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MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
DIABLO WATER DISTRICT  
HELD ON MARCH 29, 2023

*Directors:*  
Marilyn M. Tiernan  
President

Scott R. Pastor  
Vice President

Paul Seger  
Joe Kovalick  
Jason Shaw

The Special Meeting of the Board of Directors of Diablo Water District was held on March 29, 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 special meeting of the Board of Directors of Diablo Water District (District) was called to order by President Tiernan at 6:32 p.m. on March 29, 2023.

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

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

General Counsel: Wes Miliband (AARLL)

District Engineer: Bill Brick (CDM Smith)

Others Present: Wing-See Fox (Urban Futures, Inc.), 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.**

Susan Morgan, Contra Costa Special District Association, shared information about the upcoming CCSDA 30<sup>th</sup> Anniversary Gala.

**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

*Secretary:*  
Kait Knight

*General Manager:*  
Daniel Muelrath

*General Counsel:*  
Wesley A. Miliband

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 February 22, 2023.**

Staff Recommendation: Approve.

**B. Authorization to Execute Facilities Installation Agreement with Civic Summer Lake North for Subdivision 9307 Summer Lake North, Phase 1- Backbone Improvements.**

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

Director Seger pulled item 3B from the consent calendar for discussion.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to approve item 3A of the Consent Calendar.

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

The Directors discussed concerns regarding the future health of our groundwater and the development down East Cypress. The consensus of the board was to move forward with item 3B and requested that Staff bring back information for potential policies on protecting the district assets from levee system failures and oil & gas drilling within the Groundwater Sustainability Agency's jurisdiction.

It was moved by Vice President Pastor, seconded by Director Kovalick, and approved by the following vote to approve item 3B of the Consent Calendar.

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

**4. District Reserves.**

Wing-See Fox (Urban Futures, Inc.).

The Directors received a presentation on the health and strength of District reserves. Wing-See Fox reported that District reserves were adequate and on track per the 2022 Water Rate Study.

**5. Update to the District's Discount of Monthly Service Charge for Low Income, Senior, or Disabled Customers.**

Staff Recommendation: Adopt Resolution Number 2023-03 authorizing staff to modify the District's discount assistance program in Regulation Number 1.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to adopt Resolution Number 2023-03 authorizing staff to modify the District's discount assistance program in Regulation Number 1.

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

**6. Contra Costa LAFCO Vacancy Nomination for Vice President Pastor.**

Staff Recommendation: Adopt Resolution No. 2023-04 nominating Scott Pastor, Diablo Water District Vice President, as a candidate for the position of the Contra Costa Local Agency Formation Commission Special District Alternate Seat.

It was moved by Director Seger, seconded by Director Shaw, and approved by the following vote to adopt Resolution No. 2023-04 nominating Scott Pastor, Diablo Water District Vice President, as a candidate for the position of the Contra Costa Local Agency Formation Commission Special District Alternate Seat.

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

**7. Social Media and Logo Policy.**

Staff Recommendation: Adopt the Social Media and Logo policies.

It was moved by Director Seger, seconded by Vice President Pastor, and approved by the following vote to adopt the Social Media and Logo policies.

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

**8. East County Water Management Association Agreement Amendment No. 2.**

Staff Recommendation: Authorize Director Shaw to cast an approval vote for Amendment No. 2, on behalf of the District, at the May 2023 ECWMA meeting and authorize the General Manager to execute Amendment No. 2 to the East County Water Management Association Agreement.

It was moved by Vice President Pastor, seconded by Director Kovalick, and approved by the following vote to authorize Director Shaw to cast an approval vote for Amendment No. 2, on behalf of the District, at the May 2023 ECWMA meeting and authorize the General Manager to execute Amendment No. 2 to the East County Water Management Association Agreement.

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

**9. Authorization to Execute Agreement with Mann Urrutia Nelson Certified Public Accountants & Associates (MUN CPAs), Limited Liability Partnership to Perform Fiscal Year 2022/23 Audit, in the Amount of \$31,000.**

Staff Recommendation: Authorize the General Manager and Board President to execute the Engagement Letter with Mann Urrutia Nelson CPAs & Associates for the Fiscal Year 2022/23 Audit, in the amount of \$31,000.

It was moved by Director Kovalick, seconded by Director Shaw, and approved by the following vote to authorize the General Manager and Board President to execute the Engagement Letter with Mann Urrutia Nelson CPAs & Associates for the Fiscal Year 2022/23 Audit, in the amount of \$31,000.

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

**10. Financial Reports.**

Staff Recommendation: Approve warrant register 2023-02, ACH wire transactions for February 2023, and receive the monthly financial statements.

