200,000	347,683	3,008	23,036	370,719	155,712	215,007
MF/UV Control Programing Update	-	144,366	-	-	144,366	82,289	62,077
Program Planning & Air Relief	-	5,491,623	-	-	5,491,623	2,696,685	2,794,938
Planning Prior Years	-	3,665,330	-	-	3,665,330	1,796,012	1,869,318
Permanent Suppl. Supply	435,000	1,586,724	54,364	103,678	1,690,402	980,433	709,969
PSR-1 VFD Replacement	-	-	-	-	-	-	-
Air Relief Valve Rehabilitation/Replacement	135,000	-	-	-	-	-	-
SFUV and MF Operational Analysis	-	45,477	-	-	45,477	20,919	24,558
Chlorine Mixer Replacement	-	13,111	-	-	13,111	6,031	7,080
SFUV Cable Harness Replacement	23,000	149,784	-	-	149,784	68,901	80,883
UV Lamp Electrical Connector Replacement	17,000	126,635	-	-	126,635	58,252	68,383
HVAC Replacements	-	-	-	-	-	-	-
TIPS VFD Upgrades	150,000	-	-	-	-	-	-
Backwash Analysis	200,000	-	-	-	-	-	-
Gate Replacements	150,000	-	-	-	-	-	-
Pine Valley Transmission Cathodic Protection	230,000	-	-	-	-	-	-
Decommission Microfiltration Facility	50,000	-	-	-	-	-	-
MF Membrane Replace	-	698,833	-	-	698,833	335,440	363,393
LVAMWA Connection	-	-	-	-	-	-	-
6th RWTP Sand Filter	-	255	-	-	255	27	228
DWR IRWM- Prop 84 Rd 3 Drought Project	-	16,432	-	-	16,432	8,216	8,216
PSR1 /Recy. Water Treatment Expansion	-	15,528,260	-	7,166	15,535,426	9,819,731	5,715,695
Pleasanton Capital Billing/Contingency	-	5,795,139	-	-	5,795,139	-	5,795,139
Capitalized Interest	-	1,960,872	-	-	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	1,590,000	102,914,226	57,372	133,880	103,048,106	51,762,508	51,285,598

OPERATING - ITEM	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	245,000	4,063,634	3,168	11,488	4,075,122	2,923,398	1,151,724
Treasurer	101,000	3,045,547	5,194	15,062	3,060,609	2,295,456	765,153
Legal Counsel	25,000	567,517	10,680	10,680	578,197	433,648	144,549
Secretary	18,000	272,570	-	291	272,861	204,646	68,215
Other	135,000	1,972,030	139,302	139,302	2,111,332	1,583,500	527,832
Operation and Maintenance Detail	5,725,000	30,808,285	-	177,745	30,986,030	23,580,144	7,405,886
Debt Service	1,645,513	30,256,626	-	-	30,256,626	16,156,696	14,099,930
Total Operating Program Element	7,894,513	70,986,209	158,344	354,568	71,340,777	47,177,488	24,163,289

PROJECT TOTALS	9,484,513	173,900,435	215,716	488,448	174,388,883	98,939,996	75,448,887
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REVENUES & FUNDING	Current Month	Fiscal Year
Agency Contribution	-	-
DSRSD	-	-
EBMUD	-	-
Pleasanton	-	-
Agency Reimbursements - DSRSD	16,695	12,822
Agency Reimbursements - EBMUD	-	(1,908)
Commercial Paper Issued	-	-
Pleasanton payments	140,835	140,835
Interest / Contracts	9,251	9,612
Misc Income	-	-
TOTAL REVENUES & FUNDING	166,781	161,361

CASH AVAILABLE	Current Month	Fiscal Year
Beginning Cash	2,887,109	1,393,499
Beg. Balance Adj (Prior Year Accruals)	-	1,771,762
Rounding	-	-
Total Revenues & Funding	166,781	161,361
Total Expenditures	(215,716)	(488,448)
Ending Cash	2,838,174	2,838,174

Prepared by Matt Houck Date Nov 27, 2023
 Reviewed by Yenny Coburn Date Nov 27, 2023
 Approved by Robert Hannay Date Dec 5, 2023

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
October 31, 2023**

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital
10/06/23	200038205	DUBLIN SAN RAMON SERVICES DIST	Cap-DSRSD Inv New/Replace <50k (D-portion 42%)	1,263.50	1,263.50	-	C 0.00	1,263.50
10/06/23	200038205	DUBLIN SAN RAMON SERVICES DIST	Cap-DSRSD Inv New/Replace <50k (E-portion 31%)	932.58	-	932.58	C 0.00	932.58
10/06/23	200038205	DUBLIN SAN RAMON SERVICES DIST	Cap-DSRSD Inv New/Replace <50k (Pleasanton27%)	812.25	-	-	C 0.00	812.25
10/06/23	200038180	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (67/33)	528.01	353.77	174.24	O 528.01	0.00
10/06/23	200038180	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (67/33)	792.01	530.65	261.36	O 792.01	0.00
10/06/23	200038176	ALLIANT INSURANCE SRVCS INC	Op-Other-Insurance (67/33)	139,301.75	93,332.17	45,969.58	O 139,301.75	0.00
10/06/23	200038180	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (67/33)	594.01	397.99	196.02	O 594.01	0.00
10/06/23	200038185	BROWN & CALDWELL	Cap - Prm Suppl Wtr Sup (58/42)	54,364.16	31,531.21	22,832.95	C 0.00	54,364.16
10/13/23	200038511	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	627.01	432.64	194.37	O 627.01	0.00
10/13/23	200038539	EBMUD	Op- Trea- Cost Acct(68.65/31.35)	4,640.67	3,185.82	1,454.85	O 4,640.67	0.00
10/13/23	200038539	EBMUD	Op- Trea- Salary(68.65/31.35)	552.74	379.46	173.28	O 552.74	0.00
10/18/23	200038776	DOWNEY BRAND, LLP	Op-Derwa Legal Counsel (68.65/31.35)	5,320.00	3,652.18	1,667.82	O 5,320.00	0.00
10/25/23	200039262	DOWNEY BRAND, LLP	Op-Derwa Legal Counsel (68.65/31.35)	5,360.00	3,679.64	1,680.36	O 5,360.00	0.00
10/25/23	200039232	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	264.00	182.16	81.84	O 264.00	0.00
10/25/23	200039232	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	363.01	250.48	112.53	O 363.01	0.00
				-	-	-	0.00	0.00
				-	-	-	0.00	0.00
				215,715.70	139,171.67	75,731.78	158,343.21	57,372.49

Certificates of Disb.			
Wk Ending	Amount		
10/6/23	\$ 198,588.27		
10/13/23	\$ 5,820.42	Pleasanton-	812.25
10/18/23	\$ 5,320.00		
10/25/23	\$ 5,987.01		
		OP	158,343.21
		CAP	57,372.49
	\$ 215,715.70		

0.00 Reconciled
0.00 Reconciled
0.00 Reconciled
0.00 Reconciled

DERWA CASH REPORT

Cash Balance as of 09/30/23 2,887,108.45 *Reconciled to DERWA TR*

Add member agency's contribution:

Agency Reimbursements - DSRSD	16,695.42
Agency Reimbursements - EBMUD	0.00
City of Pleasanton Payments	140,834.46
Interest Income	0.00
Other Reimbursements- Misc	9,251.32

