

**DSRSD • EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Regular Meeting Minutes
Monday, May 18, 2020**

1. CALL TO ORDER – Chair John Coleman called the DSRSD • EBMUD Recycled Water Authority (DERWA) meeting to order at 6 p.m.

Pursuant to Governor Newsom’s Executive Orders N-25-20, N-29-20, and N-33-20, and local health orders issued to address the COVID-19 pandemic, the Board meeting will be held via Zoom Teleconference. The Boardroom will be closed to the public; the public may observe and comment by electronic means. All votes during the meeting will be taken by roll call vote.

2. PLEDGE TO THE FLAG

3. ROLL CALL – Directors present: Chair John Coleman, Vice Chair Georgean Vonheeder-Leopold, Directors Frank Mellon, and Ed Duarte. DERWA Staff present: John Rossi, Authority Manager; Richard Lou, Treasurer; Scott Shapiro and Austin Cho, General Counsel; and Nicole Genzale, Authority Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES - None

5. PUBLIC COMMENT – 6:01 p.m. - None

6. BOARD REORGANIZATION

- A. Election of Board Chair

Motion by Director Mellon, Second by Director Duarte, to elect Vice Chair Vonheeder-Leopold as DERWA Board Chair for 2020. Motion carried (4-0) by the following vote:

AYES: Mellon, Duarte, Vonheeder-Leopold, Coleman

- B. Election of Board Vice Chair

Motion by Director Coleman, Second by Director Duarte to elect Director Mellon as DERWA Board Vice Chair for 2020. Motion carried (4-0) by the following vote:

AYES: Coleman, Duarte, Mellon, Vonheeder-Leopold

- C. Appointment of Authority Secretary

Motion by Vice Chair Mellon, Second by Director Coleman to appoint Nicole M. Genzale as the continuing DERWA Authority Secretary for 2020. Motion carried (4-0) by the following vote:

AYES: Mellon, Coleman, Duarte, Vonheeder-Leopold

Authority Manager Rossi thanked Director Coleman, on behalf of the Board and staff, for his service as Chair and announced that a token of DERWA's thanks will be sent to him.

7. CONSENT CALENDAR

- A. Approve Minutes of Special Board Meeting of October 14, 2019
- B. Approve Treasurer's Reports for September 30, October 31, November 30, and December 31, 2019, January 31, and February 29, 2020
- C. Approve Quarterly Investment Reports for September 30, 2019, and December 31, 2019
- D. Approve Task Order No. 18 for Fiscal Year 2020-21 for Public Information Services with ICF Jones & Stokes, Inc.

Motion by Director Duarte, Second by Director Coleman to approve the Consent Calendar. Motion carried (4-0) by the following vote:

AYES: Duarte, Coleman, Mellon, Vonheeder-Leopold

8. BOARD BUSINESS

- A. Approve and Adopt the Fiscal Year 2020-2021 Capital and Operating Expenditure Budget

Authority Manager Rossi and Treasurer Lou reviewed the item for the Board. Mr. Rossi assured the Board that in light of the current pandemic emergency, staff will examine the budget ahead of the July 27 Board meeting to identify potential areas for cost reduction measures. The Board and staff discussed various aspects of the budget.

DSRSD Operations Manager Jeff Carson reviewed the impacts of last year's Public Safety Power Shutoffs and confirmed that they did not create extra costs nor loss of revenue. The shutoff notices provided enough lead time for staff to maximize production, store supply, and meet demand during the one- to three-hour long events, but he cautioned longer events will create more challenges. He also explained the recycled water plant's current limited electrical capabilities, and the potential supplemental potable water supplies available if recycled supply is depleted or cannot be conveyed.

Mr. Rossi and General Counsel Shapiro reviewed the significant legal budget increase and explained it is based on hours budgeted to assist with agreements re-negotiation between DSRSD and EBMUD, as well as slightly higher billing rates than former counsel. Mr. Rossi, DSRSD General Manager Dan McIntyre, and former DERWA Authority Manager Mike Tognolini conveyed to the Board the criticality of reviewing the agreements in an expedient manner, as they are over 20 years old and in dire need of updates to provide clarifications and address current business practices. Vice Chair Mellon advised that EBMUD is in the process of selecting a new General Manager, who should be seated close to July 1, and to factor that into the agreements review process.