It was moved by Director Seger, seconded by Vice President Pastor, and approved by the following vote to approve warrant register 2023-02, ACH wire transactions for February 2023, and receive the monthly financial statements.

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

**11. Fiscal Year 2022/23 Budget Planning Workshop.**

General Manager Muelrath highlighted that water demands are significantly down and that the Governor removed the drought restrictions last Friday, so the District is waiting to see when CCWD will remove the drought surcharge.

Director Kovalick asked about the timing of purchasing new electric trucks. General Manager Muelrath said the trucks are too expensive right now but expects prices to come down in 2024/25.

**12. General Manager's Reports.**

- Water Supply Charts.
- Recycled Water Public Opinion Survey Sample Results.
- Corporation Yard Construction Start Date – Groundbreaking?
- WaterSense Certification on New Homes Update.
- District's Weather Station & Groundwater Remote Monitoring.

General Manager reported out on the new weather station & groundwater remote monitoring station at the District's Well 1 location are installed. This is the unit the District will require developers to use in their monitoring wells and we will eventually share the data gathered from our monitor on our website.

**13. Engineer's Reports.**

- Construction project updates.

Bill Brick, CDM Smith, reported on the status and progress of active projects, mentioning that the recent rain and supply chain issues have hindered progress on projects.

General Manager Muelrath asked if we had seen the in-tract on Summer Lake North yet, and Bill reported that none of the in-tract for Summer Lake North have been approved yet. General Manager Muelrath pointed out that there was a typo on the construction list included in the board packet as none of the items in blue have approved plans.

The Board also received an update on the R2 seismic retrofit project. All current work has to be done before the District submits for the FEMA grant, which is currently scheduled for one day prior to the deadline. Staff is getting pricing on a backstop plan to not lose out on the \$1.4m grant. Staff has been inside the tank and is reviewing and determining costs for the crow's nest. Bill Brick added that the interior of the tank is showing some rust and corrosion, and although not a major concern, it should be touched up given the opportunity.

**14. General Counsel's Reports.**

General Counsel Miliband reported on some of the current legislative bills.

AB460 was most concerning to him as it would give the State Water Resources Control Board (SWRCB) more authority than it has now.

SB389 addresses pre-1914 water rights and the bill would erode away what has been traditionally protected from SWRCB.

AB838 focuses on water quality and safe drinking water. This requirement for reporting would address problematic agencies.

AB809 looks at the fish population along the coast, rather than rivers, and overall fishery health.

General Manager Muelrath added that ACWA is opposed to the water right restructuring and General Counsel Miliband agreed and said there have been many meetings and many agencies are concerned.

**15. Directors' Reports.**

- Representative verbal reports.
- Other items as needed.

Director Kovalick attended two City of Oakley meetings and shared that ISD presented their initiatives, an update on Jersey Island, recycled water and gave a storm update at the meeting. Aaron Meadows mentioned at that meeting that he is a big supporter of recycled water use. He also reported that the City was making an amendment to the General Housing Plan and is working with local agencies to reduce developer fees, but was unsure if this was specifically for low-income housing. He recommended reaching out to the City with what they want the District to do so the Board could discuss.

President Seger attended the Contra Costa Water District board meeting. He reported that CCWD is blue sky planning. He also shared that President Avila was in Washington and reported the Delta is a huge topic there in regard to replacing the loss from the Colorado River. He also reported there was a report on the Knightsen Wetland Restoration.

**16. Future Agenda Items.**

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

General Manager Muelrath reiterated that Staff would bring back information on levees and gas and oil drilling to the next regular meeting.

Director Kovalick added he would like the insurance requirements reviewed on District FIAs. General Manager Muelrath said it was updated two years ago but that Staff would bring back more information.

**17. Next Meetings of the Board of Directors.**

- April 26, 2023 Regular Meeting – 6:30 pm
- May 24, 2023 Regular Meeting – 6:30 pm
- June 28, 2023 Regular Meeting – 6:30 pm

General Manager Muelrath mentioned that the June board meeting would potentially be rescheduled to June 7<sup>th</sup> or 14<sup>th</sup>.

Closed Session

18. **Closed Session - Conference with Real Property Negotiations (§ 54956.8)**  
Property Description: Water rights irrigating lands under License 1510 issued by the California State Water Resources Control Board for Jersey Island  
Negotiation: Diablo Water District General Manager Dan Muelrath and Reclamation District 830 Representative (to be determined)  
Under Negotiation: Terms and Price

**No reportable action.**

Open Session

19. **Adjournment.**

Director Kovalick adjourned the meeting at 9:50 p.m.

  
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Kait Knight, Board Secretary