Less invoice payments:

DUBLIN SAN RAMON SERVICES DIST	10/6/2023	(3,008.33)
BARRETT BUSINESS SERVICES INC	10/6/2023	(528.01)
BARRETT BUSINESS SERVICES INC	10/6/2023	(792.01)
ALLIANT INSURANCE SRVCS INC	10/6/2023	(139,301.75)
BARRETT BUSINESS SERVICES INC	10/6/2023	(594.01)
BROWN & CALDWELL	10/6/2023	(54,364.16)
BARRETT BUSINESS SERVICES INC	10/13/2023	(627.01)
EBMUD	10/13/2023	(5,193.41)
DOWNEY BRAND, LLP	10/18/2023	(5,320.00)
DOWNEY BRAND, LLP	10/25/2023	(5,360.00)
BARRETT BUSINESS SERVICES INC	10/25/2023	(264.00)
BARRETT BUSINESS SERVICES INC	10/25/2023	(363.01)

Cash Balance as of	10/31/23	2,838,173.95
	Rounding	0.05
	Cash Balance 10/31/23	2,838,174.00

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR NOVEMBER 30, 2023**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending November 30, 2023. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$836,583 in agency reimbursements were received. Fiscal year-to-date revenue for FY24 totaled \$997,944. No other miscellaneous payments were received this month.

Expenses: Current month disbursements were \$62,773. Fiscal year-to-date expenditures for FY24 total \$551,221; of which \$363,148 was for operating expenses. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY24.

Cash: The cash balance at November 30, 2023 was \$3,611,984.

Submitted by:



Jacqueline Lee
Treasurer

Dated: Dec 20, 2023

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED NOVEMBER 30, 2023**

CAPITAL - PROJECT	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
Pipeline Reach 1	-	7,560,517	-	-	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	-	4,558,120	-	-	4,558,120	3,882,264	675,856
Pipeline Reach 3	-	2,286,003	-	-	2,286,003	1,719,204	566,799
Pipeline Reach 4	-	1,614,959	-	-	1,614,959	363,685	1,251,274
Pipeline Reach 5	-	1,430,991	-	-	1,430,991	200,195	1,230,796
Pipeline Reach 6	-	6,759,869	-	-	6,759,869	430,784	6,329,085
Treatment Plant	-	15,732,794	-	-	15,732,794	8,948,843	6,783,951
Pump Stations	-	8,563,294	-	-	8,563,294	6,776,648	1,786,646
Water Tanks	-	12,393,483	-	-	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	-	3,462,938	-	-	3,462,938	-	3,462,938
Backbone Corrosion	-	1,109,004	-	-	1,109,004	122,302	986,702
SCADA	-	341,726	-	-	341,726	194,784	146,942
EBMUD Pipeline Phase 2, 3 & 4	-	602,193	-	-	602,193	-	602,193
Fine Screening	-	927,811	-	-	927,811	528,852	398,959
New/Replacement Capital <50K	200,000	347,683	-	23,036	370,719	155,712	215,007
MF/UV Control Programing Update	-	144,366	-	-	144,366	82,289	62,077
Program Planning & Air Relief	-	5,491,623	-	-	5,491,623	2,696,685	2,794,938
Planning Prior Years	-	3,665,330	-	-	3,665,330	1,796,012	1,869,318
Permanent Suppl. Supply	435,000	1,586,724	54,193	157,871	1,744,595	1,011,865	732,730
PSR-1 VFD Replacement	-	-	-	-	-	-	-
Air Relief Valve Rehabilitation/Replacement	135,000	-	-	-	-	-	-
SFUV and MF Operational Analysis	-	45,477	-	-	45,477	20,919	24,558
Chlorine Mixer Replacement	-	13,111	-	-	13,111	6,031	7,080
SFUV Cable Harness Replacement	23,000	149,784	-	-	149,784	68,901	80,883
UV Lamp Electrical Connector Replacement	17,000	126,635	-	-	126,635	58,252	68,383
HVAC Replacements	-	-	-	-	-	-	-
TIPS VFD Upgrades	150,000	-	-	-	-	-	-
Backwash Analysis	200,000	-	-	-	-	-	-
Gate Replacements	150,000	-	-	-	-	-	-
Pine Valley Transmission Cathodic Protection	230,000	-	-	-	-	-	-
Decommission Microfiltration Facility	50,000	-	-	-	-	-	-
MF Membrane Replace	-	698,833	-	-	698,833	335,440	363,393
LVAMWA Connection	-	-	-	-	-	-	-
6th RWTP Sand Filter	-	255	-	-	255	27	228
DWR IRWM- Prop 84 Rd 3 Drought Project	-	16,432	-	-	16,432	8,216	8,216
PSR1 /Recy. Water Treatment Expansion	-	15,528,260	-	7,166	15,535,426	9,819,731	5,715,695
Pleasanton Capital Billing/Contingency	-	5,795,139	-	-	5,795,139	-	5,795,139
Capitalized Interest	-	1,960,872	-	-	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	1,590,000	102,914,226	54,193	188,073	103,102,299	51,793,940	51,308,359

OPERATING - ITEM	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	245,000	4,063,634	2,277	13,765	4,077,399	2,925,106	1,152,293
Treasurer	101,000	3,045,547	6,303	21,365	3,066,912	2,300,184	766,728
Legal Counsel	25,000	567,517	-	10,680	578,197	433,648	144,549
Secretary	18,000	272,570	-	291	272,861	204,646	68,215
Other	135,000	1,972,030	-	139,302	2,111,332	1,583,500	527,832
Operation and Maintenance Detail	5,725,000	30,808,285	-	177,745	30,986,030	23,580,144	7,405,886
Debt Service	1,645,513	30,256,626	-	-	30,256,626	16,156,696	14,099,930
Total Operating Program Element	7,894,513	70,986,209	8,580	363,148	71,349,357	47,183,924	24,165,433

PROJECT TOTALS	9,484,513	173,900,435	62,773	551,221	174,451,656	98,977,864	75,473,792
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REVENUES & FUNDING	Current Month	Fiscal Year
Agency Contribution	-	-
DSRSD	-	-
EBMUD	-	-
Pleasanton	-	-
Agency Reimbursements - DSRSD	376,740	389,562
Agency Reimbursements - EBMUD	202,783	200,875
Commercial Paper Issued	-	-
Pleasanton payments	257,060	397,895
Interest / Contracts	-	9,612
Misc Income	-	-
TOTAL REVENUES & FUNDING	836,583	997,944

CASH AVAILABLE	Current Month	Fiscal Year
Beginning Cash	2,838,174	1,393,499
Beg. Balance Adj (Prior Year Accruals)	-	1,771,762
Rounding	-	-
Total Revenues & Funding	836,583	997,944
Total Expenditures	(62,773)	(551,221)
Ending Cash	3,611,984	3,611,984

Prepared by Matt Houck Date Dec 14, 2023
 Reviewed by Melody J. Wang Date Dec 14, 2023
 Approved by David Glasser Date Dec 20, 2023

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
November 30, 2023**

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital	
11/08/23	200040114	EBMUD	Op- Trea- Cost Acct(68.65/31.35)	2,835.97	1,946.89	889.08	O	2,835.97	0.00
11/08/23	200040070	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	363.01	250.48	112.53	O	363.01	0.00
11/15/23	200040372	BROWN & CALDWELL	Cap - Prm Suppl Wtr Sup (58/42)	35,789.09	20,757.67	15,031.42	C	0.00	35,789.09
11/15/23	200040411	EBMUD	Op- Trea- Cost Acct(68.65/31.35)	2,921.93	2,005.90	916.03	O	2,921.93	0.00
11/15/23	200040361	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	627.01	432.64	194.37	O	627.01	0.00
11/15/23	200040361	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	660.01	455.41	204.60	O	660.01	0.00
11/22/23	200040751	LANCE SOLL & LUNGHARD LLP	Op- Trea- Cost Acct(68.65/31.35)	545.00	374.14	170.86	O	545.00	0.00
11/22/23	200040751	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	627.01	432.64	194.37	O	627.01	0.00
11/29/23	200040974	BROWN & CALDWELL	Cap - Prm Suppl Wtr Sup (58/42)	18,403.64	10,674.11	7,729.53	C	0.00	18,403.64
				-	-	-		0.00	0.00
				-	-	-		0.00	0.00
				-	-	-		0.00	0.00
				-	-	-		0.00	0.00
				62,772.67	37,329.88	25,442.79		8,579.94	54,192.73

Certificates of Disb.			
Wk Ending	Amount		
11/8/23	\$ 3,198.98		
11/15/23	\$ 39,998.04		
11/22/23	\$ 1,172.01		
11/29/23	\$ 18,403.64		
	\$ 62,772.67		

	Pleasanton-	-	
	OP	8,579.94	0.00 Reconciled
	CAP	54,192.73	0.00 Reconciled

DERWA CASH REPORT

Cash Balance as of 10/31/23 2,838,173.95 *Reconciled to DERWA TR*

Add member agency's contribution:

Agency Reimbursements - DSRSD	376,740.56
Agency Reimbursements - EBMUD	202,782.62
City of Pleasanton Payments	257,059.55
Interest Income	0.00
Other Reimbursements- Misc	0.00

Less invoice payments:

EBMUD	11/8/2023	(2,835.97)
BARRETT BUSINESS SERVICES INC	11/8/2023	(363.01)
BROWN & CALDWELL	11/15/2023	(35,789.09)
EBMUD	11/15/2023	(2,921.93)
BARRETT BUSINESS SERVICES INC	11/15/2023	(627.01)
BARRETT BUSINESS SERVICES INC	11/15/2023	(660.01)
LANCE SOLL & LUNGHARD LLP	11/22/2023	(545.00)
BARRETT BUSINESS SERVICES INC	11/22/2023	(627.01)
BROWN & CALDWELL	11/29/2023	(18,403.64)

Cash Balance as of	11/30/23	3,611,984.01
	Rounding	(0.01)
Cash Balance	11/30/23	3,611,984.00

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR DECEMBER 31, 2023**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending December 31, 2023. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$139,171 in agency reimbursements were received. Fiscal year-to-date revenue received for FY24 totaled \$1,137,115. No other miscellaneous payments were received this month.

Expenses: Current month disbursements were \$17,161. Fiscal year-to-date expenditures for FY24 total \$568,382; of which \$380,309 was for operating expenses. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY24.

Cash: The cash balance at December 31, 2023 was \$3,733,994.

Submitted by:



Jacqueline Lee
Treasurer

Dated: Jan 18, 2024

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED DECEMBER 31, 2023**

CAPITAL - PROJECT	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
Pipeline Reach 1	-	7,560,517	-	-	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	-	4,558,120	-	-	4,558,120	3,882,264	675,856
Pipeline Reach 3	-	2,286,003	-	-	2,286,003	1,719,204	566,799
Pipeline Reach 4	-	1,614,959	-	-	1,614,959	363,685	1,251,274
Pipeline Reach 5	-	1,430,991	-	-	1,430,991	200,195	1,230,796
Pipeline Reach 6	-	6,759,869	-	-	6,759,869	430,784	6,329,085
Treatment Plant	-	15,732,794	-	-	15,732,794	8,948,843	6,783,951
Pump Stations	-	8,563,294	-	-	8,563,294	6,776,648	1,786,646
Water Tanks	-	12,393,483	-	-	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	-	3,462,938	-	-	3,462,938	-	3,462,938
Backbone Corrosion	-	1,109,004	-	-	1,109,004	122,302	986,702
SCADA	-	341,726	-	-	341,726	194,784	146,942
EBMUD Pipeline Phase 2, 3 & 4	-	602,193	-	-	602,193	-	602,193
Fine Screening	-	927,811	-	-	927,811	528,852	398,959
New/Replacement Capital <50K	200,000	347,683	-	23,036	370,719	155,712	215,007
MF/UV Control Programing Update	-	144,366	-	-	144,366	82,289	62,077
Program Planning & Air Relief	-	5,491,623	-	-	5,491,623	2,696,685	2,794,938
Planning Prior Years	-	3,665,330	-	-	3,665,330	1,796,012	1,869,318
Permanent Suppl. Supply	435,000	1,586,724	-	157,871	1,744,595	1,011,865	732,730
PSR-1 VFD Replacement	-	-	-	-	-	-	-
Air Relief Valve Rehabilitation/Replacement	135,000	-	-	-	-	-	-
SFUV and MF Operational Analysis	-	45,477	-	-	45,477	20,919	24,558
Chlorine Mixer Replacement	-	13,111	-	-	13,111	6,031	7,080
SFUV Cable Harness Replacement	23,000	149,784	-	-	149,784	68,901	80,883
UV Lamp Electrical Connector Replacement	17,000	126,635	-	-	126,635	58,252	68,383
HVAC Replacements	-	-	-	-	-	-	-
TIPS VFD Upgrades	150,000	-	-	-	-	-	-
Backwash Analysis	200,000	-	-	-	-	-	-
Gate Replacements	150,000	-	-	-	-	-	-
Pine Valley Transmission Cathodic Protection	230,000	-	-	-	-	-	-
Decommission Microfiltration Facility	50,000	-	-	-	-	-	-
MF Membrane Replace	-	698,833	-	-	698,833	335,440	363,393
LVAMWA Connection	-	-	-	-	-	-	-
6th RWTP Sand Filter	-	255	-	-	255	27	228
DWR IRWM- Prop 84 Rd 3 Drought Project	-	16,432	-	-	16,432	8,216	8,216
PSR1 /Recy. Water Treatment Expansion	-	15,528,260	-	7,166	15,535,426	9,819,731	5,715,695
Pleasanton Capital Billing/Contingency	-	5,795,139	-	-	5,795,139	-	5,795,139
Capitalized Interest	-	1,960,872	-	-	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	1,590,000	102,914,226	-	188,073	103,102,299	51,793,940	51,308,359

OPERATING - ITEM	Program Budget @ FY 2024	Expenditures FY 23 and Prior (a)	Expenditures Current Month	Expenditures FY 24 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	245,000	4,063,634	7,864	21,629	4,085,263	2,929,757	1,155,506
Treasurer	101,000	3,045,547	2,578	23,943	3,069,490	2,302,117	767,373
Legal Counsel	25,000	567,517	6,719	17,399	584,916	438,687	146,229
Secretary	18,000	272,570	-	291	272,861	204,646	68,215
Other	135,000	1,972,030	-	139,302	2,111,332	1,583,500	527,832
Operation and Maintenance Detail	5,725,000	30,808,285	-	177,745	30,986,030	23,580,144	7,405,886
Debt Service	1,645,513	30,256,626	-	-	30,256,626	16,156,696	14,099,930
Total Operating Program Element	7,894,513	70,986,209	17,161	380,309	71,366,518	47,195,547	24,170,971

