

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

June 20, 2017

1. CALL TO ORDER

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

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Richard M. Halket, Vice President Georange M. Vonheeder-Leopold, Director D.L. (Pat) Howard, and Director Edward R. Duarte (Teleconference location).

Director Madelyne (Maddi) A. Misheloff was absent.

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

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

General Manager McIntyre reminded the Board that the Association of California Water Agencies has called for nominations for President and Vice President. Boardmembers interested in being nominated should contact staff so appropriate Board actions can be coordinated before the August deadline. President Halket announced that, per Government Code section 54953, sub. (b)(2), all votes taken this evening will be done by a roll call vote due to Director Duarte participating via teleconference.

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 –General Manager McIntyre reported on the following:
 - o Assemblywoman Catharine Baker will hold her annual Water Advisory Council meeting at her San Ramon field office on Thursday, June 29 at 2 p.m. He advised Boardmembers interested in attending to contact him as seating is limited.
 - o Staff is planning to cancel the July 4 Board meeting due to it falling on the Independence Day holiday. The meeting will not be rescheduled.
 - o DSRSD will host the Alameda County Special Districts Association meeting on Wednesday July 12 at 7:45 a.m.
- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
6/8/17	Letter	ACWA	Board and DSRSD	Call for 2018-19 officer nominations	None
6/14/17	Letter	Greg Fontana	Board and DSRSD	The Humane Society of the United States	None

B. Joint Powers Authority and Committee Reports

General Manager McIntyre reported that the meeting notes from the April Water Resources Committee and Tri-Valley Water Liaison meetings were at the dais for the Board's review. President Halket invited comments on recent committee activities. The Board had no comments.

C. Agenda Management (consider order of items) – No changes were made.

7. APPROVAL OF MINUTES – Regular Meeting of June 6, 2017

Director Howard MOVED for the approval of the June 6, 2017 minutes. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

8. CONSENT CALENDAR

Director Duarte requested that Item 8.B be removed for discussion. The Board agreed to remove Item 8.B for discussion. The Board took Consent Calendar Items 8.A and 8.C and passed these Items first.

Director Howard MOVED for approval of Items 8.A and 8.C on the Consent Calendar. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

A. Authorize Amendment No. 1 to Task Order No. 1 with ArcSine Engineers for Engineering Design Services for the Corporation Yard and Administrative Facilities (CIP 16-A005) - Approved

B. REMOVED - Approve Consulting Services Agreement with West Yost Associates, and Authorize Execution of Task Order No. 1 for the Primary Sedimentation Expansion and Improvement Project (CIP 17-P004)

Director Duarte inquired what the cost estimate was for the project which Engineering Services Manager Zavadil confirmed was \$10 million. She also summarized the cost proposals from the other bidders (consultants) which Director Duarte asked to be expressed for the benefit of the Board and the public. He acknowledged the low bid is not always selected due to other quality criteria that is considered.

Director Duarte MOVED to approve Resolution No. 32-17 approving Consulting Services Agreement with West Yost Associates, and Authorize Execution of Task Order No. 1 for the Primary Sedimentation Expansion and Improvement Project (CIP 17-P004). Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

C. Authorize Task Order No. 4 with Mahler Consulting Services, LLC, for Construction Inspection Services for Fiscal Year 2018 - Approved

9. BOARD BUSINESS

A. Second Reading: Adopt Ordinance Revising District Code Sections 5.30.010, 5.30.020, and 5.30.080 Governing Wastewater User Classifications for Nonresidential Users

President Halket read the title of the Ordinance: An Ordinance of Dublin San Ramon Services District Modifying Sections 5.30.010, 5.30.020 and 5.30.080 of its District Ordinance Code to Revise the Wastewater User Classifications for Nonresidential Users.

President Halket solicited a Motion to Waive Reading of Ordinance.

Director Howard MOVED to Waive Reading of Ordinance. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

Administrative Services Manager Atwood reviewed the item for the Board, and reported that the District had not received any comments regarding the proposed ordinance, and had met with City of Pleasanton several times on this matter. The City is in full agreement with the District's proposal.

There was no public comment received.

Vice President Vonheeder-Leopold MOVED to adopt Ordinance No. 341 Modifying Sections 5.30.010, 5.30.020 and 5.30.080 of its District Ordinance Code To Revise The Wastewater User Classifications For Nonresidential Users. Director Howard SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

B. Hold Public Hearing: Adopt the 2017 Local and Regional Wastewater Rates and Rescind Resolution No. 31-10

President Halket announced that the agenda item includes a Public Hearing to consider Adopting the 2017 Local and Regional Wastewater Rates and Rescind Resolution No. 31-10.

Administrative Manager Atwood reviewed the item for the Board. She advised the Board that a modified resolution, including revision to certain information from the tables shown in the Exhibit A attachment, have been provided at the dais for the Board's review.

The Board had no questions of staff following the presentation, but expressed appreciation that schools were given a second review in this process.

President Halket declared the Public Hearing open and asked if there was any public comment. There was no public comment received.

President Halket announced that a determination about whether there is a successful majority protest needs to be made prior to the Board's deliberation on the water rate proposal. The Board's policy on Proposition 218 Receipt, Tabulation and Validation of Written Protests provides that written protests submitted to District by mail, fax, email,

or dropped off (except during the Public Hearing) must have been received or withdrawn by close of business (5 p.m.) today; the policy allows the receipt of written protests delivered in person through the close of the Public Hearing. He asked if anyone present who has not yet done so wishes to submit or withdraw a written protest. There was no public comment nor were any additional written protests received.

