

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

**Board of Directors Regular Meeting Minutes
Monday, May 20, 2019**

**Shannon Community Center, Ambrose Hall
11600 Shannon Avenue, Dublin CA 94568**

1. CALL TO ORDER

Chair John Coleman called the DSRSD • EBMUD Recycled Water Authority (DERWA) meeting to order at 6:06 p.m. at the Shannon Community Center, Ambrose Hall.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Directors present: Chair John Coleman, Vice Chair Georgean Vonheeder-Leopold, Directors Edward Duarte and Frank Mellon. DERWA Staff present: Mike Tognolini, Authority Manager; Richard Lou, Treasurer; Doug Coty, General Counsel; and Nicole Genzale, Authority Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None

5. PUBLIC COMMENT – 6:07 p.m. – None

6. CONSENT CALENDAR

- A. Approve Minutes of Regular Board Meeting of March 25, 2019
- B. Approve Minutes of Special Board Meeting of April 16, 2019
- C. Approve Minutes of Special Board Meeting of May 13, 2019
- D. Approve the Treasurer's Reports for March 31 and April 30, 2019
- E. Approve the Quarterly Investment Report for March 31, 2019

Motion by Vice Chair Vonheeder-Leopold, Second by Director Duarte to approve the Consent Calendar. Motion carried (4-0) by the following vote:

AYES: Vonheeder-Leopold, Duarte, Mellon, Coleman

NOES:

ABSENT:

7. BOARD BUSINESS

- A. Appoint John V. Rossi as Authority Manager, and Authorize an Agreement with Ralph Andersen & Associates to Provide Executive Services for a Period of Three Years and take additional Actions as Necessary to Implement the Agreement

Chair Coleman reviewed the item for the Board.

Motion by Director Mellon, Second by Director Duarte to Appoint John V. Rossi as Authority Manager, and Approve and Authorize, by Resolution No. 19-4, Execution of an Agreement

for the Services of an Authority Manager Between the DSRSD•EBMUD Recycled Water Authority and Ralph Andersen & Associates. Motion carried (4-0) by the following vote:

AYES: Mellon, Duarte, Vonheeder-Leopold, Coleman
NOES:
ABSENT:

Director Mellon stated his thanks for efforts by Authority Manager Tognolini and staff, and that he is looking forward to working with Mr. Rossi.

Chair Coleman noted Mr. Rossi was not present this evening, but would join DERWA as Authority Manager at the July 22 Board meeting.

B. Approve Proclamation for Michael T. Tognolini’s Service to DERWA as Authority Manager

Chair Coleman reviewed the item for the Board.

Motion by Vice Chair Vonheeder-Leopold, Second by Director Duarte to approve the Proclamation for Service to DERWA by Michael T. Tognolini. Motion carried (4-0) by the following vote:

AYES: Vonheeder-Leopold, Duarte, Mellon, Coleman
NOES:
ABSENT:

The Board thanked Authority Manager Tognolini for his service, leadership, professionalism, and competence. Chair Coleman acknowledged that DERWA was very fortunate to have Mr. Tognolini serve as Authority Manager and that he did an excellent job given the many demands placed on him during his tenure. He presented him with the proclamation and an inscribed DERWA journal.

Mr. Tognolini reviewed DERWA’s accomplishments and successes during his three-year tenure, including partnering with City of Pleasanton, completion of the sixth filter and recycled water treatment plant expansion projects, negotiating an agreement with Central Contra Costa Sanitary District for acquiring supplemental wastewater supply, managing through facility emergencies, optimizing storage, and producing the maximum customer supply possible. He thanked the DERWA, DSRSD and EMBUD staff members for their work and support. He also thanked the Board for its direction and leadership, as well as the opportunity to perform this position.