PROJECT TOTALS	9,484,513	173,900,435	17,161	568,382	174,468,817	98,989,487	75,479,330
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REVENUES & FUNDING	Current Month	Fiscal Year
Agency Contribution	-	-
DSRSD	-	-
EBMUD	-	-
Pleasanton	-	-
Agency Reimbursements - DSRSD	139,171	528,734
Agency Reimbursements - EBMUD	-	200,875
Commercial Paper Issued	-	-
Pleasanton payments	-	397,894
Interest / Contracts	-	9,612
Misc Income	-	-
TOTAL REVENUES & FUNDING	139,171	1,137,115

CASH AVAILABLE	Current Month	Fiscal Year
Beginning Cash	3,611,984	1,393,499
Beg. Balance Adj (Prior Year Accruals)	-	1,771,762
Rounding	-	-
Total Revenues & Funding	139,171	1,137,115
Total Expenditures	(17,161)	(568,382)
Ending Cash	3,733,994	3,733,994

Prepared by Matt Houck Jan 16, 2024
 Date
 Reviewed by Melody J. Wang Jan 16, 2024
 Date
 Approved by David Glasser Jan 18, 2024
 Date

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
December 31, 2023**

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital
12/06/23	200041405	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	693.01	478.18	214.83	○	693.01
12/06/23	200041405	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	1,089.02	751.42	337.60	○	1,089.02
12/06/23	200041451	DOWNEY BRAND, LLP	Op-Derwa Legal Counsel (69/31)	2,400.00	1,656.00	744.00	○	2,400.00
12/22/23	200042462	ICF INTERNATIONAL	Op-Prg Mgr-Public Info (49/51)	1,181.25	578.81	602.44	○	1,181.25
12/20/23	200042253	ICF INTERNATIONAL	Op-Prg Mgr-Public Info (49/51)	1,907.50	934.68	972.82	○	1,907.50
12/20/23	200042253	ICF INTERNATIONAL	Op-Prg Mgr-Public Info (49/51)	1,263.75	619.24	644.51	○	1,263.75
12/20/23	200042198	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	627.01	432.64	194.37	○	627.01
12/22/23	200042422	BARRETT BUSINESS SERVICES INC	Op-Prg Manager-Staff (69/31)	660.01	455.41	204.60	○	660.01
12/29/23	200042630	EBMUD	Op- Trea- Cost Acct(69/31)	2,578.16	1,778.93	799.23	○	2,578.16
12/29/23	200042680	ICF INTERNATIONAL	Op-Prg Mgr-Public Info (49/51)	442.50	216.83	225.67	○	442.50
12/29/23	200042624	DOWNEY BRAND, LLP	Op-Derwa Legal Counsel (69/31)	4,319.27	2,980.30	1,338.97	○	4,319.27
				-	-	-		0.00
				-	-	-		0.00
				-	-	-		0.00
				-	-	-		0.00
				17,161.48	10,882.44	6,279.04		17,161.48
Certificates of Disb.								
Wk Ending	Amount							
12/6/24	\$ 4,182.03				Pleasanton-	-		
12/20/24	\$ 3,798.26							0.00 Reconciled
12/22/24	\$ 1,841.26							0.00 Reconciled
12/29/24	\$ 7,339.93							0.00 Reconciled
						OP		0.00 Reconciled
						CAP		
	\$ 17,161.48					17,161.48		
						-		

DERWA CASH REPORT

Cash Balance as of 11/30/23 3,611,984.01 *Reconciled to DERWA TR*

Add member agency's contribution:

Agency Reimbursements - DSRSD	139,171.67
Agency Reimbursements - EBMUD	0.00
City of Pleasanton Payments	0.00
Interest Income	0.00
Other Reimbursements- Misc	0.00

Less invoice payments:

BARRETT BUSINESS SERVICES INC	12/6/2023	(693.01)
BARRETT BUSINESS SERVICES INC	12/6/2023	(1,089.02)
DOWNEY BRAND, LLP	12/6/2023	(2,400.00)
ICF INTERNATIONAL	12/22/2023	(1,181.25)
ICF INTERNATIONAL	12/20/2023	(1,907.50)
ICF INTERNATIONAL	12/20/2023	(1,263.75)
BARRETT BUSINESS SERVICES INC	12/20/2023	(627.01)
BARRETT BUSINESS SERVICES INC	12/22/2023	(660.01)
EBMUD	12/29/2023	(2,578.16)
ICF INTERNATIONAL	12/29/2023	(442.50)
DOWNEY BRAND, LLP	12/29/2023	(4,319.27)

Cash Balance as of	12/31/23	3,733,994.20
	Rounding	(0.20)
	Cash Balance 12/31/23	3,733,994.00

Item 7.C

DERWA Summary & Recommendation

Approve Quarterly Investment Report for December 31, 2023

Summary:

Section 53646 of the Government Code allows the Treasurer of the Authority to submit to the Authority Manager, the Internal Auditor, and the Board of Directors a quarterly investment report. It also stipulates that the investment report must include the types of investments in which the Authority has invested its funds, the issuer, date of maturity, the value of the investment at maturity, and the dollar amount that is invested in the security.

The investments held by the Authority in the State of California Local Agency Investment Fund on December 31, 2023, were \$1,034,741. The investment portfolio is in full compliance with the Board's adopted policy regarding the Authority's investments.

In compliance with Section 53646(b)3 of the Government Code, this report denotes that the Authority will be able to meet expenditure requirements for the next six months from revenues/reimbursements/contributions from Member Agencies.

Recommendation:

The Treasurer recommends the DERWA Board of Directors approve, by Motion, the Quarterly Investment Report for December 31, 2023.

February 5, 2024

Item 7.D

DERWA Summary & Recommendation

Adopt New Cash Reserves Policy

Summary:

Staff recommends the DERWA Board of Directors adopt the new Cash Reserves policy to maintain operating reserves at a level sufficient to meet working capital and unanticipated needs. The draft policy was discussed with the DERWA Board at the December 11, 2023, DERWA Board meeting.

Staff proposes maintaining cash reserves at a target of four (4) times monthly budgeted operating expenses, inclusive of debt service. Cash in excess of the target reserve amount may be disbursed to member agencies at fiscal year-end. For the fiscal year (FY) 2024, the proposed target cash reserve is \$2,632,000. The FY 2024 proposed target cash reserve meets and exceeds the minimum cash reserve of \$1,234,000 per DERWA Resolution No. 04-3 to fund the Recycled Water Capital Reserve Account (RWCRA) per State Water Resources Control Board requirements.

Recommendation:

The Treasurer recommends the DERWA Board of Directors adopt, by Resolution, the new Cash Reserves policy.

