

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

December 17, 2019

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6:02 p.m. by President Misheloff.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Madelyne A. (Maddi) Misheloff, Vice President Edward R. Duarte, Director Ann Marie Johnson, and Director Richard M. Halket.

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

Director Vonheeder-Leopold entered the meeting at 6:04 p.m.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

New Employee Introduction:

- Josh Gentry, Maintenance Worker I

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:04 p.m. No public comment was received.

6. REPORTS

6.A. Reports by Staff

- Event Calendar – General Manager McIntyre had nothing to report.
- Correspondence to and from the Board on an Item not on the Agenda – None

6.B. Joint Powers Authority and Committee Reports

LAVWMA – November 20, 2019

President Misheloff invited comments on recent JPA activities. Directors felt the available staff reports adequately covered the many matters considered at the JPA meetings and made a few comments about some of the JPA activities.

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

7. CONSENT CALENDAR

President Misheloff inquired about an account balance reported in the Legislative budget in the Warrant List Item 7.B. Administrative Services Manager Atwood stated she would review the balance and send an update to the Board.

Director Halket MOVED for approval of the items on the Consent Calendar. Vice President Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- 7.A. Regular Meeting Minutes of November 19, 2019 – Approved
- 7.B. Accept Regular and Recurring Reports: Warrant List and Quarterly Financial Reports – Approved
- 7.C. Approve Proclamation Honoring Retiring City of Dublin City Manager Chris L. Foss – Approved
- 7.D. Approve Amendment No. 11 to Agreement of February 8, 2002 with Bold, Polisner, Maddow, Nelson & Judson for District General Counsel – Approved – Resolution No. 42-19
- 7.E. Authorize Execution of Quit Claim of Easement of Property and Pipeline Easement with S and V, LLC for Aloft Hotel at Grafton Plaza (DP-16-284) – Approved
- 7.F. Award Construction Agreement to Garney Pacific, Inc. for the San Ramon Pump Station Flow Diversion Project (CIP 16-R018) – Approved – Resolution No. 43-19
- 7.G. Authorize Execution of Task Order No. 4 with TJC & Associates, Inc. for Design Services for the Potable Water Pump Station Standby Generators/Emergency Response Project (CIP 16-W012) – Approved

8. BOARD BUSINESS

- 8.A. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists

Engineering Services Manager Zavadil reviewed the item for the Board. She reported that construction at the District Office continues, and that completion is now expected in March, rather than February, due to furniture delays.

Vice President Duarte MOVED to Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.B. Approve Proclamation Honoring Retiring District General Counsel Carl P.A. Nelson

Director Halket MOVED to Approve the Proclamation Honoring Retiring District General Counsel Carl P.A. Nelson. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

President Misheloff presented the Proclamation to General Counsel Nelson and the Board congratulated and thanked him for his years of service. Mr. Nelson stated it has been an honor and a privilege to serve DSRSD.

- 8.C. Accept the Annual Report on Rate Stabilization Funds (RSF) and Confirm Transfers from the Regional Wastewater Operating (Fund 300) to the Regional Wastewater RSF (Fund 305), from the Regional Wastewater RSF (Fund 305) to the Regional Wastewater Replacement (Fund 310), and the Local Wastewater RSF (Fund 205) to the Local Wastewater Operating (Fund 200)

Administrative Services Manager Atwood reviewed the item for the Board.

Director Halket MOVED to Accept the Annual Report on Rate Stabilization Funds (RSF) and Confirm Transfers from the Regional Wastewater Operating (Fund 300) to the Regional Wastewater RSF (Fund 305), from the Regional Wastewater RSF (Fund 305) to the Regional Wastewater Replacement (Fund 310), and the Local Wastewater RSF (Fund 205) to the Local Wastewater Operating (Fund 200). Director Johnson the MOTION, which CARRIED with FIVE AYES.

- 8.D. 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. 30-19

President Misheloff read the following statement: "In 2016, the Legislature added a provision to the Brown Act that requires that prior to taking final action on a salary schedule that includes local agency executives, which as defined includes the District's General Manager and the District's three Senior Managers, "[t]he legislative body shall orally report a summary of [the] recommendation for ... final action on ... salary schedules... of a local agency executive. The salary schedule that is before the Board in Item 8.D. includes the respective salaries of the three Senior Managers as adjusted, effective December 16, 2019, by a cost of living adjustment of 2.75%, as is specified in their respective Personal Services Agreements as amended to date. The Board approved Amendments No. 1 to each of the three Senior Manager's respective Personal Services Agreements, following an oral report, on November 7, 2017, which report appears in the minutes of the November 7, 2017 Board meeting."

