



MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON FEBRUARY 22, 2023

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Directors:
Marilyn M. Tiernan
President

Scott R. Pastor
Vice President

Paul Seger
Joe Kovalick
Jason Shaw

General Manager:
Daniel Muelrath

General Counsel:
Wesley A. Miliband

Secretary:
Kait Knight

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 February 22, 2023 at 6:30 pm at the District's office, 87 Carol Lane, Oakley, California and 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 Tiernan at 6:32 p.m. on February 22, 2023.

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

Staff Present: Dan Muelrath, Kait Knight, Nacho Mendoza, Wayne Weaver

General Counsel: Wes Miliband (AARLL)

District Engineer: Bill Brick (CDM Smith)

Others Present: 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). **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 Special Meeting of December 12, 2022.

Staff Recommendation: Readopt corrected and amended minutes.

C. Minutes of the Regular Meeting of January 25, 2023.

Staff Recommendation: Approve.

D. Minutes of the Special Meeting of January 26, 2023.

Staff Recommendation: Approve.

E. Acceptance of Facilities – Subdivision 9516 Woodbury.

Staff Recommendation: Adopt Resolution Number 2023-01.

F. Acceptance of Facilities – Subdivision 8975 Shiloh.

Staff Recommendation: Adopt Resolution Number 2023-02.

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

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

4. R2 Seismic Retrofit Update.

Wayne Weaver, Construction and Maintenance Manager, updated the board on the progress of the first phase of the seismic retrofit at R2.

5. Grand Prize Winner of “Every Drop Counts” Conservation Contest.

Staff Recommendation: Issue “Every Drop Counts” Conservation Contest Winner Proclamation.

This item was moved after Item 7.

Vicki Morgan received the proclamation from the Board.

6. Purchase Tractor Loader.

Staff Recommendation: Authorize the General Manger to execute the purchase order with Pape Machinery, Inc. for \$134,063.13 to procure a John Deere 304 G Compact Wheel Loader.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to authorize the General Manger to execute the purchase order with Pape Machinery, Inc. for \$134,063.13 to procure a John Deere 304 G Compact Wheel Loader.

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

7. R2/R3 Solar Array.

Staff Recommendation: Authorize the General Manager to execute a contract with CalCom Energy for solar arrays at R2/R3 reservoirs at \$2.254 per watt, +/- 10%, up to a total value of not to exceed \$900,000.

The Board shared support of moving forward with more solar for the District.

Nacho Mendoza, Water Operations Manager, advised the Board that the District is already running pumps during non-peak hours to save money where we can.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to authorize the General Manager to execute a contract with CalCom Energy for solar arrays at R2/R3 reservoirs at \$2.254 per watt, +/- 10%, up to a total value of not to exceed \$900,000.

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

8. R2 Seismic Upgrades CEQA Categorical Exemption.

Staff Recommendation: Determine this project to be Categorically Exempt based on CEQA Class 1 and 2 Categorical Exemptions and authorize Staff to file the Notice of Exemption with the County Clerk.

It was moved by Director Seger, seconded by Director Shaw, and approved by the following vote to authorize the General Manager to determine this project to be

Categorically Exempt based on CEQA Class 1 and 2 Categorical Exemptions and authorize Staff to file the Notice of Exemption with the County Clerk.

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

9. Contra Costa LAFCO Vacancy.

Staff Recommendation: Discuss.

General Manager Muelrath noted that a correction to the staff report needed to be made, in that Stan Caldwell worked for Mountain View Sanitary.

Vice President Pastor expressed that he would like to run as an alternate for the position, and that his focus would be to ensure services were not lacking before approval is made.

It was moved by President Tiernan, seconded by Director Seger, and approved by the following vote to nominate Vice President Pastor as an alternate for the LAFCO vacancy.

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

10. Financial Reports.

Staff Recommendation: Approve warrant register 2023-01, ACH wire transactions for January 2023, and receive the monthly financial statements.

General Manager Muelrath highlighted that all District funds would be reinvested into ESG funds by 2027.

Director Kovalick requested more information on what District reserves should be at to remain prudent, and not excessive. General Manager Muelrath will arrange for the District's Municipal Financial Advisor to discuss this topic at a future meeting.

It was moved by Director Seger, seconded by Director Kovalick, and approved by the following vote to approve warrant register 2023-01, ACH wire transactions for January 2023, and receive the monthly financial statements.