February 5, 2024

Attachment:

1. DERWA Resolution No. 24-1

DERWA
RESOLUTION NO. 24-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED WATER AUTHORITY ADOPTING THE NEW CASH RESERVES POLICY

WHEREAS, by a joint powers authority agreement (“JPA Agreement”), the Dublin San Ramon Services District (“DSRSD”) and East Bay Municipal Utility District (“EBMUD”) (together, the “Member Agencies”) formed the DSRSD•EBMUD Recycled Water Authority (“DERWA”) in 1995 to implement a joint regional recycled water program; and

WHEREAS, DERWA desires to have a Cash Reserves policy to maintain operating reserves at a level sufficient to meet working capital; and

WHEREAS, the Treasurer has prepared the Cash Reserves policy for the DERWA Board’s consideration and approval, which was reviewed by the DERWA Board on December 11, 2023; and

WHEREAS, the Cash Reserves policy targets maintaining cash reserves of four (4) times monthly budgeted operating and maintenance expenses, inclusive of debt service; and

WHEREAS, funds in excess of the target reserve amount will be disbursed to the Member Agencies based on actual expenses paid at fiscal year-end.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DSRSD-EBMUD RECYCLED WATER AUTHORITY, a Joint Powers Authority located in the counties of Alameda and Contra Costa, California, that the new Cash Reserves policy, which is attached as Exhibit “A,” is hereby adopted by the DERWA Board as the policy to be used for all cash reserves transactions with implementation at fiscal year-end 2024.

ADOPTED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Joint Powers Authority located in the counties of Alameda and Contra Costa, California, at its Regular Meeting held on the 5th day of February 2024, and passed by the following vote:

AYES:

NOES:

ABSENT:

DERWA Chair

ATTEST:

Nicole M. Genzale, Authority Secretary



DSRSD • EBMUD Recycled Water Authority
PARTNERS IN WATER RECYCLING

POLICY- CASH RESERVES

EFFECTIVE
February 5, 2024

IT IS THE POLICY OF DERWA TO:

Maintain cash reserves at a target of four (4) times monthly budgeted operating and maintenance expenses, inclusive of debt service.

Disburse funds in excess of the target reserve amount to the Member Agencies based on actual expenses paid at fiscal year-end.

Authority: Resolution No. 24-1, February 5, 2024

DERWA Summary & Recommendation

Receive Presentation on EBMUD-Central San Recycled Water Feasibility Evaluation

Summary:

East Bay Municipal Utility District (EBMUD) has a goal of recycling 20 million gallons per day (MGD) by 2040. EBMUD's 2019 Recycled Water Master Plan Update evaluated EBMUD's existing recycled water program, identified and assessed both non-potable and potable reuse opportunities, and recommended continuing with a portfolio of non-potable projects to achieve its goal. Central Contra Costa Sanitary District (Central San) was identified as a potential partner for regional recycled water opportunities with EBMUD. In 2022, EBMUD entered into a Memorandum of Understanding (MOU) with Central San to prepare a feasibility evaluation of recycled water partnership opportunities, including the potential for potable reuse and long-term diversion of a portion of Central San's wastewater upstream of the San Ramon Pumping Station to DERWA.

The feasibility evaluation developed project descriptions, water supply yields, preliminary layouts, cost estimates, and non-cost scores for each potential project concept, incorporating input from EBMUD and Central San staff. The study evaluated the following project concepts:

- Lamorinda Project
- Satellite Water Recycled Facility Projects
- San Ramon Valley Recycled Water Program Expansion
- Refinery Exchange Project
- Indirect Potable Reuse (IPR) via Los Vaqueros Reservoir
- IPR via Briones Reservoir
- Direct Potable Reuse (DPR) via Mokelumne Aqueducts
- DPR via Walnut Creek Treatment Plant

The Central San recycled water feasibility evaluation recommended that the San Ramon Valley Recycled Water Program expansion (including permanent operation of the existing temporary raw water diversion from Central San to DERWA), IPR via Briones Reservoir, and DPR via both Mokelumne Aqueducts and the Walnut Creek Treatment Plant be further considered in the EBMUD Recycled Water Strategic Plan Update 2024 (Strategic Plan Update). The recommended projects from this feasibility evaluation will be considered against all other recycled water alternatives identified in the Strategic Plan Update to develop a new portfolio of projects to meet the EBMUD's water recycling goal for EBMUD Board consideration in summer of 2024. The final report of the Strategic Plan Update will be completed in September 2024.

Recommendation:

The Authority Manager recommends the DERWA Board of Directors receive a presentation on the EBMUD-Central San Recycled Water Feasibility Evaluation.

Attachment:

1. EBMUD-Central San Recycled Water Feasibility Evaluation Presentation



EBMUD-Central San Recycled Water Feasibility Evaluation Update

DERWA Board Meeting

February 5, 2024

Agenda

- Background
- Summary of Project Concept Evaluation
- DERWA-Central San Diversion Project
- Next Steps

Background

- Central Contra Costa Sanitary District (Central San) identified as potential partner for regional recycled water opportunities in EBMUD's 2019 Recycled Water Master Plan Update
- Memorandum of Understanding between EBMUD and Central San executed in October 2022 to further explore recycled water partnership opportunities
 - Evaluate non-potable and potable reuse project concepts
 - EBMUD to lead development of the feasibility study

Summary of Project Concept Evaluation



Non-Potable Reuse Project Summary

Project Concept	Average Capacity/Yield	Estimated Unit Cost (\$/AF)	Recommend for Consideration of Near-Term Implementation in Recycled Water Strategic Plan Update?
Lamorinda Project	<1 MGD/1,000 AFY	\$18,500	No – significant cost, low amount of potable water savings
Satellite Water Recycling Facilities	<0.5 MGD/250 AFY per customer	\$9,500	Continue to support customers considering self-funding satellite projects
DERWA Expansion	Up to 3 MGD/2,200 AFY	\$1,350	Yes – lower cost project, proof of concept through temporary diversions
Refinery Recycled Water Exchange	Up to 13 MGD to refineries Yield to EBMUD through exchange: Up to 6.5 MGD/ 7,300 AFY	\$5,600	No – water supply benefit to EBMUD is limited, uncertainty associated with future refinery demands/operations

MGD = million gallons per day
 AFY = acre-feet per year
 AF = acre-feet

Potable Reuse Project Summary

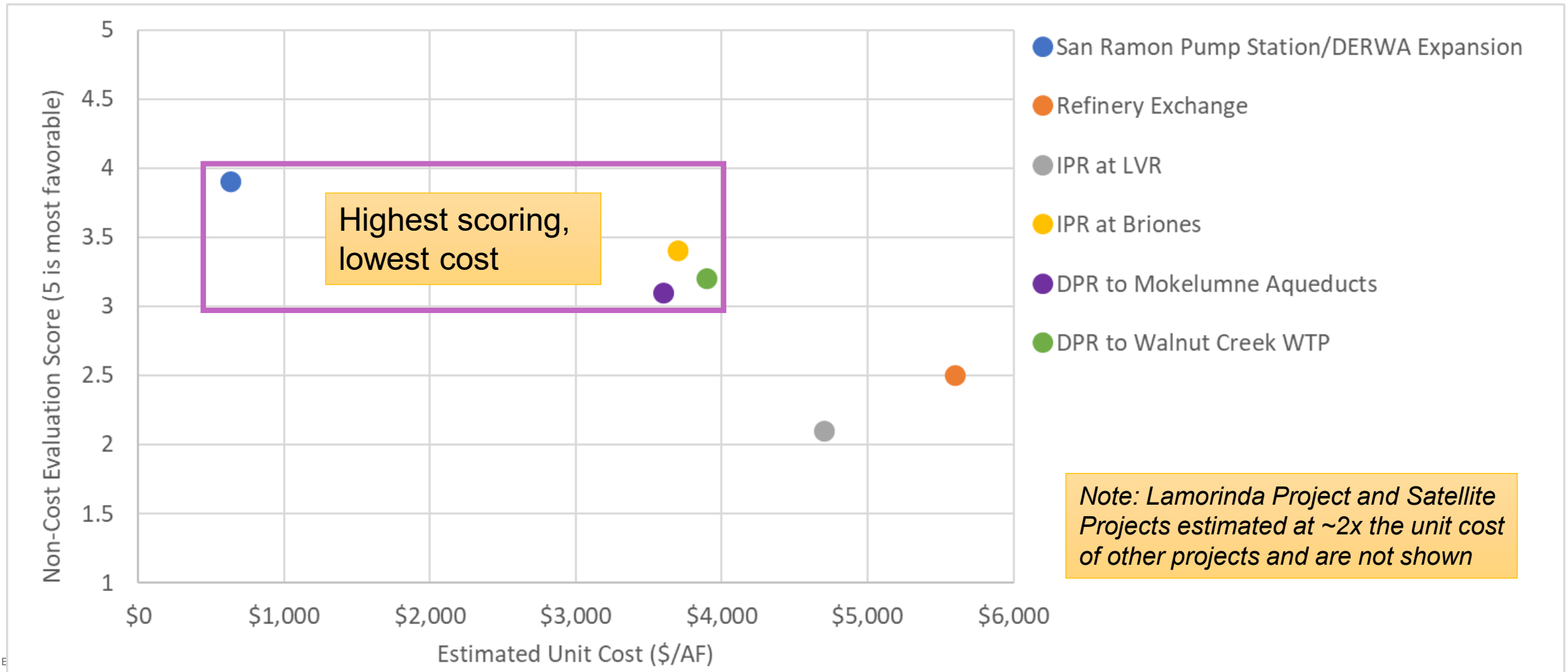
Project Concept	Average Capacity/Yield	Estimated Unit Cost (\$/AF)	Recommend for Further Evaluation in Recycled Water Strategic Plan Update?
Indirect Potable Reuse – Los Vaqueros Reservoir	Up to 17.9 MGD/20,000 AFY in supply to Los Vaqueros	\$4,700	No – significant institutional and permitting challenges
Indirect Potable Reuse – Briones Reservoir	17.9 MGD/20,000 AFY	\$3,700	Yes – compare against other IPR alternatives
Direct Potable Reuse – Mokelumne Aqueducts	17.9 MGD/20,000 AFY	\$3,600	Yes – compare against other DPR alternatives
Direct Potable Reuse – Walnut Creek WTP	17.9 MGD/20,000 AFY	\$3,900	Yes – compare against other DPR alternatives

MGD = million gallons per day

AFY = acre-feet per year

AF = acre-feet

Projects for Further Consideration

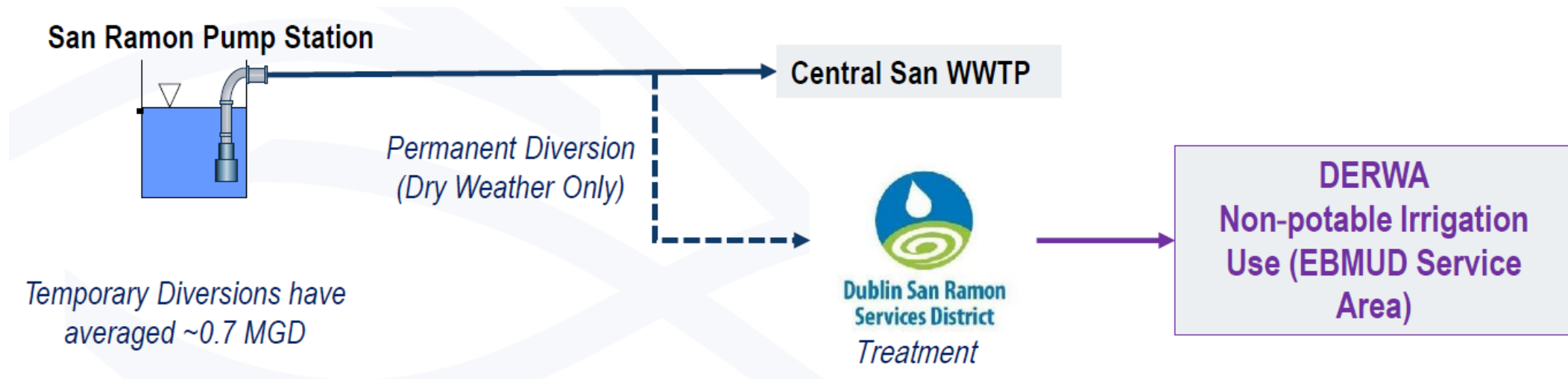


DERWA-Central San Diversion Project



DERWA-Central San Diversion Project

- Benefits: utilizes existing facilities, provides up to 3 MGD in supplemental supply to DERWA to serve EBMUD/Central San customers, potential to provide incidental nutrient removal benefits to Central San
- Challenge: potential institutional barriers among three agencies involved



DERWA-Central San Diversion Project (Cont.)

- Staff initiated discussions to evaluate permanent Central San diversion to DERWA
 - Need to resolve institutional concerns relating to Proposition 218 and service area, and evaluate including Central San as a partner in DERWA
 - Need to conduct technical study on the wastewater flow diversion, including total inorganic nitrogen (TIN) load diverted and adapting the diversion volume to the demand
 - Once the institutional and technical issues are addressed, develop the long-term agreement for the project
 - Target completion by end of calendar year 2024

Next Steps

- Recommended projects to be further evaluated in EBMUD's upcoming Recycled Water Strategic Plan (RWSP) Update
 - EBMUD Board workshop – preliminary update in February 2024
 - EBMUD Board briefing – recommend final RWSP in summer 2024
- Briefing to Central San Board – March 2024
- Evaluate the DERWA-Central San diversion project, address issues identified and develop long-term agreement

Questions?



DERWA Summary & Recommendation

Approve the First Amendment to the Interim Agreement Related to the Supply and Sale of Recycled Water Between the Dublin San Ramon Services District-East Bay Municipal Utility District Recycled Water Authority, Dublin San Ramon Services District, and East Bay Municipal Utility District

Summary:

In early 2020, Dublin San Ramon Services District (DSRSD), East Bay Municipal Utility District (EBMUD), and DSRSD•EBMUD Recycled Water Authority (DERWA) initiated negotiations to amend agreements (“DERWA Agreements”) related to the supply and sale of recycled water for the DERWA Program that currently provides recycled water to the cities of Dublin, San Ramon, and Pleasanton. The DERWA agreements need to be updated to reflect the current operational conditions of DERWA and adapt to the shortfall in recycled water supply available to meet DERWA’s future buildout demands.