Motion by Vice Chair Mellon, Second by Director Duarte to Approve and Adopt by Resolution No. 20-1 the Fiscal Year 2020-2021 Capital and Operating Expenditure Budget. Motion carried (4-0) by the following vote:

AYES: Mellon, Duarte, Coleman, Vonheeder-Leopold

- B. Approve Change of Meeting Location of Regular DERWA Board Meetings and Rescind Resolution No. 19-1

Authority Manager Rossi reviewed the item for the Board.

Motion by Director Duarte, Second by Vice Chair Mellon to Approve by Resolution No. 20-2 Establishing the Time and Place at Which Regular Board Meetings of the Authority Board of Directors Shall be Held and Rescinding Resolution No. 19-1. Motion carried (4-0) by the following vote:

AYES: Duarte, Mellon, Coleman, Vonheeder-Leopold

9. MANAGER'S REPORTS

- A. Engineering Support Update

Authority Manager Rossi reported the partner agencies are discussing how to provide necessary engineering support to DERWA projects, such as the Devil Mountain Wholesale Nursery Well Pilot. A brief agreement will be crafted between the partners and Ralph Andersen, his employer, to ensure the appropriate project management and engineering activities and approvals are in place. The draft agreement is expected to be ready for review at the July 27 Board meeting and would eventually be incorporated into the main DERWA agreements that will soon be under review. General Counsel Cho also noted that counsel is carefully reviewing Government Code Section 1090 to ensure the proposed agreement does not run afoul of any limitations imposed on Mr. Rossi in his consultant role with Ralph Andersen.

- B. Supplemental Supply Update

- Central Contra Costa Sanitary District Wastewater Division Project

Authority Manager Rossi reported that project progress has slowed due to the ongoing shelter-in-place and the delayed arrival of the diversion gate, which is anticipated to arrive in July and will take about a month to install. The wastewater diversion will likely not be available for this summer as desired, but DSRSD's contractor will work as quickly as possible when the gate arrives.

- Devil Mountain Wholesale Nursery Well Pilot Project

Authority Manager Rossi reported this project will proceed once an engineer is assigned to begin the design work, likely after the July meeting. Project costs are estimated to be approximately \$450,000-\$500,000.

He also reported that staff continues to work productively with Zone 7 Water Agency to seek other potential locations for wells and other supply sources, particularly in the Fringe Basin area.

C. Operations Updates

- DERWA Program Facilities Electrical Outage Emergency Repair Update

DSRSD Operations Manager Carson reported that the emergency repair was completed in April and the total repair costs came to \$861,000, well within the \$1,000,000 budget. Staff is pleased with the outcome. The system now has redundancy built in which will be helpful in the future. The recycled water plant is ready for maximum demand.

- Other Updates as Needed

Authority Manager Rossi reported he will be working with partner agency staff to craft and send out the annual summertime customer use notification.

D. Discuss July 27, 2020 Board Meeting

The Board agreed to hold the July meeting as scheduled.

10. BOARDMEMBER ITEMS

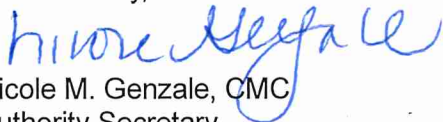
Vice Chair Mellon reminded the Board and staff that EBMUD will select its new General Manager in the next few weeks.

Directors Coleman and Duarte wished everyone good health and stated we will get through this trying time.

11. ADJOURNMENT

Chair Vonheeder-Leopold adjourned the meeting at 6:36 p.m. She announced that the meeting is adjourned in the memory of Madelyne "Maddi" Misheloff, who passed away on April 11, 2020. It is an honor to recognize Maddi for her work as former President and member of the Dublin San Ramon Services District Board of Directors and for her many contributions to the Dublin community.

Submitted by,



Nicole M. Genzale, CMC
Authority Secretary