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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

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON JUNE 14, 2023

The Special Meeting of the Board of Directors of Diablo Water District was held on June 14, 2023 at 3:00 pm at the District's office, 87 Carol Lane, Oakley, California and via conference call / web as noticed in the posted agenda.

This meeting was conducted by teleconference for Vice President Pastor at the following location: 23333 Scotts Flat Lake, Nevada City, CA 95959, Site #224 (Pursuant to Government Code Section 54953). The above teleconference location was open to the public with the same opportunity to address the Board, and this agenda was duly posted at the teleconference location at least 24 hours in advance of the Board's meeting.

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 3:00 p.m. on June 14, 2023.

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

Staff Present: Dan Muelrath, Kait Knight, Nacho Mendoza, Wayne Weaver, Jennifer McCoy, Christine Belleci, Lauren Posada, Willow Ford

General Counsel: Wes Miliband (AARLL)

District Engineer: Bill Brick (CDM Smith)

Others Present: Stephen Whiteside (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). **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. Minutes of the Regular Meeting of May 24, 2023.

Staff Recommendation: Approve.

B. Update Regulation 1, 105 and 112- Operational Updates.

Staff Recommendation: Adopt Resolution 2023-09.

C. Authorization to Execute Small Utility Enterprise License Agreement with Environmental Systems Research Institute, Inc. (ESRI, Inc.) for Geographic Information System (GIS) Software.

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

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. LAFCO Special District Alternate Seat Vote.

Staff Recommendation: Authorize the Board President to cast the District's vote for Vice President Pastor.

It was moved by Director Seger, seconded by Director Shaw, and approved by the following vote to authorize the Board President to cast the District's vote for Vice President Pastor.

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

5. AB 50 Letter of Support.

Staff Recommendation: Authorize the General Manager to submit a letter of support for AB 50 to the District's legislators.

Director Kovalick asked for clarification on the redline of section four that seemed to remove credits to the customer for delayed response times.

President Tiernan asked if PG&E had delayed or cost the District. She also stated that PG&E has an obligation to cover delays and additional costs. General Manager Muelrath answered that these delays have not monetarily affected our current project, but we could send in a letter of support and push the obligation for PG&E further.

Director Seger requested that the Board President and Vice President review draft language before it is sent through.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to authorize the General Manager to submit a letter of support for AB 50 to District legislators.

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

6. Creation of Real Property Negotiations Subcommittee Ad Hoc.

Staff Recommendation: Establish a real property ad hoc subcommittee and select two directors to serve on the subcommittee.

Director Seger and President Tiernan requested to serve on the committee.

It was moved by Director Shaw, seconded by Vice President Pastor, and approved by the following vote to appoint Director Seger and President Tiernan to the Real Property ad hoc committee.

AYES: Pastor, Seger, Kovalick, Shaw, Tiernan

NOES: None

ABSTAIN: None

7. Authorization to Write Off Uncollectible Accounts for FY 2022-2023.

Staff Recommendation: Authorize staff to write off \$42,628.83 in bad debt from the financial system.

Finance & Accounting Manager McCoy highlighted that write-offs were high due to carryover from the moratorium during the pandemic. Many of the accounts being written off are from tenants and are currently in collections.

General Manager Muelrath added that the District could mitigate a portion of future write-offs if landlords were required to sign up for service.

Director Shaw requested that the Board discuss this further at a future board meeting.

Director Seger reminded the board that this topic had been discussed at previous board meetings, and there are still customers who cannot afford to pay their water bill. General Manager Muelrath informed the board that the District works with customers through payment arrangements that also stop additional late fees from being added to delinquent accounts while working to bring the account current.

It was moved by Director Seger, seconded by Director Kovalick, and approved by the following vote to authorize staff to write off \$42,628.83 in bad debt from the financial system.

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

8. Fiscal Year 2023/24 Budget Approval.

Staff Recommendation: Adopt the Fiscal Year 2023/24 Budget.

It was moved by Director Kovalick, seconded by Director Shaw, and approved by the following vote to adopt the Fiscal Year 2023/24 Budget.

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

9. Levee Failure Protection.

The Board engaged in a lengthy discussion regarding the funding of potential levee failure protection costs. The consensus of the Board was to incorporate the cost into connection fees through the developer.

The Board received a presentation (attached) on levee design from Stephen Whiteside, CDM Smith. The Board asked many questions about the standards of levee design and protection standards.

There was general consensus by the Board to investigate adding district related costs/reserves for infrastructure being built in levee protected areas to the District's Facility Reserve Charge.

10. Future Agenda Items.

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

11. Next Meetings of the Board of Directors.

- ~~June 28, 2023 Regular Meeting~~—6:30 pm (cancelled)
- July 13, 2023 Special Meeting 2:00 pm (Blue Sky Planning Update)
- July 26, 2023 Regular Meeting – 6:30 pm

Closed Session

12. 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

13. Adjournment.

Director Tiernan adjourned the meeting at 4:57 p.m.



Kait Knight, Board Secretary