

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

**May 5, 2020**

1. CALL TO ORDER

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

President Duarte announced that pursuant to Governor Newsom's Executive Orders and local county health orders issued to address the COVID-19 pandemic, this Board meeting is being held via Webex teleconference. The District Boardroom is closed to the public; however, the public may observe and comment by calling in to the teleconference meeting per the instructions on page 3 of the agenda. As required by the Brown Act, all votes taken this evening will be done by a roll call vote due to the attending Directors participating via teleconference.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Edward R. Duarte, Vice President Ann Marie Johnson, Director Richard M. Halket, and Director Georgean M. Vonheeder-Leopold.

District staff present: Dan McIntyre, General Manager; Jan Lee, Assistant General Manager; Carol Atwood, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager/District Engineer; Doug Coty, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:03 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

Date	Format	From	To	Subject	Response
4/20/20	Letter	Directors Mellon and Coleman – East Bay Municipal Utility District	President Edward Duarte	Condolences on passing of Director Misheloff	N/A
5/4/20	Letter	Daniel Watson	Administrator of DSRSD	Utility Fee Increases	Administrative Services Manager Atwood will provide a response

6.B. Joint Powers Authority and Committee Reports – None

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

7. CONSENT CALENDAR

Director Halket MOVED for approval of the items on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES per roll call vote.

7.A. Approve Regular Meeting Minutes of April 7, 2020 – Approved

7.B. Approve Proclamation Honoring May 17–23, 2020 as National Public Works Week – Approved

8. BOARD BUSINESS

8.A. Approve Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists Recommended

Assistant General Manager Lee reviewed the item for the Board and reported on the counties' recent shelter-in-place (SIP) order extension (through May 31) and modifications, which include the resumption of construction projects previously deemed "non-essential." She noted the District's current operational and staffing plans (more than 50% staff teleworking part/full-time) will largely remain intact. In addition, Ms. Lee provided the following operational highlights: staff has trained on and mastered virtual meeting tools, on a single day 60% of staff connected remotely, hundreds of masks were provided to staff, personal protective equipment (PPE) was received from the Alameda County Emergency Services and the California Water/Wastewater Agency Response Network (CalWARN), staff executed a task order for mutual aid between Tri-Valley agencies, customer communications continue (our water is safe to drink, temporary suspension of service shut-offs, do not flush wipes, and safe resumption of service for closed businesses), outdoor break areas were created for onsite staff, and a first-time Districtwide virtual staff meeting will be held tomorrow. In the coming weeks, staff will focus on plans to transition staff back to the workplace once SIP conditions are modified or lifted. The transition could take place over several months and will follow public health agencies' guidance.

General Manager McIntyre provided a District financial report for the Board. He noted Tri-Valley cities are seeing negative revenue impacts and will experience significant economic damage until normal commercial activities return. To date, there has been little federal interest in providing financial support to state and local agencies with failing tax bases. Staff is monitoring District revenues for possible impacts from a variety of sources.

Due to these factors, cash flow issues may arise later in the year, but healthy operating reserves for both the Water and Regional Wastewater funds will buffer this for a number of months. These reserves stood highly funded at the beginning of this fiscal year at about 90%, well over the 67% target. The weakened Local Wastewater (collection) fund is at a minimal level, but will be the least likely impacted due to most of this revenue coming from the tax roll. Staff will develop a short-term stress test of operating funds and present findings to the Board this summer. Fortunately, the District will see some salary savings

this and next year due to retirements and open positions. Recruitments will continue for key positions. Five of six capital funds are healthy, but the Local Wastewater Replacement fund is weakened, so special preservation measures will be needed. The California Public Employees' Retirement System (CalPERS) fund is impacted and could see the 87% funded ratio decline to below 75%, requiring the District to make up the shortfall beginning in 2022 and ramping up for a five-year period. The unfunded actuarial liability payment could also be impacted and see an increase from \$1.3 million to over \$3 million. Staff will continue to provide financial updates to the Board.

The Board inquired about the status of moving back to the renovated District Office, capital projects, and permitting activities. Engineering Services Manager Zavadi and Mr. McIntyre reported the move to the District Office is deferred until county orders change, but a few staff will relocate to enclosed office space there to minimize time wearing masks. Staff provided a status of several projects, some of which are proceeding, a few are in the design phase, and few projects are ready for bid as Engineering staff has been impacted by retirements. Pacing of projects should increase soon with the onboarding of four new Engineering staff. Permitting activities have not slowed much with most transactions being done online, and fees being collected during the process. Construction Inspectors are still out in the field supporting developments that continue in Dublin. President Duarte commended DSRSD on its impressive track record of managing its finances and preparing its reserves, but cautioned that things can change quickly, so the District must be ready to consider changes if the economy critically declines.

Director Halket MOVED for Approval of Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists Recommended. Vice President Johnson SECONDED the MOTION, which CARRIED with FOUR AYES per roll call vote.

8.B. Discuss Options for Filling a Board of Directors Vacancy and Provide Direction

General Manager McIntyre reviewed the item for the Board.

Speaker: Ms. Shudong Ma, San Ramon resident – Ms. Ma expressed interest in serving on the Board for the current vacancy, as well as a regular term via the upcoming election. She lives in District Division 1 (Dougherty Valley) and has an engineering background.

The Board discussed the four options presented in the item. Director Halket suggested the Board directly appoint former DSRSD Director Pat Howard to fill the vacancy, noting that he would not intend to run for the regular Board seat in the November 3 General Election. The other Boardmembers agreed that appointing someone to fill the vacancy who has experience would be the most beneficial path, and would alleviate the District of a complicated appointment and onboarding process or the concerns with leaving the seat vacant. The Board also noted that this solution will ensure those interested in running in November can do so without someone already having an advantage as the incumbent. The Board directed staff to proceed with Option #3: Proceed with the direct appointment of any qualified citizen of the District. The appointment will be made at the June 2 Board meeting, after satisfying the required 15-day public noticing period.

Director Halket MOVED for the Board of Directors to Select Option 3, Proceed with the Direct Appointment of any Qualified Citizen of the District, and Appoint Former DSRSD Director Dwight L. (Pat) Howard to Fill the Vacancy on the District Board of Directors Created by the Recent Passing of Director Madelyne A. (Maddi) Misheloff. Vice President Johnson SECONDED the MOTION, which CARRIED with FOUR AYES per roll call vote.

Director Vonheeder-Leopold lost her audio connection during the taking of the roll call vote. Upon resumption of her audio connection, she cast her vote in the affirmative for the motion.

9. BOARDMEMBER ITEMS

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

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Alameda County California Special Districts Association (CSDA) Chapter Executive Committee teleconference meeting Wednesday, April 8 and the California Association of Sanitation Agencies Board of Directors teleconference meeting Thursday, April 9. She summarized the activities and discussions at the meetings.

President Duarte reported that it is unlikely that the Alameda and Contra Costa CSDA Chapters will hold a joint meeting in July due to anticipated continuation of county shelter-in-place and venue meeting restrictions.

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

10. CLOSED SESSION

At 6:58 p.m. the Board went into Closed Session.

- 10.A. Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2):  
One Potential Case

11. REPORT FROM CLOSED SESSION

At 7:12 p.m. the Board came out of Closed Session. President Duarte reconvened the open session and reported that Directors Halket, Johnson, and Vonheeder-Leopold disconnected at the conclusion of the Closed Session. He announced that there was no reportable action.

12. ADJOURNMENT

President Duarte adjourned the meeting at 7:12 p.m.

Submitted by,

Nicole Genzale, CMC  
Executive Services Supervisor/District Secretary