

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

September 20, 2016

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6 p.m. by President D.L. (Pat) Howard.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President D.L. (Pat) Howard, Vice President Richard M. Halket, Director Edward R. Duarte, Director Madelyne (Maddi) A. Misheloff, and Director Georgean M. Vonheeder-Leopold.

District staff present: Dan McIntyre, General Manager; John Archer, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager; Dan Lopez, Interim Operations Manager; Carl P.A. Nelson, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

A. Tri-Valley Water Liaison Committee Meeting Thursday, September 22, 2016

General Manager McIntyre introduced Carol Atwood who has been selected as the District's new Administrative Services Manager.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:02 p.m.

There was no public comment received.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager McIntyre reported on the following:
 - o The California Special Districts Association annual conference will be held October 10-13, 2016 in San Diego. Directors Duarte and Vonheeder-Leopold will be attending.
 - o The DSRSD/Pleasanton Liaison meeting will be held on October 13 at DSRSD at 4 p.m.
 - o The Tri-Valley Mayors Summit will be held October 26 at Wente Vineyards in Livermore. Please contact Sherrie Weis if you are interested in attending.
- Correspondence to and from the Board on an Item not on the Agenda - None

B. Agenda Management (consider order of items) – General Manager stated that Items 10.C and 10.D could be taken from the Consent Calendar if the Board wished to discuss these. He also suggested Item 13.A could follow Item 7.C.

- C. Joint Powers Authority and Committee Reports - None

7. CLOSED SESSION

At 6:04 p.m. the Board went into Closed Session.

- A. Conference with District's Real Property Negotiators – Pursuant to Government Code Section 54956.8.
Property: 11099 Brittany Lane, Dublin, Assessor's Parcel Number 941-0100-007-54
Agency Negotiator: Dan McIntyre, General Manager
Judy Zavadil, Engineering Services Manager
Rhodora Biagtan, Principal Engineer – Supervisory
Carl P. A. Nelson, General Counsel
Negotiating Parties: N-Dublin Family Partnership
Under Negotiation: Price, Terms and Conditions
- B. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: One potential case.
- C. Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: One potential case.

8. REPORT FROM CLOSED SESSION

At 6:23 p.m. the Board came out of Closed Session. President Howard announced that there was no reportable action.

General Manager McIntyre recommended to the Board that Item 11.A be deferred to the October 4 Board meeting. He reported that an agreement between the involved parties is very close to being achieved. The Board agreed to consider the item at the later date, stressing that a resolution shall be passed, whether for an agreement or necessity resolution, at the next Board meeting.

9. APPROVAL OF MINUTES – Regular Meeting of September 6, 2016

Director Misheloff MOVED for the approval of the September 6, 2016 minutes. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

10. CONSENT CALENDAR

The Board took Consent Calendar Items 10.B, 10.E and 10.F ahead of Items 10.A, 10.C and 10.D and passed these items first.

Director Vonheeder-Leopold MOVED for approval of items 10.B, 10.E and 10.F on the Consent Calendar. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- B. Approve Revised Human Resources and Risk Supervisor Job Description and Salary – Approved – Resolution No. 55-16

- E. 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. 44-16 – Approved – Resolution No. 56-16
- F. Accept the Following Regular and Recurring Reports: Water Supply and Conservation, Warrant List, Upcoming Board Business, and Unexpected Asset Replacements – Approved.
- A. REMOVED - Award Construction Agreement to Grade Tec, Inc., for WWTP Pavement Road Improvement Project (CIP 14-P026)

Director Duarte inquired about the substantially low bids received on this project. Engineering Services Manager Zavadil confirmed that the bids received were vetted as necessary in order to present the recommended award of agreement this evening.

Director Duarte MOVED for approval of Resolution No. 57-16 to Award Construction Agreement to Grade Tec, Inc., for WWTP Pavement Road Improvement Project (CIP 14-P026). Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- C. REMOVED - Appoint Carol A. Atwood as Administrative Services Manager and Adopt Personal Services Agreement

The Board congratulated Ms. Atwood on her appointment to Administrative Services Manager, and welcomed her to the District.

Vice President Halket MOVED for approval of Resolution No. 58-16 to Appoint Carol A. Atwood as Administrative Services Manager and Adopt Personal Services Agreement. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- D. REMOVED - Appoint John J. Archer as Assistant General Manager and Adopt Personal Services Agreement

The Board thanked Mr. Archer for his valuable service as Administrative Services Manager and Interim General Manager. The Board congratulated Mr. Archer on his appointment to Assistant General Manager.

