



BOARD OF 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

BOARD SECRETARY:  
KAIT KNIGHT

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
DIABLO WATER DISTRICT  
HELD ON MAY 28, 2025

The Regular Meeting of the Board of Directors of Diablo Water District was held on May 28, 2025 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.

*Director Kovalick attended the meeting remotely as noticed in the agenda.  
Due to technical difficulties, video recording was not available.*

**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 President Tiernan at 6:41 p.m. on May 28, 2025.

Directors Present: Tiernan, Pastor, Seger, Kovalick, Shaw  
Staff Present: Dan Muelrath, Kait Knight, Nacho Mendoza, Jennifer McCoy,  
General Counsel: Wes Miliband (Miliband Water Law)  
Others Present: Theresa Jurotich (Rafetlis), Gina DePinto (Rafetlis), Bill Brick (CDM Smith), Dawn Morrow (ISD), Members of the 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.

None.

Action

**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 April 23, 2025.**

Staff Recommendation: Approve.

**B. HomeServe Contract Renewal and Fourth Amendment to Marketing Agreement.**

Staff Recommendation: Authorize the General Manager to execute the HomeServe Amendment contract for three years.

It was moved by Director Shaw, seconded by Director Seger, and approved by the following vote to approve the consent calendar.

AYES: Pastor, Seger, Shaw, Kovalick, Tiernan

NOES: None

ABSENT: None

Public Hearing

**4. Public Hearing – Proposed Water Rates.**

- Open Hearing
- Presentation, Discussion, and Public Comments and Written Objections
- Close Hearing

President Tiernan opened the hearing.

The Board received a presentation on the proposed rates from District consultant Theresa Jurotich (Rafetlis).

Director Seger expressed appreciation for the efforts to ensure rates remained equitable. He noted that the District continues to have the lowest fixed monthly service charge in the area, providing customers the opportunity to reduce their bills through their water usage.

President Tiernan closed the hearing.

### Action Items

**5. Proposed Water Rates Adoption.**

Staff Recommendation: Adopt Resolution Number 2025-07, determining compliance with procedural requirements, making findings and determinations, revising rates for potable water services and meter services and meter rates, amending the corresponding rate and charge schedules of the Diablo Water District, and taking related actions.

It was moved by Director Seger, seconded by Vice President Pastor, and approved by the following vote to adopt Resolution Number 2025-07, determining compliance with procedural requirements, making findings and determinations, revising rates for potable water services and meter services and meter rates, amending the corresponding rate and charge schedules of the Diablo Water District, and taking related actions.

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

**6. Financial Reports.**

Staff Recommendation: Approve warrant register 2025-4, ACH wire transactions for April 2025, and receive the monthly financial statement for March 2025.

It was moved by Director Seger, seconded by Director Shaw, and approved by the following vote to approve warrant register 2025-4, ACH wire transactions for April 2025, and receive the monthly financial statement for March 2025.

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

**7. Authorization to Mail Prop 218 for the District's Well Systems.**

Staff Recommendation: Authorize the mailing of Prop 218 notifications for the proposed rate increase to the District's Well Systems.

It was moved by Director Shaw, seconded by Vice President Pastor, and approved by the following vote to authorize the mailing of Prop 218 notifications for the proposed rate increase to the District's Well Systems.

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

**8. Policy Position on SB 454.**

Staff Recommendation: Authorize the General Manager to execute a letter of support for SB 454.

It was moved by Vice President Pastor, seconded by President Tiernan, and approved by the following vote to authorize the General Manager to execute a letter of support for SB 454.

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

**Discussion Items**

**9. Fiscal Year 2025/26 Draft Budget.**

Director Kovalick requested clarification on the line item for the R1 diversion wall. Bill Brick, CDM Smith, explained the purpose of the diversion wall, noting it would be necessary in the event of an uncontrolled release of water from the reservoir. Potential solutions included utilizing existing materials and grading to construct a wall that would redirect water away from District facilities.

Director Seger noted that bringing repairs in-house when he first was elected to the Board has proven to be a responsible choice in reducing costs for repairs and equipment rentals. He inquired about the District's efforts to proactively replace infrastructure when developers open up the streets. General Manager Muelrath responded that the District routinely replaces service lines preventatively during

repairs. He added that by year three or four of the proposed budget, the District plans to begin service line and mainline capital replacement projects.

Bill Brick further advised that when a developer connects to the District's system, a full replacement of mechanical items, hydrants, and hydrant laterals, is proactively replaced.

General Manager Muelrath requested that any final comments on the budget numbers be submitted by the end of the week.

**10. Sandmound Consolidation Project Update.**

General Manager Muelrath reported that the District is still pursuing 100% grant funding for the consolidation and that the resolution to authorized applying for the grant will be presented to the Board for consideration at an upcoming meeting.

