

**DSRSD • EBMUD RECYCLED WATER AUTHORITY
(DERWA)**

**Board of Directors Special Meeting Minutes
Monday, September 20, 2010**

Dublin San Ramon Services District
7051 Dublin Boulevard, Dublin, California

1. CALL TO ORDER – Chair Hansen called the DSRSD • EBMUD Recycled Water Authority (DERWA) meeting to order at 6:02 p.m. at the Dublin San Ramon Services District Boardroom.

2. PLEDGE TO THE FLAG

3. ROLL CALL – Directors present: Chair Jeffrey Hansen, Vice Chair John Coleman, Director Daniel Scannell and Director Frank Mellon. DERWA Staff present: James Bewley, Authority Manager; Richard Lou, Treasurer; Robert Maddow, General Counsel; and Nancy Gamble Hatfield, Authority Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None Received

5. PUBLIC COMMENT – 6:03 p.m. – None Received

6. APPROVE MINUTES – Regular Meeting of August 23, 2010

Motion by Director Scannell, Second by V.C. Coleman to approve the minutes from Regular Meeting of August 23, 2010. Motion carried (4-0) by the following vote:

AYES: Scannell, Coleman, Mellon, Hansen

NOES:

7. CONSENT CALENDAR

A. Treasurer's Report – Treasurer's Report for July 31, 2010

Motion by Director Scannell, Second by Director Mellon to approve the Consent Calendar. Motion carried (4-0) by the following vote:

AYES: Scannell, Mellon, Coleman, Hansen

NOES:

Chair Hansen announced that the Board would skip to Item 9 – Manager's Report, then to Closed Session Items 10.A & 10.B, and then return to Item 8.A in Open Session.

9. MANAGER'S REPORT

- Contracts Initiated Since the Board Meeting of August 23, 2010 Herwood & Associates – Property Interest Appraisals \$10,400 – Mr. Bewley reported that there was one contract issued since the last Board meeting with Herwood & Associates, a property appraisal firm. DERWA is in the process of submitting a Claim for Credit with the Army for property and easement acquisition costs for the parcels needed for the Pump Station R200A site and the various easements. DERWA's expenses, to the extent approved by

the Army, will be credited to DERWA's local share cost for the project. There are approximately \$330,000 of costs related to property interests for the PSR200A project. For any property interests valued at more than \$10,000, an appraisal is required by the Army. Herwood & Associates will perform four property appraisals at a cost ranging between \$2,400 and \$2,900 for each appraisal for the PSR200A project and the EBMUD Distribution System projects now underway.

- Designation of Dave Requa as Acting Authority Manager from October 15, 2010 through February 28, 2011 – Mr. Bewley reported he will be out of the country most of the time from mid-October 2010 through mid-February, 2011. Mr. Dave Requa, District Engineer/Assistant General Manager from DSRSD and Mr. Alex Coate, Director of Water & Natural Resources from EBMUD, were both invited to serve in an interim capacity during Mr. Bewley's upcoming leave. Mr. Requa served as Acting Authority Manager in 2007 and will once again serve in this capacity during Mr. Bewley's upcoming absence. Mr. Bewley introduced Mr. Coate who was in the audience and thanked him for his willingness to also offer to serve as the acting Authority Manager. The key effort in the next few months will be working with the Army on the close out of the Pump Station R200A project. Mr. Ed McCormick will take the lead in dealing with the Army on that work. If Board action is necessary related to that project, a special meeting could be scheduled.
- Confirm Meeting Dates: Cancel Regular Meetings October 25, and December 27, 2010; Next Regular Meeting February 21, 2011 – The next regularly scheduled meeting on October 25 is not needed and, following past practice, the Board does not meet between Christmas and New Year's Day; therefore, the December 27, 2010 meeting should also be cancelled. The next regular meeting after that is scheduled for February 21, 2011, not February 22, 2011 as incorrectly printed on the agenda. Directors agreed to the cancellation of the October 25 and December 27, 2010 meetings.

10. CLOSED SESSION

The Board went into Closed Session at 6:09 p.m.

- A. Pursuant to Government Code Section 54957 – Public Employee Performance Evaluation
Title: Authority Manager
- B. Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiator Agency Designated Representative: General Counsel
Unrepresented Employee: James B. Bewley, Authority Manager

11. REPORTS FROM CLOSED SESSION

The Board came out of Closed Session at 6:32 p.m. Chair Hansen announced that there was no reportable action.

8. BOARD BUSINESS

A. Authorization to Execute Amendment No. 3 to Agreement for Services for Authority Manager

Chair Hansen reported that there were some recommended changes to the proposed agreement for Board consideration. He requested General Counsel Maddow discuss the changes.

General Counsel Maddow stated the suggested changes were applicable to Amendment No. 3 to the Agreement for Services for Authority Manager. Mr. Maddow reported that Amendment No. 3 replaces Amendment No. 2 which will expire on September 30, 2010. The agreement tentatively reached, subject to Board approval, reduces the total compensation per contract year that could be paid to Mr. Bewley from \$125,000 to \$100,000. The amendment would extend the term of the agreement for services by 27 months, terminating December 31, 2012. Effective July 1, 2011, Mr. Bewley's hourly rate of compensation will increase from \$135.00 per hour to \$150.00 per hour. The terms to be continued include the limitation that requires the Authority Manager to not work more than 50% of the time, annually. A fully printed version of the revised amendment will be presented to Mr. Bewley and Chair Hansen to sign, if the Board chooses to approve the amendment this evening.

Chair Hansen thanked Mr. Maddow for summarizing the salient details of the amendment.

Directors Scannell and Mellon thanked Mr. Bewley for his service to DERWA.

Motion by Director Scannell, Second by Director Mellon to approve Resolution No. 10-4 approving and authorizing execution of Amendment No. 3 to Agreement for Services as Authority Manager of the DSRSD • EBMUD Recycled Water Authority.

V.C. Coleman requested the word "capably" in the second whereas clause of the resolution be changed to "admirably," noting how impressed he has been with Mr. Bewley's capabilities. Both Directors Scannell and Mellon agreed to the suggested revision to their motion and second.

The Motion carried (4-0) by the following vote:

AYES: Scannell, Mellon, Coleman, Hansen

NOES:

12. BOARD MEMBER ITEMS

13. ADJOURNMENT

Chair Hansen adjourned the meeting at 6:37 p.m.

Submitted by,

Nancy Gamble Hatfield
Authority Secretary