

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

October 4, 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 (Teleconference location), Director Madelyne (Maddi) A. Misheloff, and Director Georgean M. Vonheeder-Leopold.

District staff present: John Archer, Assistant General Manager/Treasurer; Judy Zavadil, Engineering Services Manager; Carol Atwood, Administrative 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

DSRSD/Pleasanton Liaison Committee Meeting Thursday, October 13, 2016

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:02 p.m. No public comment was received.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – Assistant General Manager Archer reported on the following:
 - o General Manager McIntyre is out of office this week.
 - o New Administrative Services Manager Carol Atwood started Monday September 26. Mr. Archer extended a special welcome to her.
 - o The District's water rates increase annually every January 1 per the Consumer Price Index adjustment, which is 2.67% this year, to coincide with any Zone 7 Water Agency increases. Possible 2017 Zone 7 rate increases will be discussed under Item 9.B this evening. DSRSD rate revision information will be available on the DSRSD website.
 - o During routine water quality testing of the potable water system, increased levels of coliform were detected. Operations Manager Lopez gave a briefing on the findings of sampling conducted from two sample stations located in west Dublin. Contributing factors to the increased coliform levels could be operating system adjustments, hotter than usual temperatures, and pipeline flushing. The two types of coliform that are cause for concern were not present in the samples. The water is safe at this level, but due to coliform detected in 6.1% of the samples, the State

Water Resources Control Board (SWRCB) requires notification to customers. Staff will send a letter to impacted customers later this month.

- o Second round interviews for the Operations Manager recruitment will be conducted next week.
- o The Tri-Valley Mayors Summit will be held October 26 at Wente Vineyards in Livermore. Interested Boardmembers should contact Sherrie Weis for registration information.

- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
9/25/16	Card	Boy Scout Troop #955	DSRSD	Thank you for use of Boardroom to hold Honor Court ceremony	N/A

- B. Agenda Management (consider order of items) – Assistant General Manager Archer advised the Board that Closed Session Items 11.A - 11.D will not be needed if Items 8.A and 9.A are approved.

C. Joint Powers Authority and Committee Reports

Tri-Valley Water Liaison

September 22, 2016

President Howard invited comments on recent committee activities. The Board agreed to defer comments on this meeting to discussion of Item 9.B.

7. APPROVAL OF MINUTES – Regular Meeting of September 20, 2016

Director Misheloff MOVED for the approval of the September 20, 2016 minutes. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

8. CONSENT CALENDAR

Vice President Halket MOVED for approval of the item on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- A. Notice of Rejection of Claim – Mr. Martin Murphy, Dublin Ventures Limited Partnership – Approved

9. BOARD BUSINESS

- A. Approve Agreement with Nielsen Family and N-Dublin Family Partnership for Utility Easements to Reservoir 3A

Assistant General Manager Archer introduced the item and extended an apology, on behalf of General Manager McIntyre, to the Nielsen family for any inconvenience the District caused them on this matter, and thanked them for their hard work to accomplish signing the agreement. He then introduced Engineering Services Manager Zavadil who reviewed the item for the Board.

The Board congratulated the Nielsen family and staff for their time and efforts to negotiate the agreement presented this evening.

Vice President Halket MOVED to adopt Resolution No. 61-16, Approving Agreement for Easements for Utilities to Dublin San Ramon Services District's Water Reservoir at 11100 Brittany Lane, Dublin and Authorizing the General Manager to Execute the Agreement. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- B. Approve Task Order No. 7 for Tri-Valley Potable Reuse Feasibility Study – Water Supply Reliability (CIP 16-W009)

Assistant General Manager Archer introduced Principal Engineer Rhodora Biagtan who reviewed the item for the Board. She reported that a replacement Task Order document, which now includes study participation and cost sharing by California Water Service (CalWater), has been distributed to the Board this evening.