In September 2021, the DERWA Board agreed with a staff recommendation to defer negotiations on a comprehensive update of the DERWA agreements until 2024. The additional time would be used to develop more detailed projections of future wastewater flows and recycled water demands and identify strategies for managing demands and securing long-term supplemental supplies for the DERWA Program. Based on this shift in approach, on March 29, 2022, the parties executed a short-term, Interim Agreement Related to the Supply and Sale of Recycled Water (“Interim Agreement”), which addresses certain issues that may arise in the near-term and captures concepts that the parties have identified for inclusion in future negotiations.

Since the Interim Agreement was executed, DERWA has been working with a consultant to prepare the Recycled Water Supply and Operations Plan Update. This study incorporates new and refined information on supply and demand to create a roadmap for implementing strategies to meet future recycled water demands. In addition, EBMUD is in the process of finalizing an evaluation of potential opportunities with the Central Contra Costa Sanitary District (Central San) to expand the beneficial use of recycled water within the region. One of the project concepts identified for exploration is expansion of the Central San – DERWA Temporary Wastewater Diversion Project to provide recycled water to EBMUD’s existing and future phases of the San Ramon Valley Recycled Water Program located within EBMUD and Central San’s overlapping service area.

Article II of the Interim Agreement specifies that the term of the Interim Agreement shall be from the date of execution until December 31, 2024, and that no later than January 1, 2024, DERWA, DSRSD, and EBMUD shall resume good faith negotiations to update and revise the DERWA Agreements. The Authority Manager is recommending that the term of the Interim Agreement and respective date for re-initiating negotiations on the DERWA Agreements be extended by one year due to DERWA staffing transitions and the need to complete the studies that will inform DERWA’s discussions on long-term partnering opportunities with neighboring agencies. The proposed amendment to the Interim Agreement would also provide an option to extend the deadlines in the Interim Agreement for an additional year in recognition that more time may be needed to work with other agencies.

Recommendation:

The Authority Manager recommends the DERWA Board of Directors approve, by Resolution No. 24-2, the First Amendment to the Interim Agreement Related to the Supply and Sale of Recycled Water between DSRSD•EBMUD Recycled Water Authority, Dublin San Ramon Services District, and East Bay Municipal Utility District.

February 5, 2024

Attachment:

1. DERWA Resolution No. 24-2

DERWA
RESOLUTION NO. 24-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED WATER AUTHORITY APPROVING THE FIRST AMENDMENT TO THE INTERIM AGREEMENT RELATED TO THE SUPPLY AND SALE OF RECYCLED WATER BETWEEN THE DUBLIN SAN RAMON SERVICES DISTRICT•EAST BAY MUNICIPAL UTILITY DISTRICT RECYCLED WATER AUTHORITY, DUBLIN SAN RAMON SERVICES DISTRICT, AND EAST BAY MUNICIPAL UTILITY DISTRICT

WHEREAS, Dublin San Ramon Services District (DSRSD), East Bay Municipal Utility District (EBMUD), and the DSRSD•EBMUD Recycled Water Authority (DERWA) are parties to an Interim Agreement Related to the Supply and Sale of Recycled Water (“Interim Agreement”), which Interim Agreement was entered into on March 29, 2022; and

WHEREAS, the Interim Agreement addresses near-term issues, establishes a process for implementing demand management measures and allocating recycled water shortages, and articulates concepts that the parties have identified for inclusion in future negotiations regarding the various DERWA agreements that relate to the supply and sale of recycled water for the DERWA Program (“DERWA Agreements”); and

WHEREAS, Article II of the Interim Agreement specifies that the term of the Interim Agreement shall be from the date of execution until December 31, 2024, and that no later than January 1, 2024, DERWA, DSRSD, and EBMUD shall resume good faith negotiations to update and revise the DERWA Agreements; and

WHEREAS, DSRSD, EBMUD, and DERWA desire to extend the respective dates of Article II by one year to allow time to further evaluate the effectiveness of demand management strategies and the feasibility of securing long-term supplemental supplies for the DERWA Program, which will inform the Parties’ good faith negotiations; and

WHEREAS, DSRSD, EBMUD, and DERWA have negotiated an amendment to the Interim Agreement, which provides for the desired one-year schedule extension, with an option to extend the respective dates of Article II by an additional year subject to the mutual agreement of the Parties.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DSRSD•EBMUD RECYCLED WATER AUTHORITY, a Joint Powers Authority located in the counties of Alameda and Contra Costa, California, that the Authority Manager is hereby authorized to execute for and on behalf of the DSRSD•EBMUD Recycled Water Authority the “First Amendment to the Interim Agreement Related to the Supply and Sale of Recycled Water Between the Dublin San Ramon Services District•East Bay Municipal Utility District Recycled

DERWA
Res. No. 24-2

Water Authority (“DERWA”), Dublin San Ramon Services District, and East Bay Municipal Utility District,” attached hereto as Exhibit “A,” with any non-substantive revisions approved by legal counsel.

ADOPTED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Joint Powers Authority located in the counties of Alameda and Contra Costa, California, at its Regular Meeting held on the 5th day of February 2024, and passed by the following vote:

AYES:

NOES:

ABSENT:

DERWA Chair

ATTEST:

Nicole M. Genzale, Authority Secretary

FIRST AMENDMENT TO THE INTERIM AGREEMENT RELATED TO THE SUPPLY AND SALE OF RECYCLED WATER BETWEEN THE DUBLIN SAN RAMON SERVICES DISTRICT • EAST BAY MUNICIPAL UTILITY DISTRICT RECYCLED WATER AUTHORITY (“DERWA”), DUBLIN SAN RAMON SERVICES DISTRICT, AND EAST BAY MUNICIPAL UTILITY DISTRICT

This First Amendment (“Amendment”) to the Interim Agreement Related to the Supply and Sale of Recycled Water (“Agreement”), which Agreement was entered into on March 29, 2022, is made and entered into this _____ day of February, 2024, by and between the Dublin San Ramon Services District • East Bay Municipal Utility District Recycled Water Authority (“DERWA”), Dublin San Ramon Services District (“DSRSD”), and East Bay Municipal Utility District (“EBMUD”), which mutually agree as follows:

Article II, entitled “**TERM AND FUTURE NEGOTIATIONS TO REVISE DERWA AGREEMENTS,**” shall be amended to read in its entirety as follows:

- A. The term of this Agreement shall be from the date of execution until December 31, 2025. This Agreement may be extended by up to one (1) year, but no later than December 31, 2026, by mutual agreement in writing by the duly authorized representatives of the Parties.
- B. No later than January 1, 2025, the Parties agree to resume good faith negotiations to update and revise the DERWA Agreements, and other related agreements as necessary, to reflect the actual working conditions of the DERWA Program and the issue of declining recycled water supplies. The Parties agree to address the concepts listed in Exhibit A during future negotiations to amend the DERWA Agreements. If the term of this Agreement is extended beyond December 31, 2025, pursuant to paragraph A, then the deadline to resume good faith negotiations will be extended until the first day following the expiration of the Agreement’s extended term.

All other terms and conditions of the Agreement are unchanged and remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year of the last signature affixed below and first above written.

