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MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON APRIL 27, 2022

Directors:
Paul Seger
President

Scott R. Pastor
Vice President

Kenneth L. Crockett
Marilyn Tiernan
Joe Kovalick

General Manager
& Secretary:
Daniel Muelrath

General Counsel:
Wes A. Miliband

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 April 27, 2022 at 6:30 pm at the District's office and via conference call / web as noticed in the posted agenda.

1. Call to Order and Roll Call

The special meeting of the Board of Directors of Diablo Water District (District) was called to order by President Seger at 6:31 p.m. on April 27, 2022.

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

Staff Present: Dan Muelrath, Kait Knight, Jennifer McCoy, Lauren Posada

General Counsel: Wes Miliband (AARLL)

District Engineer: Bill Brick (CDM Smith)

Others Present: Pete Zirkle (ISD Liaison), Will Halligan (Luhdorff & Scalmanini Consulting Engineers), Faithe Lovelace (Luhdorff & Scalmanini Consulting Engineers).

- 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). **All virtual attendees will remain on mute until called upon to address the Board.**

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. Remote Meeting Access Approval.

Staff Recommendation: Approve remote meeting access for the current agenda.

B. Minutes of the Regular Meeting of March 23, 2022.

Staff Recommendation: Approve.

C. Minutes of the Special Meeting of March 30, 2022.

Staff Recommendation: Approve.

D. Amended and Restated Debt Management Policy.

Staff Recommendation: Approve the amended and restated Debt Management Policy.

E. Authorization to Execute Facilities Installation Agreement with SDC Delta Coves, for Subdivision 9426 – Delta Coves Cottages.

Staff Recommendation: Authorize the General Manager to Execute the Agreement.

F. Authorization to Execute Facilities Installation Agreement with The Ranchettes at Neroly, LLC.

Staff Recommendation: Authorize the General Manager to Execute the Agreement.

G. Acceptance of Facilities – Subdivision 7662 Stonewood 1A.

Staff Recommendation: Adopt Resolution Number 2022 –10.

H. Acceptance of Facilities – Subdivision 8728 Cypress Estates.

Staff Recommendation: Adopt Resolution Number 2022 – 11.

I. Acceptance of Facilities – Twin Oaks Senior Residence.

Staff Recommendation: Adopt Resolution Number 2022 – 12.

It was moved by Director Tiernan, seconded by Vice President Pastor, and approved by the following vote to approve the Consent Calendar.

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

4. GSA/GSP Update and Annual Report.

Staff Recommendation: Receive.

Will Halligan, Luhdorff & Scalmanini Consulting Engineers (LSCE), and Faithe Lovelace, LSCE, presented the Board with an update on the annual reporting for the GSP. The Board expressed their desire for additional monitoring of water quality degradation. Staff and LSCE advised that there is new technology to monitor and receive real-time data, as well as reviewed additional areas for potential monitoring wells. The Board requested follow-up regarding issues with septic and leech fields, as well as to be kept abreast of emerging GSA topics and discussion.

5. Mission Statement Update.

Staff Recommendation: Approve the District's new mission statement.

It was moved by Director Kovalick, seconded by Director Crockett, and approved by the following vote to approve the District's new mission statement.

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

6. Financial Reports.

Staff Recommendation: Approve warrant register 2022-03, ACH and wire transactions, and receive the monthly financial statements.

General Manager Muelrath advised the Board that the possible consolidation grant that would include M-27 would not cover any previous budget deficits. He advised the Board that he would bring back a full analysis of this system at a future meeting that would include proposed rate increases to bring this fund into the positive.

It was moved by Director Crockett, seconded by Director Tiernan, and approved by the following vote to approve warrant register 2022-03, ACH and wire transactions, and receive the monthly financial statements.

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

7. Water Industry Benchmarking – DWD Comparison.

General Manager Muelrath discussed certain key performance indicators for the District that came from the AWWA benchmarking study. The Board requested additional data on the areas where the District scored as satisfactory and needing improvement. Leak breaks were discussed along with the aging saddles that Staff is finding on repairs. The Board requested photos of the aging saddles in comparison to the replacement saddles.

