

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

February 19, 2019

1. CALL TO ORDER

A special meeting of the Board of Directors was called to order at 6:03 p.m. by Vice President Duarte.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

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

District staff present: Dan McIntyre, General Manager; Carol Atwood, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager/District Engineer; Jeff Carson, Operations Manager; Carl P.A. Nelson, General Counsel; and Vivian Chiu, Administrative Analyst I.

President Misheloff entered the meeting at 6:05 p.m. during Item 4. Special Announcements/Activities. Vice President Duarte passed the gavel to President Misheloff to conduct the rest of the meeting.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

New Employee Introductions:

Robert Thompson, Construction Inspector I

Kiki Bian, Accountant II

Jason Ching, Associate Civil Engineer – Subject Matter Expert

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:07 p.m. No public comment was received.

6. REPORTS

6.A. Reports by General Manager and Staff

- Event Calendar – General Manager McIntyre reported on the following:
 - Director Vonheeder-Leopold will give the “State of the District” presentation at the Zone 7 Water Agency Board meeting on Wednesday, February 20.
 - Directors Duarte, Johnson, and Vonheeder-Leopold, and a few staff will be attending the San Ramon State of the City Address to be delivered by Mayor Bill Clarkson on Wednesday, February 20.
 - A Special LAVWMA Board meeting is scheduled for Wednesday, February 20.
 - A celebration honoring retired Director Pat Howard will be held Thursday, February 21, and will include christening of the District’s dredge the “USS Howard,” followed by dinner.

- A Zone 7 Liaison Committee meeting is scheduled for Tuesday, February 26, for primarily a meet and greet to discuss water supply reliability.
 - Directors Duarte and Johnson, and a few senior staff will be attending the Pleasanton State of the City Address on Tuesday, February 26.
- Correspondence to and from the Board on an Item not on the Agenda

Date	Format	From	To	Subject	Response
2/8/19	Email	Ms. Debi Davis (Dublin Resident)	DSRSD Board (City of Dublin, various DSRSD staff)	Water Quality	Email from Communications staff
2/19/19	Letter (to be mailed if no concerns from the Board)	Directors Duarte and Vonheeder-Leopold	Assemblymember Rebecca Bauer-Kahan	Meeting Last Friday	N/A

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 FIVE AYES.

7.A. Special Meeting Minutes of February 5, 2019 – Approved

7.B. Accept the Following Regular and Recurring Reports: Warrant List and Quarterly Financial Reports – Approved

8. BOARD BUSINESS

8.A. Public Hearing: Receive Presentation on the Transition Process from an At-Large to a Division-Based Election System, Receive Input from the Community Regarding Boundaries and Composition of Divisions to Be Established for Division-Based Elections Pursuant to Elections Code Section 10010, and Provide Direction

General Manager McIntyre reviewed the item for the Board. He commented that this is the second of four required public hearings the District will hold to transition from at-large to area-based elections, that the public has an opportunity tonight to provide input on potential divisions, and that the Board has an opportunity to provide guidelines and directions on criteria for the District's independent demographer to consider in drafting the division maps. The draft maps will be posted in advance of the third public hearing on March 19. He introduced the District's independent demographer, Mr. Michael Wagaman of Wagaman Strategies, and noted that the District's special counsel is also in attendance to answer any legal process questions.

Mr. Wagaman proceeded to give a presentation to the Board, staff, and members of the public in attendance. Copies of the slide presentation were provided. He explained the purpose of tonight's public hearing is to identify the communities of interests and prioritize the criteria for division boundaries, and noted that his role is to facilitate rather than drive the divisioning process. He reviewed the public input process, the transition process timeline, the phases leading up to implementation of area-based elections, the limitations of the current census data, and the legal standards. He then switched to a mapping software to show the population distributions by map layers.

President Misheloff declared the Public Hearing open. She inquired if there were any comments from the public or questions for Mr. Wagaman.

Speaker: Mr. Scott Rafferty (Attorney representing Bay Area Voting Rights Initiative; issued demand letter to the District) – Mr. Rafferty suggested making the creation of one to two Asian-majority districts a priority, considering the high concentration of Asians in East Dublin and Dougherty Valley. He also suggested the Board consider county lines, types of service areas, and common interests. Mr. Rafferty later expressed support for blended service areas and complimented the Board's careful thinking.

Speaker: Mr. Robert Spicer (Dublin Resident) – Mr. Spicer suggested the Board consider the District's different services and usages when drafting the division maps.

The Board of Directors asked questions and discussed possible criteria, including county lines, service areas, geography, and natural borders such as existing communities and thoroughfares. The Board expressed difficulties developing areas without accurate population figures. Director Johnson suggested consideration of a blended customer base map crossing county lines and the Latino population. She stated for the record that she is opposed to the customer base map based on county lines and segregated by utility service categories.

Mr. Wagaman clarified for the record that he always starts with race-neutral criteria and checks them against the California Voting Rights Act criteria to avoid using race as a predominate factor. He summarized the Board's direction: to draw at least one map that prioritizes county lines and at least one map that prioritizes having as many service districts as possible covering at least two of the service areas. The Board then discussed commercial versus residential areas, prison population, and build-out of Dougherty Valley for criteria considerations.

Director Halket MOVED to close the Public Hearing. Director Johnson SECONDED the MOTION, which CARRIED with FIVE AYES.

President Misheloff declared the Public Hearing closed.

8.B. Receive Presentation on Water Distribution System Improvements

General Manager McIntyre noted that this item provides context for the next two items on the agenda.

Water/Wastewater Systems Operations and Maintenance Supervisor Dan Martin reviewed the item for the Board with a presentation. He provided copies of the slide presentation to the Board. Mr. Martin reviewed the four key factors in water quality management and the methods for enhancing water quality. He described nitrification control using dead-end flushing. He covered the development process of the flushing program, the implementation details, the results, and the impacts to the District repair resources and budget. The Board and staff discussed the proposed Valve and Blow-off Replacement project. Mr. Martin noted that his next presentation to the Board relates to water age improvements. He thanked the senior managers for hiring him and acknowledged the Field Operations Division staff, most in attendance, for successfully handling the recent changes. Director Vonheeder-Leopold remarked that the employees are the heart and soul of the District.

The Board took a break at the conclusion of Item 8.B., from 7:36 to 7:48 p.m.

- 8.C. Approve an Amendment to the Capital Improvement Program (CIP) Ten-Year Plan and the CIP Two-Year Budget to Add the Valve and Blow-Off Replacement Project (CIP 19-W004)

Engineering Services Manager Zavadil stated that funding for the project comes from approved CIP budget set aside for unanticipated projects.

Director Halket MOVED to adopt Resolution No. 7-19, approving an Amendment to the Capital Improvement Program (CIP) Ten-Year Plan and the CIP Two-Year Budget to Add the Valve and Blow-Off Replacement Project (CIP 19-W004). Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.D. Approve a Budget Adjustment for Water Distribution Operations for Fiscal Year Ending 2019

Administrative Services Manager Atwood reviewed the item for the Board.

Vice President Duarte MOVED to adopt Resolution No. 8-19, approving a Budget Adjustment for Water Distribution Operations for Fiscal Year Ending 2019. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.E. Receive a Briefing on District Office Flood Insurance Claim

Human Resources and Risk Supervisor Michelle Gallardo introduced Mr. Seth Cole of Alliant Insurance to answer questions concerning the District's claim. Mr. Cole explained the claim process, the adjustment process, and the advancement of funds to cover costs. He responded to the questions from the Board and staff regarding redirecting funds and processing bids, and clarified the District cannot profit from the loss. The Board thanked Mr. Cole.

- 8.F. Approve an Amendment to the Capital Improvement Program (CIP) Ten-Year Plan and the CIP Two-Year Budget to Add the District Office Renovation Project (CIP 19-A005)

General Manager McIntyre reviewed the item for the Board. He and Engineering Services Manager Zavadil briefly explained the funding sources and the CIP facilities program.

Director Vonheeder-Leopold MOVED to adopt Resolution No. 9-19, approving an Amendment to the Capital Improvement Program (CIP) Ten-Year Plan and the CIP Two-Year Budget to Add the District Office Renovation Project (CIP 19-A005). Director Johnson SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.G. Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists

Director Johnson inquired about placing this recurring item under Consent Calendar. General Manager McIntyre explained the item is placed under Board Business to allow an opportunity for public testimony.

Director Johnson MOVED to Approve Continuation of Emergency Action Procurement by General Manager for Repair of the District Office and Find that the Need for the District Office Flooding Emergency Still Exists. Vice President Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- 8.H. Receive Annual Briefing Related to District Governance (Brown Act, California Public Records Act, and Conflict of Interest)

District General Counsel Nelson addressed the Board and gave verbal updates on the Ralph M. Brown Act, the Public Records Act, the Political Reform Act, Government Code Section 1090 et seq., the Fair Political Practices Commission (FPPC) regulations, and SB 998 (Dodd). Mr. Nelson provided a handout containing the pertinent updates. The only Brown Act update was AB 2257 (Maienschein), enacted in 2016 for effect January 1, 2019, requiring local agencies to prominently display agendas on their primary internet website homepage. Public Records Act (PRA) updates included the requirement for independent special districts to maintain a website, right of the requestor (instead of the plaintiff) to receive attorney's fees for litigating the disclosure of public records, and other provisions not applicable to the District. Political Reform Act updates included a clean-up of disclaimer rules relating to the definition and formatting of advertisements, authorization of the FPPC to have primary responsibility in carrying out local campaign finance and governmental ethic laws for any local jurisdiction by agreement, modification to the electronic media advertisement disclaimer requirements, and revisions regarding online processing of campaign statements for operation after the Secretary of State certifies a system. There were no changes to Government Code Section 1090, et seq., which imposes severe penalties for participating in a decision when an official has an interest in a contract. The FPPC regulations included an amendment to clarify when an official's interest in a business entity is also an interest in that business entity's parent, subsidiary, or otherwise related business entity; numerous revisions pertaining to campaign statements; and new regulations including a

prohibition of contributions using cryptocurrency. Lastly, SB 998 (Dodd) adds new requirements relating to the termination of residential water service. Mr. Nelson concluded his updates by noting future bills and their possible impacts.

9. BOARDMEMBER ITEMS

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

Director Vonheeder-Leopold submitted written reports to Administrative Analyst I Chiu. She reported she attended the California Association of Sanitation Agencies (CASA) Board of Directors teleconference meeting on February 11. She provided contact names for anyone interested in serving on the CASA Board. She attended a meet and greet with Assemblymember Rebecca Bauer-Kahan on February 15 at her San Ramon office. She attended an Alameda County Special Districts Association (ACSDA) Chapter Board meeting on February 19 at the Castro Valley Sanitary District. She noted ACSDA confirmed a joint meeting with the Contra Costa Special Districts Association Chapter on July 15 and an annual meeting on March 28. She summarized the activities and discussions at the meetings.

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

10. CLOSED SESSION

At 8:22 p.m. the Board went into Closed Session.

10.A. Conference with Labor Negotiators – Pursuant to Government Code Section 54957.6

Agency Negotiator:	Dan McIntyre, General Manager Carol Atwood, Administrative Services Manager
Employee Organizations:	1. Stationary Engineers, Local 39 2. Mid-Management Employees' Bargaining Unit 3. Professional Employees' Bargaining Unit 4. Confidential Employees' Bargaining Unit
Additional attendees:	Carl P.A. Nelson, General Counsel Genevieve Ng, Sloan Sakai Yeung & Wong LLP

10.B. Conference with Legal Counsel – Anticipated Litigation

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2):
One Potential Case

10.C. Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)

Name of Case: Dublin Unified School District

11. REPORT FROM CLOSED SESSION

At 8:43 p.m. the Board came out of Closed Session. President Misheloff announced that there was no reportable action.

12. ADJOURNMENT

President Misheloff adjourned the meeting at 8:43 p.m.

Submitted by,

Vivian Chiu, MMC
Administrative Analyst I

FOR: Nicole Genzale, CMC
Executive Services Supervisor/District Secretary