Director Howard MOVED to close the Public Hearing. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

President Halket then asked District Secretary Genzale to state how many apparent written protests were received.

District Secretary Genzale responded that in accordance with the Board policy "Proposition 218 Receipt, Tabulation and Validation of Written Protests," a total of four (4) apparent written protests have been received. She confirmed the apparent protests were received from residential customers.

President Halket announced that the total number of apparent written protests totaled four (4). In order for a protest to be deemed successful, a majority of the District's 20,871 parcels, or 10,437 protests, must have been submitted; therefore, the protest is unsuccessful and under the policy there is no need for the District Secretary to validate the apparent written protests. The Board may now proceed with its deliberations on the Local and Regional Wastewater Rates proposal.

General Counsel Nelson reminded the Board of the modified resolution and exhibit before them.

Director Howard MOVED to adopt Substitute Resolution No. 33-17, as presented this evening, Establishing Local and Regional Wastewater Service Charges Under Section 5.30.020 (Service and Demand Charges) of the District Code and Rescinding Resolution No. 31-10.

Vice President Vonheeder-Leopold SECONDED the MOTION but inquired if Director Howard would entertain amending the motion to further revise the resolution title by changing the words "service charges" to "rates" in order to match the other modifications presented.

Director Howard AMENDED his MOTION to adopt Substitute Resolution No. 33-17, as presented this evening, including revising the words "service charges" to "rates" in the resolution title, Establishing Local and Regional Wastewater Service Charges Under Section 5.30.020 (Service and Demand Charges) of the District Code and Rescinding Resolution No. 31-10. Vice President Vonheeder-Leopold SECONDED the AMENDED MOTION. The AMENDED MOTION CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

- C. Award Construction Agreement to GSE Construction Company, Inc., Authorize a Construction Change Order Contingency, Authorize Execution of Task Order No. OC-9 with The Covello Group, Inc. for Construction Management Services, and Authorize Execution of Task Order No. 2 with Carollo Engineers, Inc. for Engineering Services During Construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203)

Engineering Services Manager Zavadil reviewed the item for the Board and presented an illustration of the facility construction locations at the treatment plant.

The Board and staff briefly discussed aspects of the project, and noted the bid spread was tight indicating how well staff developed the project estimate.

Director Duarte MOVED to adopt Resolution No. 34-17, Approving Award Construction Agreement to GSE Construction Company, Inc., Authorize a Construction Change Order Contingency, Authorize Execution of Task Order No. OC-9 with The Covello Group, Inc. for Construction Management Services, and Authorize Execution of Task Order No. 2 with Carollo Engineers, Inc. for Engineering Services During Construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203). Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

- D. Accept the Following Regular and Recurring Reports: Water Supply and Conservation, Warrant List, and Upcoming Board Business

General Manager McIntyre reviewed the item for the Board.

The Board and staff briefly discussed the two regular reports recommended for discontinuation. The Board agreed with the staff recommendation and directed staff to discontinue producing and including those reports in future recurring reports items.

Vice President Vonheeder-Leopold MOVED to Accept the Following Regular and Recurring Reports: Water Supply and Conservation, Warrant List, and Upcoming Board Business. Director Howard SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

- E. Consider Conditional Temporary Infrastructure Charge (TIC) Repayment for FYE 2017 Water Expansion Fund Management

Administrative Services Manager Atwood reviewed the item for the Board.

The Board and staff briefly discussed the outlook and strategy to repay the TIC. Staff confirmed the Board could expect to see similar payments proposed in the next few years barring a major recession occurring, in which case, staff would revisit postponing further payments.

Vice President Vonheeder-Leopold MOVED to adopt Resolution No. 35-17 Approving a Transfer of \$1,000,000 From the Water Expansion Fund (Fund 620) to the Water Rate Stabilization Fund (Fund 605). Director Howard SECONDED the MOTION, which CARRIED with FOUR AYES, and ONE ABSENT (Misheloff), per roll call vote.

10. BOARDMEMBER ITEMS

Vice President Vonheeder-Leopold thanked staff for the get well card recently sent to her husband. She also thanked General Manager McIntyre for agreeing to give a presentation at the California Water Summit in Sacramento on June 22 on behalf of City of Dublin. She submitted written report(s) to Executive Services Supervisor Genzale. She reported she attended the California Association of

Sanitation Agencies Board of Directors Teleconference Meeting on June 12, and the Alameda County Special Districts Association Executive Committee meeting at the Castro Valley Sanitary District on June 20. She summarized the activities and discussions at the meetings.

Director Duarte reported he will attend Assemblywoman Catharine Baker's Water Advisory Council meeting at her San Ramon field office on Thursday, June 29 at 2 p.m.

11. CLOSED SESSION

At 6:51 p.m. the Board went into Closed Session.

A. Conference with Labor Negotiators – Pursuant to Government Code Section 54957.6

Agency Negotiators: Dan McIntyre, General Manager

Carol Atwood, Administrative Services Manager

Michelle Gallardo, HR & Risk Supervisor

Employee Organizations: Stationary Engineers, Local 39

Professional Employees' Bargaining Unit (PEBU)

Mid-Management Employees' Bargaining Unit (MEBU)

Additional attendees: Carl P. A. Nelson, General Counsel

12. REPORT FROM CLOSED SESSION

At 7:19 p.m. the Board came out of Closed Session. President Halket announced that there was no reportable action.

13. ADJOURNMENT

President Halket adjourned the meeting at 7:20 p.m.

Submitted by,

Nicole Genzale, CMC

Executive Services Supervisor