Tri-Valley Water Liaison Committee representatives Vice President Halket and Director Vonheeder-Leopold conveyed that the liaison meeting held September 22 went well. They noted that Carollo Engineers, the consultant selected to conduct the feasibility study, made an impressive presentation, and clarified that the final report will reflect the study of indirect potable reuse, not direct potable reuse. They shared that the Committee understands the trepidation by the public regarding indirect potable reuse, but feels that with the necessary public outreach, people will support this initiative as they still desire the water. They are pleased that CalWater will participate in the study.

Vice President Halket MOVED to adopt Resolution No. 62-16, approving the replacement Task Order No. 7 with Zone 7 Water Agency under the Tri-Valley Intergovernmental Reciprocal Services Master Agreement for the Tri-Valley Potable Reuse Feasibility Study and Authorizing the General Manager to Execute the Task Order. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- C. Approve the Joint Community Facilities Agreement among the Dublin San Ramon Services District, Dublin Crossing LLC and the City of Dublin

Assistant General Manager Archer reviewed the item for the Board. He explained that a revised version of the proposed agreement was submitted by Dublin Crossings, LLC and has been distributed to the Board this evening.

Speaker: Mr. Joe Guerra, Brookfield Residential – Mr. Guerra provided an overview of the Boulevard project currently under construction by Brookfield on the former Camp Parks property along Dublin Blvd. which will include residential units, a park, and a K-8 school. He thanked staff for an exceptional partnership and requested the Board's support of the proposed agreement.

The Board inquired if the development will be subject to a Mello Roos tax, which Mr. Guerra confirmed, noting the first phase of the Mello Roos has already been approved by City of Dublin.

In addition to the proposed changes in the agreement submitted by Dublin Crossings, LLC, General Counsel Nelson also recommended the Board strike the verbiage "...and impact..." from the Local Agency Fees description on Exhibit A to the agreement, as the District does not have impact fees.

Vice President Halket MOVED to adopt Resolution No. 63-16, with the revised agreement and striking the Exhibit A language as recommended, authorizing Execution of a Joint Community Facilities Agreement among Dublin San Ramon Services District, Dublin Crossing, LLC, and the City of Dublin. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

- D. Receive Report from the Assistant General Manager on the Proposed Changes to Zone 7 Water Rate and Provide Direction

Assistant General Manager Archer reviewed the item for the Board.

The Board and staff discussed the matter noting that it would be unique for a wholesaler to implement a fixed rate. They surmised possible alternatives to a fixed rate solution, and discussed potential impacts should a Proposition 218 notice become necessary. Mr. Archer also explained that the proposed fixed rate change is not intended to change the total amount charged to ratepayers, but rather shift it; however, this discussion is still ongoing at Zone 7. The Board directed staff to keep it apprised of this matter as it progresses.

10. BOARDMEMBER ITEMS

Director Vonheeder-Leopold submitted a written report to Executive Services Supervisor Genzale. She reported she attended the Tri-Valley Cities Council Meeting on September 28 at the Dublin Ranch Golf Course, and the Tri-Valley Water Liaison Committee meeting on September 22 held at City of Pleasanton. She summarized the activities and discussions at the meetings. She also provided comments on proposed Contra Costa Special Districts Association bylaws updates for Director Duarte, the CCSDA Member-at-Large, to take to the CCSDA meeting on October 17.

Director Duarte reported he attended the City of San Ramon monthly town meeting on September 30. He summarized the activities and discussions at the meeting.

11. CLOSED SESSION

At 6:46 p.m. the Board went into Closed Session.

- A. NOT HELD - Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: One case. Receipt of claim from Martin Murphy pursuant to the Government Claims Act (Government Code §§810-996.6).
- B. NOT HELD - 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

- C. NOT HELD - 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.
- D. NOT HELD - 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.
- E. Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: General Manager

12. REPORT FROM CLOSED SESSION

At 6:51 p.m. the Board came out of Closed Session. President Howard announced that there was no reportable action.

13. ADJOURNMENT

President Howard adjourned the meeting at 6:52 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor