



87 Carol Lane
P.O. Box 127
Oakley, CA 94561-0127
925-625-3798
Fax 925-625-0814
www.diablowater.org

Directors:
Paul Seger
President

Scott R. Pastor
Vice President

Kenneth L. Crockett
Marilyn Tiernan
Joe Kovalick

General Manager
& Secretary:
Daniel Muelrath

General Counsel:
Wesley A. Miliband

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON MAY 26, 2021

Due to the current COVID-19 Pandemic, Local Health Orders, and the Governor's Health Orders, the Regular Meeting of the Board of Directors of Diablo Water District was held on May 26, 2021 at 6:30 pm via conference call / web as noticed in the posted agenda.

1. Call to Order and Roll Call

The regular meeting of the Board of Directors of Diablo Water District (District) was called to order by President Seger at 6:39 p.m. on May 26, 2021.

Directors Present: Seger, Pastor, Crockett, Tiernan, Kovalick

Staff Present: Dan Muelrath, Kait Knight, Nacho Mendoza,
Jennifer McCoy

General Counsel: Wes Miliband (AARLL)

District Engineer: Bill Brick (CDM Smith)

Others Present: Angela Lowery (ISD Liaison), Andria Loutsch (CDM Smith), Judy Nishimoto (CDM Smith), Members of General Public

- 2. Public Input.** (Anyone present may address the Board of Directors on any subject within the jurisdiction of Diablo Water District. If the subject item is on this Agenda, please hold public comment until the appropriate item).

None.

3. Consent Calendar.

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the

Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Calendar for discussion, it will be considered separately. *The consent calendar may be approved by a single motion to approve, followed by a second and then a call for vote.*

A. Minutes of the Regular Meeting of April 28, 2021.

Staff Recommendation: Approve.

B. Minutes of the Special Meeting of May 10, 2021.

Staff Recommendation: Approve.

C. Annual Review of Investment Policy.

Staff Recommendation: Adopt Resolution No. 2021-09 Amending District Regulation 111 to reflect staff's current job title.

It was moved by Director Kovalick, and seconded by Director Tiernan, and approved by the following vote to approve the Consent Calendar items.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

4. Urban Water Management Plan Public Hearing.

Staff Recommendation: Conduct public hearing.

Received presentation from Andria Loutsch (CDM Smith).

Public Comment(s): Angela Lowery inquired if the increased water usage was in relation to new construction. Andria responded that the numbers came from the work they did in the 2020 Facilities Plan. They reviewed land use information and developments to figure out what the build-out in the District would be.

Director Tiernan expressed that she would like TDS to be clearly defined.

Director Kovalick commented that he wants to focus on new groundwater sources for emergencies, and to expedite getting the iron and manganese filters installed.

President Seger wanted clarification on the capacity the wells produce, and Andria replied that this is the potential capacity that we could draw from the wells, however, there is a surplus and we would not be drawing the full capacity.

President Seger closed the hearing.

5. Risk and Resiliency Assessment Final Presentation.

Staff Recommendation: Receive.

Received presentation from Judy Nishimoto (CDM Smith).

6. Credit Card/Software Processing Fee Absorption Agreement.

Staff Recommendation: Authorize the General Manager to execute an agreement with Global Payments Direct, Inc. with the District absorbing the credit card and software fees effective July 1, 2021.

It was moved by Director Tiernan, seconded by Director Crockett, and approved by the following vote to authorize the General Manager to execute an agreement with Global Payments Direct, Inc. with the District absorbing the credit card and software fees effective July 1, 2021.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

7. Authorization to Mail Prop 218 for County Well System M-27.

Staff Recommendation: Authorize mailing of notifications for the proposed rate increase for County Well System M-27.

It was moved by Director Crockett, seconded by Director Tiernan, and approved by the following vote to authorize mailing of notifications for the proposed rate increase for County Well System M-27 with the possible terminology amendment by legal counsel to change the word "levy".

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

8. Fiscal Year 2021/2022 Budget Approval

Staff Recommendation: Adopt the Fiscal Year 2021/22 Budget.

Director Tiernan proposed that the cost-of-living be amended to 5% (up from 4%) to recognize the essential worker status of District employees.

It was moved by Director Tiernan, seconded by Vice President Pastor, and approved by the following vote to adopt the Fiscal Year 2021/22 Budget with the amendment of a 5% cost-of-living increase for staff.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

9. New and Updated Environmental Regulations Based on Resolution 2021-02.

Staff Recommendation: Adopt Resolution No. 2021-10 approving the amendments to Regulations 107 and Regulation 8 and establishing Regulation 10.

President Seger requested that the adoption of this resolution be moved to the Regular Board meeting in June.

Director Tiernan wanted to know, regarding purchasing authority, if a SOP was already developed. General Manager Muelrath responded that yes, it outlines supplies and equipment purchases, while the services live in another regulation.

Vice President Pastor wanted to know what other districts our size allows for budgeting. General Manager Muelrath has seen between \$50k and \$250k in his experience, while General Counsel Miliband agreed with these amounts and that they are a broad range depending on the district. Vice President Pastor also voiced that he does not believe that we should have a complete ban on turf installation for new development.

Director Kovalick concurred that he would like this moved to the next Regular Board meeting. He expressed concern over the purchasing limit and would like to come to a compromise that two board members could possibly sign off on certain purchasing amounts as well. General Manager Muelrath responded that we do

have auditors reviewing our processes, as well as the Purchasing Officer does not receive the bids. He concluded that he agrees they should be able to come to a compromise on this subject. General Counsel Miliband advised that this is a feasible option. Director Kovalick also expressed that he would like a complete ban on front yard turf installation for new development. Director Kovalick also addressed the water-waste issue and asked if this has been an issue in the past with our customers wasting water. General Manager Muelrath replied that the District had very few water-wasters during the last drought and that it is important to develop guidelines and structure should the issue arise.

Accounting Operations Manager, Jennifer McCoy, asked if it was possible to add language to the regulation regarding tenants who are experiencing leaks and if landlords are liable to repair them.

Director Crockett voiced concern over a complete turf ban as the rest of the state is not banning turf completely.

No action was taken, and this will be moved to a future agenda.

10. Final Groundwater Regulations Based on Resolution 2021-03.

Staff Recommendation: Adopt Resolution No. 2021-11 establishing Regulation 11.

It was moved by Director Kovalick, seconded by Vice President Pastor, and approved by the following vote to adopt Resolution No. 2021-11 establishing Regulation 11.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

11. Approval to Proceed with Technical Assistance Grant Request to State Water Resources Control Board for Consolidation Efforts.

Staff Recommendation: Authorize the General Manager to request the SWRCB, initiate the technical assistance grant submission for the Sandmound Blvd area, and continue to work with SWRCB to determine the

eligibility of Bethel Island up to and including submission of a technical assistance grant.

It was moved by Director Crockett, seconded by Director Tiernan, and approved by the following vote to authorize the General Manager to request the SWRCB, initiate the technical assistance grant submission for the Sandmound Blvd area, and continue to work with SWRCB to determine the eligibility of Bethel Island up to and including submission of a technical assistance grant.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

12. Financial Reports.

Staff Recommendation: Approve warrant register 2021-4, ACH and wire transactions, and receive the monthly financial statements.

It was moved by Director Crockett, seconded by Director Kovalick, and approved by the following vote to approve warrant register 2021-4, ACH and wire transactions, and receive the monthly financial statements.

AYES: Pastor, Crockett, Kovalick, Tiernan, Seger
NOES: None
ABSTAIN: None

13. General Manager's Reports.

- Water Supply Charts
- General Plan Updates
- PSPS Grant Project
- Fire Hydrant Maintenance

Director Kovalick asked for a rough estimate on how much it would cost the District to maintain the fire hydrants. General Manager Muelrath answered that it would be roughly \$125k to \$150k range.

14. General Counsel's Reports.

- General Counsel did not have anything additional to report.

15. Engineer's Reports.

- Construction project updates were provided on projects that made significant progress since the previous Board meeting.

16. Director's Reports.

- Representatives presented verbal reports on meetings they attended. Vice President Pastor recommended that staff attend County OES meetings to make sure that we are networked and have a connection there in case of emergency. General Manager Muelrath confirmed that we have a relationship with the County OES, however, he will make sure that we have direct contact with them.

17. Future Agenda Items.

- Preliminary list of items for the next two months was presented.

18. Next Meetings of the Board of Directors.

- June 23, 2021
- July 28, 2021
- August 25, 2021

19. Adjournment.

Director Crockett adjourned the meeting at 10:04 p.m.



Dan Muelrath, General Manager/Secretary