C. Authorize the Authority Manager to Enter into an Agreement with Dublin San Ramon Services District to Provide Conveyance, Treatment and Disposal of Supplemental Supply Water

Motion by Director Mellon, Second by Director Duarte to authorize the Authority Manager to enter into an agreement with DSRSD to provide conveyance, treatment, and disposal of supplemental supply water, in a form to be approved by legal counsel. Motion carried (4-0) by the following vote:

AYES: Mellon, Duarte, Vonheeder-Leopold, Coleman
NOES:
ABSENT:

8. MANAGER'S REPORTS

A. Supplemental Supply Update

Authority Manager Tognolini reported on the following supplemental supply options:

- Central Contra Costa Sanitary District Wastewater Diversion Project
This project is at 100% design and will be out for bid in approximately a week. Staff anticipates the Notice to Proceed to occur by July, with the diversion being online as soon as August. The project is not a complex construction effort, so should move quickly.
- City of Livermore wastewater supply
There may be an opportunity to negotiate an agreement with City of Livermore to obtain .5 - .7 MGD (million gallons per day) of its wastewater within a year's time, to supplement DERWA's recycled water supply during peak needs. There would be a low up front cost, but an appropriate per gallon cost would be charged by Livermore. The longer-term availability of this supplemental source will not be known until the Tri-Valley agencies (DSRSD, Dublin, Livermore, Pleasanton, San Ramon, California Water Agency, Zone 7 Water Agency) come to consensus on their future use of resources for possible potable reuse projects.
- Devil Mountain Wholesale Nursery well pilot project
Staff is working to obtain access to the well, which is owned by PG&E. PG&E's recent bankruptcy has halted progress on this effort, but staff will continue to try to push forward with the nursery through its existing lease.
- Other possible well sites
Staff will continue to investigate other possible locations to conduct groundwater exploration, including the DSRSD District Office property.

B. Confirm Next Board Meeting – July 22, 2019

The Board confirmed that the July 22, 2019 meeting will be held as scheduled.

C. DERWA Program Facilities Electrical Outage Emergency Repair Update

DSRSD Operations Manager Jeff Carson reported on progress of the emergency repairs, and noted the recent rains have been benefitted supply as recycled water demand begins to increase. He reported the design work is underway and normal operations should resume no later than the second week of July. A minor shut-down will occur to tie in the new system. He also reported that an equipment vulnerability (lack of equipment to hook up emergency power) has been identified on the other side (east side) of the facility, so staff is considering solutions to upgrade the east side in order to avoid possible failure. Approval for performing this additional work will be sought from the Board at the next Board meeting. Mr. Carson reported that \$150,000 - \$180,000 of the approved \$1,000,000 emergency budget has been spent, so far.

The Board and staff discussed potential scenarios and solutions should the recycled water plant suffer another emergency, including shutdown of power by PG&E due to wildfires, and possible integration of potable water if recycled water supply cannot be produced. They also discussed air quality restrictions that could constrain agencies from using emergency generators to move and treat water for critical functions such as firefighting and hospitals.

Lastly, they discussed the need for seeking possible legislative solutions to remove constraints during emergencies that would prevent critical water deliveries. Mr. Tognolini recommended EBMUD and DSRSD staff begin coordinating to explore possible joint legislative efforts. He also noted the recycled water facility is not set-up for emergency power, so in the case of a PG&E outage DERWA would be unable to continue customer deliveries, thus DERWA should notify customers that they may not receive water should an emergency occur. The Board directed the partner agencies notify customers that deliveries could be compromised in an emergency.

9. BOARDMEMBER ITEMS

Director Mellon expressed he was looking forward to an exciting year ahead. He congratulated Authority Manager Tognolini and EBMUD Manager of Water Supply Improvements Linda Hu on their respective growth and recent promotions at EBMUD.

Director Duarte expressed that DERWA must begin discussions to determine and acquire back-up facility power.

Chair Coleman again thanked Authority Manager Tognolini for his service to DERWA.

10. CLOSED SESSION

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

As Authorized Pursuant to Government Code Section 54957:
Public Employee Performance Evaluation: General Counsel

11. REPORT FROM CLOSED SESSION.

At 6:54 p.m. the Board came out of Closed Session. Chair Coleman reported that there was no reportable action.

12. ADJOURNMENT

Chair Coleman adjourned the meeting at 6:55 p.m.

Submitted by,



Nicole M. Genzale, CMC
Authority Secretary