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MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
DIABLO WATER DISTRICT
HELD ON NOVEMBER 16, 2022

Directors:
Paul Seger
President

Scott R. Pastor
Vice President

Kenneth L. Crockett
Marilyn Tiernan
Joe Kovalick

Due to the current COVID-19 Pandemic, Local Health Orders, and the Governor's Health Orders, the Special Meeting of the Board of Directors of Diablo Water District was held on November 16, 2022 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.

General Manager:
Daniel Muelrath

1. Call to Order and Roll Call

General Counsel:
Wesley A. Miliband

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 November 16, 2022.

Directors Present: Seger, Pastor, Crockett, Tiernan, Kovalick
Staff Present: Dan Muelrath, Kait Knight, Jennifer McCoy, Nacho Mendoza
General Counsel: Wes Miliband (AARLL)
District Engineer: Bill Brick (CDM Smith)
Others Present: Pete Zirkle (ISD Liaison), Members of General Public

The Pledge of Allegiance was led by Girl Scout Troop 32982.

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.**

Pete Zirkle, ISD, shared appreciation for the DEI training that was conducted at the Special Board Meeting on November 9, 2022.

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

Secretary:
Kait Knight

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 August 31, 2022.

Staff Recommendation: Approve.

C. Minutes of the Regular Meeting of October 26, 2022.

Staff Recommendation: Approve.

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

It was moved by Director Tiernan, seconded by Director Kovalick, and approved by the following vote to approve items 3.A and 3.C on the Consent Calendar.

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

Director Kovalick stated he did not agree with CCWD's Vice President Martinez's position on the cost-effectiveness of solar and wanted the minutes to be amended to reflect this.

It was moved by Director Kovalick, seconded by Director Tiernan, and approved by the following vote to approve item 3.B as amended on the Consent Calendar.

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

4. Award R2 Foundation Seismic Upgrade Contract.

Staff Recommendation: Authorize the General Manager to issue a notice to proceed and execute a not to exceed contract with Valentine Corporation, a California Corporation in the amount of \$373,369, plus a 10% contingency

that may be exercised at the General Manager's discretion.

It was moved by Director Kovalick, seconded by Director Crockett, and approved by the following vote to authorize the General Manager to issue a notice to proceed and execute a not to exceed contract with Valentine Corporation, a California Corporation in the amount of \$373,369, plus a 10% contingency that may be exercised at the General Manager's discretion.

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

5. East Contra Costa Subbasin Grant Application.

Staff Recommendation: Adopt resolution number 2022-27 authorizing preparation and submittal of a sustainable groundwater management act implementation round 2 funding application to the California Department of Water Resources for the East Contra Costa Groundwater Subbasin in Contra Costa County, CA.

President Seger asked if there was an opportunity to conduct testing for PFAS at the Byron Airport. General Manager Muelrath answered that this could be added in as a groundwater quality testing component and they could see if the county could do it.

It was moved by Director Kovalick, seconded by Director Tiernan, and approved by the following vote to adopt resolution number 2022-27 authorizing preparation and submittal of a sustainable groundwater management act implementation round 2 funding application to the California Department of Water Resources for the East Contra Costa Groundwater Subbasin in Contra Costa County, CA.

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

6. Recycled Water Public Opinion Survey Contract.

Staff Recommendation: Authorize the General Manager to execute a contract for a recycled water public opinion survey

with Data Instincts partnered with Katz & Associates for the amount of \$125,000.

Vice President Pastor stressed the importance of collecting the correct data at the start of the project.

Director Kovalick added that we need to know what our customers are willing to accept and how it will be received.

General Manager Muelrath noted that there was a risk that we will not be reimbursed for the study, but there was a high likelihood we would.

Director Tiernan asked if the references had all been vetted. General Manager Muelrath has worked with one of the clients before, and Vice President Pastor added that they have also worked with other agencies.

It was moved by Director Tiernan, seconded by Director Kovalick, and approved by the following vote to authorize the General Manager to execute a contract for a recycled water public opinion survey with Data Instincts partnered with Katz & Associates for the amount of \$125,000.

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

7. Wholesale Rate Passthrough.

Staff Recommendation: Delay the impact to District ratepayers of Contra Costa Water District's 15% drought surcharge until 2023, by holding off on an 8% wholesale rate passthrough until February 2023, at which time the District's 3.75% normal rate increase will also be applied.

General Manager Muelrath reviewed the options again with the Board, noting that 80% of the total increase was due to the Contra Costa Water District (CCWD) Drought Surcharge.

The Board concurred that the messaging to ratepayers needed to be clear that the additional increase was due to the CCWD Drought Surcharge. They agreed to delay the increase and start messaging in January to give our customers time to prepare for the increase.

General Manager Muelrath noted that the Board could suspend the surcharge at any time, whether the deficit had been recouped or not. He informed the Board that if the drought became more severe, there may be additional actions needed in the future.

It was moved by Director Tiernan, seconded by Director Kovalick, and approved by the following vote to delay the impact to District ratepayers of Contra Costa Water District's 15% drought surcharge until 2023, by holding off on an 8% wholesale rate passthrough until February 2023, at which time the District's 3.75% normal rate increase will also be applied.

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

8. Financial Reports.

Staff Recommendation: Approve warrant register 2022-10 and ACH wire transactions for October 2022.

It was moved by Director Crockett, seconded by Director Tiernan, and approved by the following vote to approve warrant register 2022-10 and ACH wire transactions for October 2022.

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

9. Resolution of Appreciation for Director Kenneth Crockett.

General Manager Muelrath presented the Board with the resolution for Director Crockett's 38 years of service on the Board of Directors.

Director Crockett was acknowledged by those in attendance for his service and accomplishments during his tenure on the Board and thanked him for being a great asset to the community.

10. General Manager's Reports.

- Water Supply Charts.

General Manager Muelrath answered general questions from the Board noting that groundwater pumping has been off and on, Los Vaqueros has not been drawn down yet for the work being done, and there has been snowpack from the last few storms. He informed the Board that conservation was at 11.6%, not including growth in the District. The District will need to monitor for potential revenue impacts.

11. Engineer's Reports.

The Board had questions for Bill Brick, CDM Smith, regarding the seismic retrofit of Reservoir 2. He advised the Board that shovels would hit the ground as soon as the District was ready to drain the reservoir. The Board asked to be included in site visits once the reservoir was drained.

General Manager Muelrath assured the board that he would give advance notice of the dates for the seismic retrofit as well as the wellhead treatment project. The drainage of the reservoir will also give the District an opportunity to inspect the crow's nest as there could be corrosion.

12. General Counsel's Reports.

General Counsel Miliband walked the Board through the new teleconferencing rules under AB2449.

13. Directors' Reports.

- Representative verbal reports.
- Other items as needed.

Director Crockett attended the East County Water Manager's Association meeting. He shared there were a lot of new faces and there was much discussion on recycled water. General Manager Muelrath added that there will be an appointment of new members, and this was a chance to get these meetings restarted. The group requested quarterly meetings and there was a renewed energy for regional water supply assessments.

President Seger attended two City of Oakley meetings. He reported that there was a Restore the Delta report that included impacts of the tunnel project. He also shared that a contract was awarded for a 55-acre park by Emerson Park. Councilmember Fuller had expressed he hoped it could be used for senior-living housing, but the rest of the City's Council opposed, and they wanted to engage

stakeholders. President Seger would like the District to be engaged in conversations regarding the 55-acre park. The second meeting was a special meeting to approve the JPA between the City and RD799. The City's Council moved forward with the proposed levees and are in process of FEMA approval.

Vice President Pastor attended the ISD Board Meeting and shared they were excited about the Recycled Water Public Opinion Survey contract. He also shared that ISD passed around samples of the bio-solid briquettes that compact the bio-solids down into 10% of what they used to be. Pete Zirkle, ISD, explained the benefits of these bio-solids, highlighting they would not negatively impact the environment and one briquette was the equivalent of 12-15 gallons of waste. ISD is hoping to start using this method in the next year.

He also reported on the Recycled Water Ad Hoc meeting stating there would be a Q&A on November 25th that the EPA was running, and they are working on getting the survey out. General Manager Muelrath remarked that with the public opinion survey and the update to the feasibility study we should be able to meet our grant match.

Director Kovalick did not attend the Contra Costa Water District meeting as it was the same night as this meeting, but did mention the agenda focused on Los Vaqueros items, the Panoche project and canal repairs and upgrades.

Director Tiernan was unable to attend the SGMA meeting but shared it was a short meeting regarding grants.

14. Future Agenda Items.

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

General Manager Muelrath mentioned there was not a date in December that worked for the Blue Sky Planning Special Meeting and was hoping that the meeting will happen in January.

15. Next Meetings of the Board of Directors.

- ~~December 28, 2022 Regular Meeting – 6:30 pm canceled~~
- TBD - December 2022 - Special Meeting – Blue Sky Planning
- December 12, 2022 Special Meeting – 6:30 pm
- January 25, 2023 Regular Meeting – 6:30 pm

16. Adjournment.

Director Crockett adjourned the meeting at 8:25 p.m.



Kait Knight, Board Secretary