Vice President Halket MOVED for approval of Resolution No. 59-16 to Appoint John J. Archer as Assistant General Manager and Adopt Personal Services Agreement. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

11. BOARD BUSINESS

- A. Adopt Resolution of Necessity for Utility Easement to Reservoir 3A

This item was deferred to the October 4, 2016 Board meeting.

- B. Hold Public Hearing: Report on Public Health Goals

President Howard declared the Public Hearing open.

General Manager McIntyre introduced Operations Manager Lopez who reviewed the item for the Board.

Hearing no comments from the public, Director Vonheeder-Leopold MOVED to close the Public Hearing. Vice President Halket SECONDED the MOTION, which CARRIED with FIVE AYES.

Director Misheloff MOVED to accept the 2016 Report on Water Quality Relative to Public Health Goals. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

C. Receive Report on the Potential Refinancing of the 2011 Water Revenue Refunding Bonds and Provide Direction

General Manager McIntyre introduced Assistant General Manager Archer who reviewed the item for the Board. Mr. Archer introduced Financial Advisor Mr. Robert Porr from Fieldman Rolapp & Associates who gave a presentation to the Board.

Speaker: Mr. Robert Porr, Financial Advisor for Fieldman Rolapp & Associates – Mr. Porr gave a presentation to the Board examining a potential 2011 bond refunding that reviewed three key areas: refunding analysis, mechanics of an advance refunding, and the public debt process.

The Board and staff discussed various aspects of the presentation including potential savings, risks and outcomes, timing of executing or rescinding this effort, positive standing of impacted funds due to influx of connections fees, and the potential costs to pursue this effort. The Board complimented Mr. Porr on his presentation and agreed to continue pursuit refinance efforts as recommended.

D. Receive Presentation and Approve Budget Amendment for the Regional Biosolids Facility Project (CIP 07-3201)

General Manager McIntyre introduced Senior Engineer - Supervisory Steve Delight who reviewed the item for the Board. Mr. Delight was one of the DSRSD representatives who traveled to Valencia, Spain earlier this year to investigate Synagro's cutting edge biosolids management facility. He shared photographs and a short video of the facility.

The Board and staff discussed staff's findings from the site visit, including facility performance and viability, as well as the anticipated timeline for agreement negotiations and facility design and construction, potential funding partnerships with Bay Area to Biosolids to Energy (BAB2E) coalition partners, and DSRSD's pursuit of this cutting edge technology. The proposed project budget has grown from \$10M to \$30M to cover additional costs including staff time, grant preparations, and other components for the facility's operation. If built, the facility would be located on the DSRSD Dedicated Land Disposal site near the wastewater treatment plant. The Board agreed that the

budget adjustment was acceptable at this stage of the investigation, but expressed its desire to find partners going forward to share the cost.

Mr. McIntyre confirmed that if the proposed budget adjustment is approved, necessary steps can be taken to determine if the project is still desirable and that partnerships can be formed, or, alternatively, that it is not the right time to pursue this particular technology.

Vice President Halket MOVED to adopt Resolution No. 60-16, amending the Capital Improvement Program Ten-Year Plan for Fiscal Years 2016 through 2025 and the Two-Year Budget for Fiscal Years 2016 and 2017. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

12. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor Genzale. She reported that she attended the CASA Executive Board leadership retreat in Newport Beach September 11-13, the Alameda County Special Districts Association meeting held at Washington Township Healthcare District in Fremont September 14, and the Association of California Water Agencies Region 5 meeting held at Byron Bethany Irrigation District September 18-19. She summarized the activities and discussions at the meetings.

13. CLOSED SESSION

At 7:35 p.m. the Board went into Closed Session. General Counsel Nelson left Closed Session Item 13.B at 8:06 p.m. for the commencement of Closed Session Item 13.C.

- A. NOT HELD - Conference with Labor Negotiators – Pursuant to Government Code Section 54957.6
Agency Negotiator: Dan McIntyre, General Manager
Unrepresented Employees: Assistant General Manager
Administrative Services Manager
Additional attendees: Carl P. A. Nelson, General Counsel
Michelle Gallardo, Human Resources Supervisor
- B. Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: General Manager
- C. Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: District General Counsel

14. REPORT FROM CLOSED SESSION

At 8:19 p.m. the Board came out of Closed Session. President Howard announced that there was no reportable action.

15. ADJOURNMENT

President Howard adjourned the meeting at 8:20 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor