

## Minutes of the Regular Board of Directors Meeting

### DELTA DIABLO

June 9, 2021

The meeting was called to order by Chair Glover at 4:33 p.m. on Wednesday, June 9, 2021, via Zoom. Present were Vice Chair Monica Wilson and Director Juan Banales. Also present on the call were: Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Brian Thomas, Acting Business Services Director; Dean Eckerson, Resource Recovery Services Director; Thanh Vo, Acting Engineering Services Director; and Anika Lyons, Finance Manager.

Chair Glover read the following statement: "To slow the spread of COVID-19, in lieu of a public gathering, the Board of Directors meeting will be accessible via teleconference to all members of the public as permitted by the Governor's Executive Order N-29-20, which suspends certain requirements of the Ralph M. Brown Act to allow for greater flexibility in conducting public hearings."

Ms. Nichols-Fritzler read a statement regarding the process for receiving public comments.

#### PUBLIC COMMENTS

None.

#### RECOGNITION

##### Introduction of Anika Lyons, Finance Manager, to the District

Mr. Thomas noted that the District recently completed a recruitment and selection process to fill the vacant Finance Manager position, which resulted in Ms. Lyons being selected as the most highly qualified candidate for this position. She joined the District on May 17, 2021 and has a Bachelor of Science degree in Business Administration from California State University, East Bay and is a Certified Public Accountant. The Board welcomed Ms. Lyons to the District and she thanked the Board.

#### PUBLIC HEARINGS

##### Conduct Public Hearing on Fiscal Year 2021/2022 through 2025/2026 Capital Improvement Program; Close Public Hearing and Consider Any Testimony Received; Adopt Resolution Approving the Program; and Authorize Filing of Notice of Exemption in Compliance with Public Resources Code Section 21152

Chair Glover opened the public hearing at 4:47 p.m. Ms. Nichols-Fritzler indicated that no public comments were received.

Mr. Vo provided an overview of the Capital Improvement Program (CIP) development process. He stated that the proposed 5-year CIP totals \$127 million with estimated expenditures of \$18.7 million in Fiscal Year 2021/2022 (FY21/22), which is proposed to be funded with an FY21/22 CIP budget appropriation of \$12.9 million and carryover of \$5.8 million in existing budget appropriations. Mr. Vo presented a breakdown of 5-year CIP expenditures by major components of the District's major infrastructure locations, as well as a comparison of planned expenditures by fiscal year compared to the current 5-year CIP. He also noted staff efforts to address key focus areas as part of the CIP development process, including: 1) Addressing New Infrastructure

Needs (16 new projects added = \$10 million), 2) Investing in Existing Wastewater Infrastructure Renewal (79% of CIP), 3) Incorporating the Secondary Process Improvements Project (\$60 million), 4) Ensuring the Integrity of the Bay Point Collection System (\$3.8 million), and 5) Planning for the Future (\$1.8 million for master planning).

Chair Glover called for additional public comments before closing the Public Hearing. Hearing no public comments, Chair Glover closed the Public Hearing at 5:01 p.m. and opened the item to the Board for deliberation.

Vice Chair Wilson moved approval, seconded by Director Banales and by a roll call vote (Ayes: *Banales, Glover, and Wilson*, Noes: *None*; Abstain: *None*), the Board adopted the Resolution approving the Program, and authorized filing of the Notice of Exemption.

Conduct Public Hearing on Sewer Service and Delinquency Charges and Collection System Charges and Surcharges; Determine No Majority Protests Exists; Adopt Ordinance Establishing Charges; and Adopt Resolution Approving Final Written Report and Directing Collection of Certain Sewer Service and Delinquency Charges on County Tax Roll

Chair Glover opened the Public Hearing at 5:03 p.m. Ms. Nichols-Fritzler, indicated no public comments were received.

Mr. Thomas provided an overview of the budget and rates development process, guiding principles, and key assumptions for the FY21/22 Sewer Service Charge (SSC) analysis. He presented the proposed SSC adjustments (6.5%) for Antioch and Pittsburg customers and (5.9%) for Bay Point customers. Mr. Thomas presented a breakdown of District expenses paid by SSCs with labor costs and capital improvements as the largest categories. He highlighted that the District's rates are below the average of its peer agencies. In addition, he reviewed the five-year SSC rate projection. He also noted, as of June 9, 2021, 13 protests letters were received, and requested the recommended actions for Board consideration.

Chair Glover called for additional public comments before closing the Public Hearing. Hearing no public comments, Chair Glover closed the Public Hearing at 5:19 p.m. and opened the item to the Board for deliberation.

Chair Glover inquired regarding the total number of protests received. Ms. Nichols-Fritzler announced that, as of June 9, 2021, a total of 13 protest letters were received, which is less than the number required to determine that a majority protest exists.

Chair Glover thanked staff for the great work in support of the SSC development and approval process.

Director Banales moved approval, seconded by Vice Chair Wilson, and by a roll call vote (Ayes: *Banales, Glover, and Wilson*, Noes: *None*; Abstain: *None*), the Board determined that no majority protest exists, adopted an Ordinance establishing charges to be effective in FY21/22; and adopted a Resolution approving the Final Written Report and Directing Collection of Certain Sewer Service and Delinquency Charges on the County Tax Roll.

## CONSENT CALENDAR

Prior to approval of the Consent Calendar, Mr. De Lange noted Item F/7 was corrected and the Board received the updated agenda item prior to the meeting. Vice Chair Wilson moved approval of the Consent Calendar, seconded by Director Banales and by a roll call vote (Ayes: *Banales, Glover, and Wilson*, Noes: *None*; Abstain: *None*), the following Consent items were approved: Approve Minutes of the Regular Board of Directors Meeting, May 12, 2021; Receive Notes from Personnel Committee, June 1, 2021; Receive District Monthly Check Register, April 2021; Approve and Authorize General Manager to Execute Amendment to Construction Services Contract in the Amount of \$432,100 for a New Total Contract Amount Not to Exceed \$1,432,100, Construction Services, J.W. Backhoe & Construction, Inc., Bridgehead Pipeline Replacement, Project No. 21123; Adopt Resolution Establishing Fiscal Year 2021/2022 Appropriations (GANN) Limit for Expenditures That Can Be Funded from Tax Proceeds; Authorize General Manager or His Designee to Approve Construction Contract Change Orders in an Amount Not to Exceed 30% of the Contract Amount, for a New Total Contract Authorization of \$777,835.50, Parkson Corporation, Sand Filter Intermittent Backwash System, Project No. 21121; Authorize General Manager to Execute Amendment No. 4 to Professional Services Agreement, Contract Extension and 8.2% Increase in Unit Costs, Household Hazardous Waste Management Services, Clean Earth, Inc.; Approve and Authorize General Manager to Execute an Agreement, Including Specified Rates, for a Two-Year Term from July 1, 2021 through June 30, 2023, Class A Biosolids Processing Services, Lystek International Limited; Approve Job Description and Salary Range for New Purchasing Supervisor Classification; Approve and Authorize General Manager to Execute Product Supply Agreement and Rider for a Five-Year Term Beginning July 1, 2021, in an Annual Amount Not to Exceed \$33,000, Supply and Delivery of Liquid Oxygen, Praxair Distribution, Inc.; and Approve and Authorize General Manager to Execute Two-Year General Services Contract for a Total Amount Not to Exceed \$390,000 per Year and a Total Contract Amount Not to Exceed \$780,000 from July 1, 2021 through June 30, 2023, Street Sweeping Services, Contract Sweeping Services, Inc.

## DELIBERATION

### Approve Fiscal Year 2021/2022 Budget and Adopt Resolution Approving Fiscal Year 2021/2022 Budget Appropriations

Mr. Thomas reviewed the FY21/22 Budget and noted that the proposed FY21/22 Budget totals \$43.5 million, which includes an Operating Budget of \$29.3 million (unchanged from FY20/21) and a Capital Budget of \$14.2 million (includes \$1.3 million in debt service). He presented a breakdown of the proposed operating budget by major category, as well as the source of revenue for each of the District's services. In addition, Mr. Thomas highlighted key budget drivers, including the following six core focus areas: 1) Meet core mission of protecting public health and environment, 2) Address aging infrastructure, 3) Ensure sufficient funding to meet operation costs, 4) Maintain cash funding for capital projects to provide the lowest cost to ratepayers, 5) reserve future debt capacity, and 6) Manage costs to maintain SSCs below average relative to peer agencies in the Bay Area. He also presented a budget breakdown illustrating the fund expenditures in salaries, benefits, utilities, chemicals, office/operation, and outside services.

Vice Chair Wilson thanked staff for their work in preparing the budget.

Vice Chair Wilson moved adoption of the Resolution approving Fiscal Year 2021/2022 Budget Appropriations, seconded by Director Banales and by a roll call vote (Ayes: *Banales, Glover, and Wilson*, Noes: *None*; Abstain: *None*), the Resolution was approved.

#### PRESENTATION AND REPORTS

None.

#### MANAGER'S COMMENTS

Mr. De Lange thanked the Board for its support during the rate-setting process, noting the significance of the agenda items included in today's meeting. He also provided an update on development of the District's new Strategic Plan, which has included numerous meetings with staff to ensure organizational engagement regarding the new Mission, Vision, and Value statements. He reported staff has provided excellent input and good progress has been made in coalescing feedback and ideas. Mr. De Lange noted the draft document will be presented to the Board at the July 14, 2021 meeting.

#### DIRECTORS' COMMENTS

Vice Chair Wilson thanked staff for their excellent work.

#### CORRESPONDENCE

Receive Monthly Lobbyist Report dated May 2021, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024

The Board received and filed the report.

#### CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS (GOV. CODE, SECTION 54957.6)

Agency Negotiators: Vince De Lange, Michael Jarvis

Employee Organizations: Operations and Maintenance Unit, Public Employees Union, Local One; Professional & Technical Unit, Public Employees Union, Local One; Management Association

Unrepresented Employees: All unrepresented employees

Before adjourning to Closed Session, the Secretary to the Board asked if there were any public comments on the Closed Session item. No comments were made. At 5:38 p.m., Chair Glover convened the Board of Directors meeting to Closed Session. Following Closed Session, Chair Glover reconvened the Board of Directors meeting in open session at 5:58 p.m. and stated there was nothing to report from Closed Session.

#### ADJOURNMENT

Chair Glover adjourned the meeting at 5:59 p.m. and noted the next meeting will be held on July 14, 2021 at 4:30 pm.

  
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Juan Banales  
Board Secretary

(Recording Secretary:  
Cecelia Nichols-Fritzler)