**11. Legislation and Policy Framework.**

Director Seger requested additional clarity, and items were added to the framework, including bills supporting lower-income customers with their water bills, protection of water quality, opportunities for water rights, and support for legislation that would not reduce an agencies' water allocations from the Central Valley Project should alternative water supply sources be developed by that agency.

General Manager Muelrath noted that the District has traditionally supported bill assistance programs and legislation, but can clarify that the District can give high-priority support to assistance programs that do not impact or are not funded by ratepayers. He confirmed that the additional requested items would be incorporated.

**12. General Manager's Report.**

- Water Supply Charts
- CCSDA May 19, 2025 Recap

General Manager Muelrath highlighted that East Bay Regional Parks gave a presentation at the CCSDA meeting and is currently updating their master plan. Those interested can provide feedback through their website.

**13. District Engineer's Report.**

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

**14. District Counsel's Report.**

General Counsel Miliband reported out on legislation as it pertains to the interests of the District, highlighting:

- AB 929 – SGMA bill that prohibits GSAs from imposing fees on Disadvantaged Communities
- Validation or Reverse Validation Actions for GSA plan approval or opposition, respectively
- AB 1146 – provides SWRCB regulatory authority to prohibit reservoir owners from releasing water under “false pretenses”.

**15. Directors' Reports.**

- Representative verbal reports.
- Other items as needed.

Vice President Pastor was unable to attend the Ironhouse Sanitary District meetings and had nothing to report.

Director Kovalick reported on two recent CCWD Board meetings. He shared that CCWD is updating its Cross-Connection Control Plan (CCCP) due to new requirements effective July 1, 2024. He requested that the District present the updated CCCP at a future Board meeting to educate the Board on the changes and provide details about the program. He also noted that CCWD is continuing efforts to acquire segments of the canal from the Bureau of Reclamation over the next 6–12 months, although some segments may take longer due to administrative requirements.

President Tiernan attended multiple meetings, including:

- City of Oakley—May 13<sup>th</sup>. Bud Chaddick spoke about local waterways and encouraged the City to apply for grant funding to improve Marsh Creek. It was also noted that the City received a \$100,000 grant for roadway improvements and that more low-income housing will be needed in Oakley's future.
- ECWMA—She expressed her continued confidence in the District's leadership in eco-friendly and carbon-neutral operations.
- SGMA—Discussions included budget items and conditions of various aquifers.

- Meeting with Assemblymember Wilson— General Manager Muelrath also attended this productive meeting. Additionally, President Tiernan received a request from Congressman DeSaulnier’s office to represent the District at a resource fair in July. General Manager Muelrath advised that District staff would attend the event if available and, at a minimum, would provide resources for Board members to have on hand. The Board agreed that President Tiernan would attend the event along with either Director Kovalick or Director Shaw, depending on availability.

Director Seger inquired about the status of the Public Relations Ad Hoc Committee. Kait Knight, District & Community Relations Manager, advised that the District remains hands-on with the community through programs such as Lawn to Garden rebates, PFAS education campaigns, and the upcoming Summer Series focused on outdoor irrigation efficiency. General Manager Muelrath added that the PR Ad Hoc is also developing a three-year strategic plan.

Director Kovalick reported that the Facilities Reserve Charge (FRC) Ad Hoc Committee is close to finalizing a proposed connection fee schedule to present to the Board. He highlighted that they were specifically evaluating the potential use of recycled water along the East Cypress corridor and the associated infrastructure needs for future development. General Manager Muelrath stated that draft fees will be presented at the June 11<sup>th</sup> meeting, with a public hearing tentatively scheduled for the regular meeting in July.

Director Kovalick also attended the Recycled Water ad hoc meeting. He noted that the \$3m grant has been pending for three years, and once received, additional studies will be needed.

General Manager Muelrath provided a high-level overview of the process for a filling a Director vacancy due to Vice President Pastor’s upcoming retirement from the Board. He noted that if the District is unable to appoint a replacement, the County has the right to fill the vacancy. The District’s latest e-Newsletter featured an article on the vacancy, and several community members have expressed interest. The Board will have the opportunity to interview potential candidates during the regular Board meeting in July.

**16. Future Agenda Items.**

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

Items added to future agenda items include:

- Cross-Connection Control Plan Update once accepted by the state at the July or August board meeting

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

- June 11, 2025 Special Meeting – 2:30 pm
- ~~June 25, 2025 Regular Meeting – 6:30 pm canceled~~
- July 23, 2025 Regular Meeting - 6:30 pm
- August 27, 2025 Regular Meeting – 6:30 pm

**Closed Session Items**

**18. 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 Jean-Marc Petit Ironhouse/Reclamation District 830 Representative.

Under Negotiation: Terms and Price

**Conference with Legal Counsel - Anticipated Litigation  
(Government Code § 54956.9(d)(4))**

One Potential Case

**Public Employee Evaluation.**

(Government Code Section § 54957)

Title: General Manager

Nothing to report.

**19. Adjournment.**

President Tiernan adjourned the meeting at 10:05 p.m.

  
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Kait Knight, Board Secretary