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

11. Fiscal Year 2023/23 Budget Policy Planning Workshop.

General Manager Muelrath provided an overview of the progress of budgeted items. He informed the Board that the District is budgeting for a 2.5% increase in demand, and this information has been given to CCWD. He also reminded the Board that the District does not budget grant funding and the District was waiting on the pending reports from District engineers on Blue-Sky Planning.

General Manager Muelrath requested the Board send him any items over \$50,000 to be included before the next board meeting. He also mentioned that there will be more conversation regarding a staffing plan at the next meeting.

12. EPA WaterSense New Home Certification.

President Tiernan asked if the District could write policy around this initiative and was advised that it is feasible with Board direction.

Director Kovalick suggested replacement of high-flow toilets and encouragement of installation of recirculating pumps to reduce water waste.

The Board requested additional information on the WaterSense New Home Certification.

13. Social Media and Logo Policy.

The Board was provided with a draft of both the social media and logo policies, and all comments and feedback are requested to be returned within two weeks.

14. General Manager's Reports.

- Water Supply Charts.

General Manager Muelrath informed the Board that the District was running Stonecreek Well due to a hit and run accident that caused a power surge and damage to the VFD at Glen Park Well. He also noted that the current water hardness was 140ppm.

15. Engineer's Reports.

- Construction project updates.

Bill Brick, CDM Smith, reported on the status and progress of active projects.

President Tiernan asked if developers were planning for under 50 homes to avoid the requirement for groundwater monitoring wells. General Manager Muelrath responded that we do not see this being an issue. He added that the District would be responsible for the maintenance of these wells.

General Manager Muelrath advised the Board that the delays on the Oakley Logistics Project were not on our side, and ConFire is now involved.

16. General Counsel's Reports.

General Counsel Miliband reminded the Board to inform Staff of any absences under AB2449.

He also reported that there are many new legislative bills and will provide an update at the next meeting.

17. Directors' Reports.

- Representative verbal reports.
- Other items as needed.

Director Kovalick attended the City of Oakley meeting and reported the new planning commission selected two people and that the council would rotate holding the position of mayor.

Vice President Pastor attended a special meeting at Ironhouse Sanitary District about Jersey Island, and that they have entered into a joint agreement with Montezuma Water. This was in the early stages and he shared that one of their directors asked about levees, and was told it was too soon in the process, but would

come later. Their goal is 400 houses and a hotel. The project will require a vote to expand the urban limit line, and it will need 51% for it to pass.

President Seger attended the Contra Costa Water District board meeting. He noted they are forming a special committee to meet about retirement policies and are considering adding a position to include a retiree on the committee. They are also moving forward with a 2% COLA for retirees on the first \$78,000 effective in 2024. There was discussion on the number of bills in the legislature, and that water is a hot topic right now.

General Manager Muelrath updated the Board on the Groundwater Sustainability meeting, which was mostly an update on the status of the grant. The group was asked if they were interested in a transient flow model as well. President Tiernan added that she recently saw an article on groundwater quality that she will share with the Board. Director Seger inquired about how many wells in our area the GSA will be testing for water quality and pushed for additional contaminants to be tested for.

Vice President Pastor informed the Board that the Recycled Water Ad Hoc survey was wrapping up. General Manager Muelrath shared that they expect polling will be done by the end of February, with raw data results expected to be shared with the ad hoc by mid-March.

18. Future Agenda Items.

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

General Manager Muelrath recapped items added to the list would be the LAFCO resolution showing support for Vice President Pastor, if possible, a presentation on reserve levels, and a closed session on water rights. Some items from March will be moved to April to balance the agendas, such as water mutual consolidation which will be brought for action on grant authorization as a sub-applicant to potentially consolidate two water mutuals on Bethel Island.

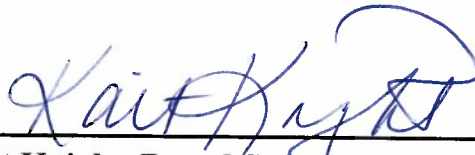
19. Next Meetings of the Board of Directors.

- March 22, 2023 Regular Meeting – 6:30 pm
- April 26, 2023 Regular Meeting – 6:30 pm
- May 24, 2023 Regular Meeting – 6:30 pm

General Manager Muelrath mentioned that we have Directors out of town the week of the March meeting, so the Board consensus was to cancel the regular meeting and schedule a special meeting on March 29, 2023 to ensure that there would be an in-person quorum.

20. Adjournment.

Director Seger adjourned the meeting at 8:54 p.m.



Kait Knight, Board Secretary