



BOARD OF DIRECTORS:
MARILYN M. TIERNAN
PRESIDENT

SCOTT R. PASTOR
VICE PRESIDENT

PAUL SEGER
JOE KOVALICK
JASON SHAW

GENERAL MANAGER:
DANIEL MUEL RATH

GENERAL COUNSEL:
WESLEY A. MILIBAND

BOARD SECRETARY:
KAIT KNIGHT

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON MARCH 27, 2024

The Regular Meeting of the Board of Directors of Diablo Water District was held on March 27, 2024 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 and Pledge of Allegiance.

The regular meeting of the Board of Directors of Diablo Water District (District) was called to order by Director Tiernan at 6:33 p.m. on March 27, 2024.

Directors Present: Tiernan, Pastor, Seger, Kovalick
Staff Present: Dan Muelrath, Kait Knight, Nacho Mendoza, Wayne Weaver, Jennifer McCoy
General Counsel: Wes Miliband (AARLL)
Others Present: Bill Brick (CDM Smith), Angela Lowrey (Ironhouse), Mark Millan (Data Instincts), Anita Jain (Data Instincts), Craig Lichty (Black & Veatch), Katie Gellerman (Black & Veatch), Dan Lopez (Black & Veatch), Scott Miller (Black & Veatch)

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.

Presentation Items

3. Presentation - Direct Potable Reuse.
Data Instincts and Black & Veatch

The Board was presented with the findings and results of one-on-one initial outreach interviews for Direct Potable Reuse (DPR) by Data Instincts. The general consensus of the Board is to refine our message and continue outreach and education.

Black & Veatch provided an overview presentation on DPR technologies and highlighted potential challenges the District might encounter while exploring DPR opportunities.

Action Items

4. 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 Special Meeting of February 22, 2024.

Staff Recommendation: Approve.

B. Minutes of the Regular Meeting of February 28, 2024.

Staff Recommendation: Approve.

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

AYES: Pastor, Seger, Kovalick, Tiernan

NOES: None

ABSTAIN: None

ABSENT: Shaw

5. Financial Reports.

Staff Recommendation: Approve warrant register 2024-2, ACH wire transactions for February 2024, and receive the monthly financial statement for January 2024.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to approve warrant register 2024-2, ACH wire transactions for February 2024, and receive the monthly financial statement for January 2024.

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

6. Auditor Engagement.

Staff Recommendation: Authorization to Execute Agreement with Mann Urrutia Nelson Certified Public Accountants & Associates (MUN CPAs), Limited Liability Partnership, to Perform Fiscal Year 2023/24 Audit, in the amount of \$37,400.

It was moved by Director Kovalick, seconded by Director Seger, and approved by the following vote to authorize execution of an agreement with Mann Urrutia Nelson Certified Public Accountants & Associates (MUN CPAs), Limited Liability Partnership, to perform Fiscal Year 2023/24 audit, in the amount of \$37,400.

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

7. Support Special District Grant Accessibility Act (H.R. 7525).

Staff Recommendation: Authorize the General Manager to submit a letter of support for H.R. 7525 to Representative DeSaulnier and to sign onto the National Special District Association coalition letter of support.

It was moved by President Tiernan, seconded by Director Seger, and approved by the following vote to authorize the General Manager to submit a letter of support for H.R. 7525 to Representative DeSaulnier and to sign onto the National Special District Association coalition letter of support.

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

8. LAFCO Special District Regular Seat Election.

Staff Recommendation: Select a candidate to receive the District's vote and authorize the Board President to sign the ballot.

Director Seger expressed appreciation for both candidates' statements; however, he is satisfied with supporting Mike McGill.

It was moved by Director Seger, seconded by Vice President Pastor, and approved by the following vote to select Michael R. McGill as candidate to receive the District's vote and authorize the Board President to sign the ballot.

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

Discussion Items

9. Contra Costa Special District Association Overview.

General Manager Muelrath highlighted that the group is identifying ways to engage more reclamation districts with CCSDA.

10. General Manager's Reports.

- Water Supply Charts
- State Water Resources Control Board Water Conservation Regulations
- Taxpayer Protection and Government Accountability Ballot Initiative

General Manager Muelrath reported that both wells are currently not pumping water.

Director Kovalick expressed concern for the SWRCB water conservation regulations, noting that our residential service area does not reflect the majority of water usage in California. General Manager Muelrath added that it is a very expensive proposal and does not account for lost revenue.

Director Seger shared that he has been approached by environmental groups to sign letters opposing the extension of the regulation target dates. However, he is not signing the letters and is focusing on educating these groups on the challenges of this unfunded mandate.

11. Engineer's Reports.

- Construction project updates.

Bill Brick, CDM Smith, reported on the status of construction projects. During the discussion, the Board asked about the project at the Cline property. General Manager Muelrath said that the Cline family is part of the development team and to his knowledge they still own the property.

12. General Counsel's Reports.

No report.

13. Directors' Reports.

- Representative verbal reports.
- Other items as needed.

President Tiernan was absent from the City of Oakley meeting on March 12th but provided a report on the March 26th meeting. She mentioned the discovery of fruit flies in Brentwood and that our residents should dispose of personal fruit in the trash rather than composting through June 2024.

Vice President Pastor provided updates from the Ironhouse meeting, stating that Chad Davisson has retired, but it is desired that he remains a board member of CCSDA. General Manager Muelrath added that his new job may allow him to be eligible to remain on CCSDA. There was also a comment from Director Pete Zirkle regarding contaminated water, and Vice President Pastor mentioned difficulties hearing Ironhouse's legal counsel due to a faulty microphone. He had no updates on LAFCO.

Director Seger reported that CCWD approved \$251,000 for an AV structure to televise and record board meetings. It was uncertain whether live participation would be an option. He also reported that Los Vaqueros JPA would be reviewing the executive director's performance, and they discussed complexities of the Fiscal Year 2024/25 budget.

President Tiernan had nothing to report for ECC Groundwater Sustainability meeting except for signing off on the annual report.

General Manager Muelrath informed about a surplus land act presentation held during the CCSDA meeting.

Director Kovalick reported on the Recycled Water Ad Hoc meeting, stating that Ironhouse is moving forward with the grant application and that he raised concerns on how the funding was allotted during the meeting, and noting that we cannot manage how they spend the grant. He also encouraged other Directors to visit recycled water facilities.

14. Future Agenda Items.

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

Director Kovalick expressed a desire to discuss PR strategies for the District to be more involved in the community. General Manager Muelrath noted that this would require additional staffing and resources, which would need to be reflected in the budget.

Director Seger suggested exploring future sponsorship opportunities to ensure that the District sponsors alongside other entities with aligned practices. Director Kovalick responded that the District should take a soft influence approach to this.

15. Next Meetings of the Board of Directors.

- April 24, 2024 Regular Meeting – 6:30 pm
- May 22, 2024 Regular Meeting – 6:30 pm
- June 12, 2024 Special Meeting - 2:30 pm (pending Director's approval)
- ~~June 26, 2024 Regular Meeting – 6:30 pm canceled~~

The Board consensus approved the special meeting date of June 12, 2024 at 2:30 pm.

Closed Session

**16. Closed Session – Conference with Real Property Negotiations
(Government Code § 54956.8)**

Property Description: Jersey Island located in Contra Costa County
Negotiation: Diablo Water District General Manager Dan Muelrath and
Ironhouse/Reclamation District 830 Representative TBD
Under Negotiation: Terms and Price

Conference with Legal Counsel – Anticipated Litigation (Paragraph (4) of subdivision (d) of Gov. Code § 54956.9)
(One Potential Case)

General Counsel Miliband reported on the second closed session item stating direction has been given to initiate a protest to the Delta Conveyance Project by submitting a protest via California DWR's change petition that is pending with the State Water Resources Control Board.

Open Session

17. Adjournment.

Director Tiernan adjourned the meeting at 10:35 p.m.



Kait Knight, Board Secretary