Dated: _____ **DUBLIN SAN RAMON SERVICES DISTRICT • EAST BAY MUNICIPAL UTILITY DISTRICT RECYCLED WATER AUTHORITY**

By: _____
Richard G. Sykes, Authority Manager

Approved as to Form:

DERWA Counsel

Dated: _____ **DUBLIN SAN RAMON SERVICES DISTRICT**

By: _____
Jan R. Lee, General Manager

Approved as to Form:

DSRSD Counsel

Dated: _____ **EAST BAY MUNICIPAL UTILITY DISTRICT**

By: _____
Clifford Chan, General Manager

Approved as to Form:

EBMUD Counsel



DSRSD • EBMUD Recycled Water Authority
PARTNERS IN WATER RECYCLING

DATE: February 5, 2024
MEMO TO: Board of Directors
FROM: Richard Sykes, Authority Manager
SUBJECT: Authority Manager Update

ADMINISTRATION

DERWA Authority Manager Recruitment. The recruitment for the permanent Authority Manager, who will fill the position following Mr. Sykes' interim service, is underway. The recruitment announcement was posted on January 24, 2024, and the application period will close on Friday, March 1, 2024. Depending on the applicant pool, staff plan to bring a short list of candidates for the Board to interview at a special Board meeting in March with a final selection in April. A copy of the DERWA Authority Manager recruitment brochure can be found on the DERWA website and is attached here: <http://www.srvrwp.org/pdf/derwa-authority-manager-recruitment-brochure.pdf>

2023 Annual Report on Central San – DERWA Temporary Wastewater Diversion Project.

On January 22, 2024, DERWA submitted the 2023 Annual Report on the Central San – DERWA Temporary Wastewater Diversion Project to the Central Contra Costa Sanitary District (Central San). Per the 2019 agreement between Central San and DERWA, DERWA is required each year to submit a report to Central San summarizing diversion operations and DERWA's efforts to develop alternative supplies to offset its reliance on Central San's wastewater flows. In 2023, the Central San – DERWA Temporary Wastewater Diversion Project did not operate because the supply from the DSRSD wastewater treatment plant was sufficient to meet DERWA demands during the peak irrigation season.

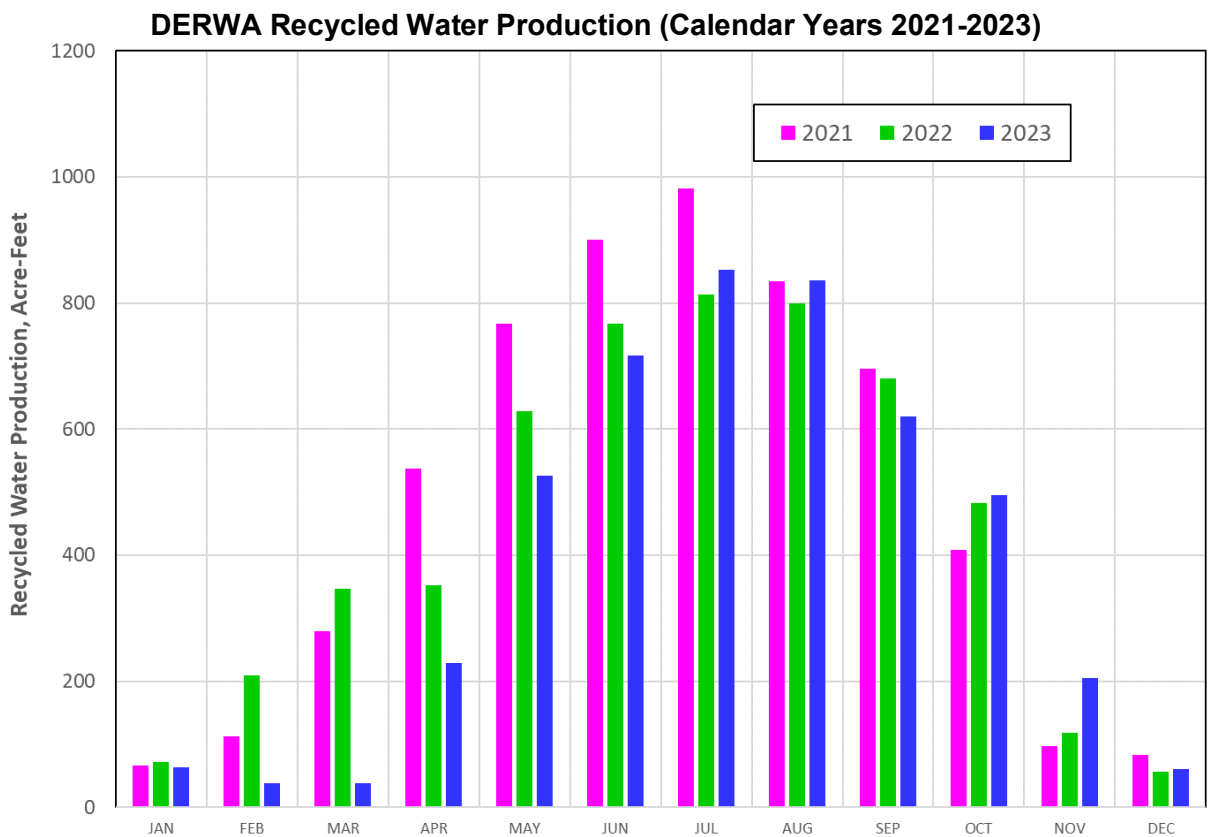
OPERATIONS AND MAINTENANCE

DERWA Operations Plan Update: Results Workshop. On December 14, 2023, Brown and Caldwell facilitated a workshop to review preliminary modeling results for the DERWA Operations Plan. The DERWA Operations Plan Update is being completed as part of the DERWA Recycled Water Supply and Operations Plan Update. The workshop included over 20 participants with representatives from DERWA, EBMUD, DSRSD, and the City of Pleasanton. The DERWA Operations Plan was last formally updated in 2014, prior to the City of Pleasanton becoming a customer of DERWA. The 2024 DERWA Operations Plan Update will include an updated hydraulic model of the DERWA recycled water system, a summary of existing facilities and operations, evaluation of operational issues and potential solutions, and a communication plan. The DERWA Operations Plan is anticipated to be finalized in February 2024.

2023 Recycled Water Production. The DERWA Recycled Water Treatment Facility produced 4,681 acre-feet (AF) of recycled water in calendar year 2023, compared to roughly 5,300 AF

produced in 2022. As shown in the figure below, the decrease in production is primarily due to the extremely wet weather experienced by the Bay Area in early 2023, which delayed the start of the irrigation season. Total recycled water production for calendar year 2023 was 12% lower than 2022 and 19% lower than 2021.

Recycled water production during the highest demand periods in 2023 was approximately 15% lower than in 2021 (DERWA's highest demand year when the Central San – DERWA Temporary Wastewater Diversion Project operated). As a result, DSRSD was able to balance supply and demand using distribution system storage and the equalization basins at the wastewater treatment plant, thus avoiding the need to operate the Central San – DERWA Temporary Wastewater Diversion Project in 2023.



Preventative Maintenance of DERWA Equipment. Preventative maintenance included periodic minor shutdowns and dewatering during December. Staff cleaned the sand filtration (SF) inlet channel, serviced the SF drain pump, installed a rubber liner inlet drain gate, and installed unistrut sprayer mounts at the SF inlet channel to secure plumbing for a permanent scum control system. A temporary system was configured following two coliform exceedances in July 2023. The plumbing will be installed February 2024. Further, staff inspected Pump Station (PSR1) for corrosion and cleaned the holding basin 4 wet well.