Administrative Services Manager Atwood reviewed the item for the Board.

Director Halket MOVED to adopt Resolution No. 44-19, Adopting a Pay Schedule in Accordance with California Code of Regulations, Title 2, Section 570.5, and Rescinding Resolution No. 30-19, with the Correction to the Adopted Pay Schedule to Replace the Effective Date of December 17, 2018 with the Correct Effective Date of December 16, 2019. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.E. Accept Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019 with Independent Auditor's Report and Memorandum on Internal Control and Required Communications for the Fiscal Year Ended June 30, 2019

Administrative Services Manager Atwood introduced Mr. David Alvey, CPA-Vice President from Maze and Associates, the firm that conducted the annual audit. Mr. Alvey provided an overview of the District's audit and reported the District received a clean opinion which is the highest level of assurance that an agency can receive. Copies of the District's Comprehensive Annual

Financial Report for the Fiscal Year Ended June 30, 2019, with Independent Auditor's Report and Memorandum on Internal Control and Required Communications for the Fiscal Year Ended June 30, 2019, were handed out to the Board.

The Board, consultant, and staff discussed a few areas of the report, including fluctuations in operating cash flow, Board decisions regarding long-term investments such as OPEB (Other Post Employment Benefits), and the sensitivity of the net OPEB liability, which can dramatically swing, positive or negative, with just a 1% change in the current discount rate. The Board also requested consistency in the chart format for OPEB presentations in the next report. The Board noted there was no action to take at present based on the audit results, but the above areas need to be continuously monitored. The Board acknowledged the positive report and thanked Mr. Alvey.

Director Johnson MOVED to Accept the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019 with Independent Auditor's Report and Memorandum on Internal Control and Required Communications for the Fiscal Year Ended June 30, 2019. Vice President Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.F. Authorize Execution of Task No. 11 with Zone 7 Water Agency to the Tri-Valley Intergovernmental Reciprocal Services Master Agreement for Tri-Valley Potable Reuse Preliminary Studies and Community Outreach and Education

Engineering Services Manager Zavadil reviewed the item for the Board. She stated that Zone 7 Water Agency will approve the task order at its Board meeting tomorrow evening, and she anticipates both the Cities of Pleasanton and Livermore to approve it at their respective Board meetings in January.

Director Vonheeder-Leopold MOVED to authorize Execution of Task No. 11 with Zone 7 Water Agency to the Tri-Valley Intergovernmental Reciprocal Services Master Agreement for Tri-Valley Potable Reuse Preliminary Studies and Community Outreach and Education. Vice President Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.G. Selection of President and Vice President of the Board of Directors for 2020

President Misheloff opened the floor for nominations for the 2020 Board of Directors President and Vice President.

Director Halket MOVED to NOMINATE and ELECT Vice President Duarte as the 2020 Board President and Director Johnson as the 2020 Board Vice President. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

Director Misheloff passed the gavel to President Duarte who then presided over the remainder of the meeting. President Duarte thanked Director Misheloff for a job well done and presented her with an engraved plaque on behalf of the Board and staff that read "In Sincere Appreciation for your Unwavering and Devoted Service as President of the Board of Directors in 2019." Director Misheloff stated it was her honor to be President this last year.

9. BOARDMEMBER ITEMS

- Submittal of Written Reports for Day of Service Events Attended by Directors

Director Misheloff submitted a written report to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Dublin City Council meeting on Tuesday, November 19, 2019 and gave the "State of the District" presentation. She summarized the activities and discussions at the meeting.

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the California Association of Sanitation Agencies Board of Directors Strategic Planning meeting December 4-December 6 in Sacramento, and the Alameda County California Special Districts Association chapter meeting on Wednesday, December 11 at the Castro Valley Sanitation District. She summarized the activities and discussions at the meetings.

Director Halket wished everyone a Merry Christmas.

- Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda – None

10. CLOSED SESSION

At 6:43 p.m. the Board went into Closed Session.

10.A. Anticipated Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case

11. REPORT FROM CLOSED SESSION

At 7:02 p.m. the Board came out of Closed Session. President Duarte announced that there was no reportable action.

12. ADJOURNMENT

President Duarte adjourned the meeting at 7:02 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary