

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

**Board of Directors Regular Meeting Minutes
Monday, August 23, 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 6:01 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 Dan Scannell, and Director Frank Mellon. DERWA Staff present: James Bewley, Authority Manager; Richard Lou, Treasurer; Robert Maddow, General Counsel; and Joan McPherson, Recording Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES - None received.

5. PUBLIC COMMENT – 6:02 p.m. – None received.

6. APPROVE MINUTES – Regular Meeting of April 26, 2010
Motion by Director Scannell, Second by Director Mellon to approve the minutes from the Regular Meeting of *April 26, 2010*. Motion carried (4-0) by the following vote:

AYES: Scannell, Mellon, Coleman, Hansen

NOES:

7. CONSENT CALENDAR

A. Treasurer's Report – Treasurer's Reports for April 30, 2010; May 31, 2010; and June 30, 2010

B. Quarterly Investment Report – June 30, 2010

C. DERWA Investment Policy

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

AYES: Coleman, Scannell, Mellon, Hansen

NOES:

8. BOARD BUSINESS

A. Proclamation of Appreciation for Service to DERWA by Jeffrey G. Hansen 1995 through 2010.

Motion by Director Mellon, Second by Director Scannell to approve the Proclamation of Appreciation for Service to DERWA by Jeffrey G. Hansen 1995 through 2010.

Authority Manager Bewley explained that the Proclamation was based on comments from many people who have worked with President Hansen throughout his distinguished

service with DERWA. The reading of the Proclamation by Mr. Bewley was followed by applause from all present.

Director Mellon stated that when he was first elected to the EBMUD Board and was associated with the DERWA project, he learned a great deal about diplomacy from Chair Hansen. In addition, he has especially appreciated President Hansen's patience and thoughtfulness while serving on the DERWA Board. Director Mellon thanked President Hansen for the honor and privilege of working together over the years.

Director Scannell expressed his opinion that, given Chair Hansen's diplomatic skills and knowledge base, if Chair Hansen had not been involved as a key player in DERWA from the very beginning this evening's DERWA Board meeting probably would not be taking place. He applauded Chair Hansen for his perseverance and walking the line between two agencies, knowing what was best for the Valley, knowing how to proceed in order to accomplish important goals, and realizing the importance of the DERWA project. Director Scannell added that when people initially sat down at the California Association of Sanitation Agencies' meeting to discuss recycled water, no one envisioned how comprehensive a recycled water program DERWA would be today, nor the potential for recycled water programs in the next 20 or more years. He concluded by saying that Chair Hansen's initial dedication to DERWA was crucial to getting the program underway and was very much appreciated.

V.C. Coleman commented on how fun it has been working with Chair Hansen, and that over the years Chair Hansen has steadfastly maintained his vision of the importance of recycled water. V.C. Coleman agreed that no one envisioned where the recycled water program would be today, based on the initial luncheon in Palm Springs when a recycled water program was suggested. He thanked Chair Hansen for his dedication, and hoped that he could complete one final task before retiring from the Board, and that was to seal a water deal with the Cities of Pleasanton and Livermore.

Chair Hansen thanked everyone for their kind words. He stated that in terms of DSRSD, DERWA, and LAVWMA, it has been a wonderful experience to see the organizations come together. He added that he will greatly miss the collaboration and teamwork that go along with being part of each organization, and that allow each organization to be successful.

Motion carried (3-0-1) by the following roll call vote:

AYES: Mellon, Scannell, Coleman

NOES:

ABSTAIN: Hansen

9. MANAGER'S REPORT

- Contracts Initiated Since the Board Meeting of April 26, 2010 - None
- Summary of 2010 Public Information Efforts – Authority Manager Bewley pointed out the *Summary of 2010 Publicity Efforts as of August 2010* that was included in the agenda packet. The DERWA Public Affairs Committee has continued to work behind the scenes, as demonstrated by an article outlining the need for, and

procurement of, fine screens at wastewater treatment plants that will appear in the October 2010 edition of *Treatment Plant Operator* magazine.

In addition, DERWA public information consultants, Jones and Stokes, received the 2010 National Environmental Excellence Award for Conservation Programs from the National Association of Environmental Professionals for DERWA's public information program.

In May 2010, Mr. Bewley reported that DERWA, EBMUD, and DSRSD made a joint presentation covering collaborative agreements at the Northern California WaterReuse Chapter meeting. Mr. Bewley explained that DERWA is the largest recycled water partnership in Northern California, and that Joint Powers Agreement (JPA) agencies in Southern California are structured differently than those in Northern California. As a result, DERWA receives many requests for information from JPAs that are just starting out.

In September, Mr. Bewley reported that DSRSD Assistant General Manager Dave Requa will present a paper at the 2010 WaterReuse Symposium in Washington, D.C., covering the need for, and procurement of, fine screens at wastewater treatment plants.

In addition, the *2009 Recycled Water Quality Annual Report* was recently distributed, which includes some technical data, as well as stories about highlighted customers. EBMUD and DSRSD collaborate to produce the publication.

- PSR200A/Pipeline IH Project Update – Authority Manager Bewley stated the U. S. Army Corps of Engineers (USACE) had turned over use of Pipeline IH to DERWA and Pipeline IH is now in service. Performance testing and a seven-day operational period for PSR200A were completed within the last couple of weeks, and the USACE is preparing a punch list identifying remaining contract work. Despite the fact the project has been difficult, the end result is good largely because the contractor hired some very good sub-contractors to perform work on the pumps, controls, and electrical system.

V.C. Coleman noted that the City of San Ramon had a number of issues with this project. Mr. Bewley agreed that the City did, but now that the work in the streets is complete, they have been reasonable in their requirements for the next project. The City of San Ramon had recently approved an encroachment permit for another DERWA project in San Ramon, which would not have happened six months ago. The contractor, Northstar Engineers and Construction, has a good record working with the USACE, and hopefully they will meet the City's expectations, too.

In response to a question from Director Scannell about the first project, Mr. Bewley confirmed that there are not any trenches that remain open, and the street work was completed in May 2010. In terms of timing, the City of San Ramon was ready to start road widening on Bollinger Canyon, just as the DERWA project was completed.

EBMUD Distribution System Phase 2 3 4 Projects Update – V.C. Coleman inquired about any funds DERWA had received from the American Reinvestment and Recovery Act (ARRA) for the distribution pipelines in Danville and San Ramon. He

mentioned there is more discussion of potential AARA funding, and asked if DERWA currently had any projects that were shovel ready. Mr. Bewley and EBMUD Associate Civil Engineer Florence Wedington confirmed that \$2.4 million had been awarded for the Phase 2B project and another project for the Bishop Ranch distribution system is shovel ready. Mr. Bewley mentioned that two additional EBMUD pump stations would be needed in order to fully utilize the pipes currently being built, and those pump station projects are on the funding request list.

V.C. Coleman also inquired as to how much the initial AARA funding, and monies approved earlier on this date, had sped up the schedule for completing these projects.

Mr. Bewley replied that in January 2010, the USACE asked if DERWA had the 25% matching local funds for upcoming projects. At that time, it was determined that EBMUD funds were available. EBMUD's in-house design staff and consultant expeditiously completed 14 miles of pipeline design in 90 days. DERWA had negotiated an agreement provision with the USACE that DERWA would be allowed to design the next projects, which would not count as a local share of funding. Therefore, USACE funds could be spent for construction, rather than for design costs. This work almost fully utilized the \$15 million Federal authorization. Mr. Bewley stated that Washington, D.C. lobbyist, Mr. Eric Saperstein, is working on an additional funding authorization at this time.

- Confirm Next Meeting Date – October 25, 2010 – Authority Manager Bewley reported that he will be out of the office from the second week in October until mid-February. Either an EBMUD staff member or DSRSD Assistant General Manager Dave Requa will serve as Acting DERWA Authority Manager during Mr. Bewley's absence. Mr. Bewley predicted it probably would not be necessary to hold the October 25, 2010 DERWA Board meeting; however, a Special DERWA Board meeting is necessary before the end of September.

At Chair Hansen's suggestion, the Board agreed to consider Item 12 prior to going into Closed Session.

12. BOARDMEMBER ITEMS – None.

10. CLOSED SESSION

The Board went into Closed Session at 6:26 p.m.

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

11. REPORTS FROM CLOSED SESSION

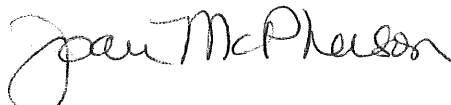
The Board returned from Closed Session at 6:52 p.m.

Chair Hansen stated there was no reportable action from the Closed Session.

13. ADJOURNMENT

Chair Hansen adjourned the meeting at 6:53 p.m.

Submitted by,



Joan McPherson
Administrative Assistant II

For: 

Nancy Gamble Hatfield
Authority Secretary