8. Fiscal Year 2022/23 Budget Planning Workshop.

The Board continued discussion on the draft budget, which did not include possible grant reimbursement funds, or the possibility of federal funding passed through by the City of Oakley to begin the first phase of fire hydrant maintenance. Staff also informed the Board of potential earmark funding opportunities from Rep. McNerney's office for seismic retrofits. The feasibility of borrowing from the District's own Facilities Reserve Fund to complete the seismic retrofit was also discussed in case water sales revenue is lower than projects and/or grant funding is not received for this project. The Board also requested an additional breakdown for the overhead line item on the budget.

9. Low Income, Senior, and Disabled Assistance Program Modifications.

Directors and Staff continued discussion on the details of the proposed modifications to the assistance programs the District offers. The consensus of the

Board was that they liked the idea of adding a low-income discount and requested additional information on how eligibility for these programs would be verified.

10. Water Supply Outlook.

General Manager Muelrath reported on the current water supply assessments and demand report due June 1st. He informed the Board that Staff will be working with Contra Costa Water District (CCWD) and surrounding districts on aligning conservation messaging. He noted that the District is working with CCWD on areas of concern. The Board asked about messaging to our customers and if/when the District would target high water users in its outreach. Staff advised that our Tier 3 customers will be the first users targeted in direct outreach efforts.

11. Land/Aquifer Preservation.

The desire for land/aquifer preservation was revisited, with the Board asking about possible partnership with other organizations and the District looking into a non-profit status. Members of the Board are interested in targeted outreach to potential green agencies and requested Staff provide a presentation they can utilize by late Summer.

12. General Manager's Reports.

- Delta Water Quality.
- Water Supply and Conservation Outlook 2022.
- ACWA Spring Conference
- CSDA Legislative Days

General Manager Muelrath reported on the reduced quality of Delta water due to the drought and that the water received from Los Vaqueros is higher in hardness. He encouraged the Board to attend the upcoming conferences through ACWA and the CSDA.

13. Engineer's Reports.

- Construction project updates.
- Facilities Reserve Charge and Main Extension Reimbursement Assessment Update.

Bill Brick, CDM Smith, reported on the progress of the FRC and MERA assessment. The Board discussed those with 1" fire sprinkler meters could be taking advantage of the extra flow and would like Staff to bring back more information as these users pay the same fees as 5/8" metered homes. The Board was also concerned with the Seeno Ranchettes Project putting in septic tanks and asked if this would fall under GSA reach. General Counsel Miliband advised that the District could keep an eye on this and possibly see if the District, as a GSA, could be involved in the oversight.

14. General Counsel's Reports.

General Counsel Miliband reported that he will be attending the ACWA conference as he serves on the Legal Affairs Committee and the Groundwater Committee. He touched on pending legislative bills and advised that he will have a presentation to the Board at the next regular meeting.

15. Directors' Reports.

- Representative verbal reports.
- Other items as needed.

President Seger reported on recent City of Oakley Council meetings. He also reported on the Bethel Island Outreach meeting for possible consolidation on April 14, 2022. He mentioned that one of the biggest concerns of residents is the monthly cost of water and service that consolidation would bring. General Manager Muelrath explained that the feasibility study would reveal the true cost of water for these systems.

Vice President Pastor spoke on behalf of the Recycled Water Ad Hoc Committee and said that there are \$3m in federal earmark funds available. Studies still need to be conducted on where this money will be spent. General Manager Muelrath added that legal counsel is currently reviewing the first draft of the MOU.

16. Future Agenda Items.

- Preliminary list of items for the next two months.
- Other items being tracked and awaiting a scheduled date.

Discussion was held on a possible date of June 1st for the Special Board Meeting. Staff also requested cancelation of the Regular Board Meeting in June to give them

time to catch up on projects. Director Tiernan requested that land preservation remain on the list of future items.

17. Next Meetings of the Board of Directors.

- May 25, 2022 Regular Meeting
- Special meeting in June for Budget
- June 22, 2022 Regular Meeting – cancelled?

18. Adjournment.

Director Crockett adjourned the meeting at 10:57 p.m.



Dan Muelrath, General Manager/Secretary