

**DSRSD•EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Regular Meeting Minutes
Monday, September 25, 2023**

1. CALL TO ORDER – Chair Coleman called the DSRSD•EBMUD Recycled Water Authority (DERWA) meeting to order at 6 p.m.
2. PLEDGE TO THE FLAG
3. ROLL CALL – Directors present: Chair John Coleman, Vice Chair Georgean Vonheeder-Leopold, and Directors April Chan, and Ann Marie Johnson. DERWA Staff present: Jan Lee, Authority Manager; Jacqueline Lee, Treasurer; Austin Cho, General Counsel; and Nicole Genzale, Authority Secretary
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None
5. PUBLIC COMMENT – 6:01 p.m.
6. CONSENT CALENDAR

Vice Chair Vonheeder-Leopold MOVED for approval of the items on the Consent Calendar. Director Chan SECONDED the MOTION, which CARRIED with FOUR AYES.

- A. Approve Minutes of Regular Board Meeting of April 24, 2023 – Approved
 - B. Approve Treasurer’s Reports for March 31, April 30, May 31, June 30, and July 31, 2023 – Approved
 - C. Approve Quarterly Investment Reports for March 31, and June 30, 2023 – Approved
 - D. Authorize Purchase and Replacement of Sand Filter Cascade Rings – Approved
7. BOARD BUSINESS

- A. Approve Resolution No. 23-3 Appointing the DERWA Treasurer

Authority Manager Lee reviewed the item for the Board.

Director Chan MOVED to Approve Resolution No. 23-3, Appointing the DERWA Treasurer. Vice Chair Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES.

The Board welcomed Ms. Jacqueline (Jackie) Lee as the new DERWA Treasurer.

- B. Approve Proclamation for Richard Lou’s Service to DERWA as Treasurer

Chair Coleman introduced the item and read aloud from the proclamation.

Vice Chair Vonheeder-Leopold MOVED to Approve the Proclamation for Richard Lou’s Service to DERWA as Treasurer. Director Johnson SECONDED the MOTION, which CARRIED with FOUR AYES.

Chair Coleman presented the proclamation to Mr. Lou and the Board thanked him for his nearly 20 years of steady service to DERWA. Mr. Lou expressed his appreciation for his years with DERWA and acknowledged how far the organization has come.

C. Approve Resolution No. 23-4 Regarding Authority Manager Functions and Expenditures

General Counsel Cho reviewed the item for the Board. The Board and staff discussed certain aspects of the proposed resolution and inquired about communicating expenditures to the Board. Authority Manager Lee confirmed that expenditures and other activities will be regularly communicated to the Board via the Authority Manager Update included in each agenda packet. In addition, DERWA's independent audit report for fiscal year 2023 will be presented to the Board in December. Mr. Cho advised that if approved, the Board may wish to revisit the resolution should the next Authority Manager be appointed from EBMUD rather than DSRSD.

Director Chan MOVED to Approve Resolution No. 23-4, Regarding Authority Manager Functions and Expenditures. Vice Chair Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES.

D. Receive Presentation on Recycled Water Supply and Operations Plan Update

Authority Manager Lee introduced the item and the consultant project team from Brown and Caldwell. She also stated that Melody LaBella, Central Contra Costa Sanitary District (Central San) Resource Recovery Program Manager, was in the audience.

Ms. Lee, and Brown and Caldwell Project Manager, Katie Ruby, and Regional Bay Area 1Water Lead, Jenny Gain, gave a presentation (provided to the Board and added to the website as supplemental material) that addressed the following:

1. Background
2. Preliminary Results – Part I
 - Supply and Demand
 - Alternatives and Demand Management
 - Evaluation
 - Policy Discussion
3. Next Steps

The Board and staff reviewed and discussed various aspects of the presentation outlined above, including 4 policy concepts and 14 potential supply alternatives. Staff requested the Board's feedback on the above, as well as on staff's recommendation to move 7 of the 14 supply alternatives forward for further evaluation. The Board noted that while the EBDA (East Bay Dischargers Authority) option addresses DERWA's total projected supply shortage at buildout, it is also the most expensive. The Board and staff discussed a possible renegotiation of the temporary DERWA and Central San wastewater diversion agreement which will expire in January 2026.

Ms. LaBella described Central San's recycled water program and its objective to seek large projects with consistent year-round demands to leverage its investment in its recycled treatment facility. Central San has an agreement with City of Concord to serve recycled water to the anticipated redevelopment of the Concord Naval Weapons Station, and executed a

Memorandum of Understanding with EBMUD last year to study an array of potential recycled water projects (Ms. Lee confirmed that the study results will be presented to the DERWA Board at a future meeting). Ms. LaBella confirmed that to date, the Central San Board has not considered a possible future agreement with DERWA. Chair Coleman requested Authority Manager Lee arrange a meeting for DERWA and Central San Board representatives to discuss possible collaboration beyond the current agreement expiration.

The Board directed staff to carry forward all 7 supplemental supply options due to potential changing conditions such as climate, economics, agency interest, etc. The Board also requested that staff provide additional information on demand management and conservation measures at the December meeting.

8. STAFF REPORTS

A. Authority Manager Update

Authority Manager Lee introduced DSRSD Engineering Services Administrative Assistant Sara Tom who is providing support to DERWA.

B. Confirm Next Board Meeting – December 11, 2023

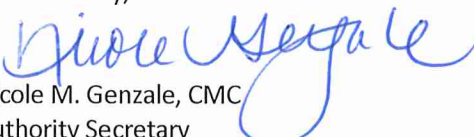
The Board acknowledged the December meeting date and did not request any changes.

9. BOARDMEMBER ITEMS – None

10. ADJOURNMENT

Chair Coleman adjourned the meeting at 7:35 p.m.

Submitted by,


Nicole M. Genzale, CMC
Authority Secretary