

Minutes of the Regular Board of Directors Meeting
DELTA DIABLO
January 10, 2018

The meeting was called to order by Chair Longmire on Wednesday, January 10, 2018, at 4:44 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Present were Directors Federal Glover and Sean Wright, and Chair D. Pete Longmire. Also present were Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Mike Bakaldin, Deputy General Manager; Denise Cappucini Jones, Office Manager/Secretary to the Board; Dean Eckerson, Resource Recovery Services Director; Amanda Roa, Environmental Programs Manager; Jayne Strommer, Government Affairs Manager; Angela Lowrey, Public Information Manager; Thanh Vo, Senior Engineer; Steve Rodriguez, Operations Supervisor; Patricia Chapman, Associate Engineer; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Nick Steiner, Recycled Water Program Coordinator/P&T Bargaining Unit Representative; Cheryl Rhodes Alexander, Human Resources and Risk Manager; and Holland White, Office of Supervisor Federal Glover.

PUBLIC COMMENTS

None

REORGANIZATION OF THE BOARD FOR 2018

Mr. De Lange outlined the recommended traditional rotation of the board positions, committee members, alternates and representatives for 2018, proposed to take effect February 1, 2018.

Director Glover moved approval, seconded by Director Wright, and by unanimous voice vote (*Ayes: Glover, Wright and Longmire; Noes: None; Absent: None*), the Board approved reorganization of the Board and appointment of committee members, alternates and representatives for 2018.

CONSENT CALENDAR

Vice Chair Glover moved approval, seconded by Director Wright, and by unanimous voice vote (*Ayes: Glover, Wright and Longmire; Noes: None; Absent: None*), the Board approved the following Consent Calendar according to staff recommendations: Approve Minutes of Regular Board of Directors Meeting, December 13, 2017; Approve District Monthly Check Register, November 2017; Adopt Resolution Commending and Congratulating Ron Bielski, Maintenance Mechanic III (Lead), on his Retirement from the District; Adopt Resolution Updating the District's Records Retention Schedule; and Acting in the Capacity as Lead Agency of the Western Recycled Water Coalition, Authorize General Manager to Execute Amendment No. 3 to Consulting Services Contract in the Amount of \$82,800, for a New Total Contract Amount Not to Exceed \$322,800, Key Advocates, Inc., 2018 Legislative Advocacy Services, Western Recycled Water Coalition, Project No. 90024.

DELIBERATION

Adopt California Environmental Quality Act Mitigated Negative Declaration and Related Findings and Adopt Mitigation Monitoring and Reporting Program, East County Bioenergy Project, Project No. 16117
Ms. Roa provided an update on the project status. Anaergia is nearing completion of 30% design for preprocessing equipment at the Mt. Diablo Resource Recovery (MDRR) site. Staff is reviewing the financial model and 30% design plans for required plant improvements. The Sidestream Treatment Evaluation is 95% complete, the environmental package for the State Revolving Fund (SRF) loan has been drafted, and approval has been received for a \$500,000 planning grant from the State Water Resources Control Board.

Upcoming activities include review of the financial model framework, feedstock agreement negotiations, solicitation of consultant assistance for design-build contract development, submittal of PG&E

interconnection and air permit applications, and adoption of the Initial Study/Mitigated Negative Declaration (IS/MND). She noted that a conservative evaluation scenario is being used to allow design flexibility and potential future expansion. Vice Chair Glover asked if the IS/MND addresses traffic. Ms. Roa responded yes, the IS results show that the project could have a significant effect on the environment, including air quality, due to traffic and biogas combustion without the proposed mitigation measures that were outlined.

The IS/MND was circulated for public comment from October to November 20, 2017, with one comment being received from CalRecycle, which was related to a clarification on expected tons per day. In addition, a verbal question from the Bay Area Air Quality Management District was addressed, but no formal comment letter was received.

Ms. Roa outlined the proposed recommendation, which does not include project approval at this time. Director Wright requested clarification on the truck traffic, asking if additional trucks coming to the District equates to fewer trucks going to another location. Ms. Roa responded yes; however, even though this is a joint project with MDRR, the environmental portion is reported separately, so the reduction is reported on MDRR's end.

Vice Chair Glover recused himself and left the room.

Director Wright moved approval, seconded by Chair Longmire, and by voice vote (*Ayes: Wright and Longmire; Noes: None; Absent: None; Abstain: Glover*) the Board adopted the CEQA Mitigated Negative Declaration and Related Findings and adopted the Mitigation Monitoring and Reporting Program. The recommendation was fully approved as stated in the Docket.

Vice Chair Glover rejoined the meeting.

Authorize General Manager to Execute Consulting Services Contract in an Amount Not to Exceed \$500,000, Engineering Services, Facility Condition Assessment, Project No. 18121

Mr. Vo reported on the status of the Facility Condition Assessment Project, which was included in last year's Capital Improvement Program. Staff has accelerated this project to ensure that the District is addressing infrastructure renewal and rehabilitation from a proactive rather than reactive position. He provided background on the District's extensive wastewater conveyance system, which was constructed in the late 1970s and early 1980s, and of which there is very limited condition assessment information.

The project includes a multi-phased approach, including inspection, condition assessment, and prioritization based on the assessment. Phase 1 will include the Wastewater Conveyance System, and Phase 2 will address the Treatment Plant. Mr. Vo discussed some of the inspection technologies that will be utilized and the project schedule. It is anticipated that findings will be presented in early 2019. Staff is in the process of evaluating proposals from three firms and anticipates making a decision early next week. If approved, a contract will be awarded to the selected Consultant.

Director Wright moved approval, seconded by Vice Chair Glover, and by unanimous voice vote (*Ayes: Wright, Glover; and Longmire; Noes: None; Absent: None*) the Board authorized the General Manager to execute the Consulting Services Contract with the selected consultant.

PRESENTATIONS AND REPORT**Receive Government Code Section 7507 Actuarial Report from Bartel Associates, LLC**

Ms. Rhodes Alexander reported on a proposed change to the retiree healthcare premium subsidy affecting employees hired post-2008. She outlined past Board actions, including contracting with the California Public Employees' Retirement System (CalPERS) in 2008, establishment of the Other Post-Employment Benefits (OPEB) fund, adoption of Memorandum of Understanding Bargaining Unit Side Letter Agreements for employee contributions, and adoption of the Retiree Health Funding Plan. Current post-retirement medical benefits for employees hired pre-2009 and post-2008 were outlined.

Government Code Section 7507 requires government agencies to obtain actuary services when considering changes to post-employment benefits, and the District's report has been prepared by Mr. Joseph D'Onofrio of Bartel Associates, LLC. A table of the Delta Diablo Retiree Healthcare Plan was presented indicating the cost of the proposed change.

Next steps include Board consideration of the General Manager's written acknowledgement of the cost of the change, and adoption of the proposed benefits changes at the March 14, 2018 Board meeting. Mr. D'Onofrio will be present at the March meeting. Director Wright asked for clarification on the difference in cost. Ms. Rhodes Alexander responded that the overall cost is a 1.88% increase. The current annual cost increase is \$41,000.

Director Wright moved approval, seconded by Vice Chair Glover, and by unanimous voice vote (Ayes: *Wright, Glover; and Longmire*; Noes: *None*; Absent: *None*) the Board received and filed the report.

MANAGER'S COMMENTS

Mr. De Lange reported on the District's recent regulatory compliance concerns and acknowledged staff who implemented corrective actions individually by name. The District has a 14-year successful compliance record, which is very critical and important to staff. Possible causes will continue to be evaluated.

Mr. De Lange reported that Thanh Vo has been appointed as Acting Engineering Services Director. He acknowledged Deputy General Manager, Mike Bakaldin, who has done an excellent job over the past few months covering that role.

DIRECTOR'S COMMENTS

Director Longmire noted that this is his last meeting as Chair and that it has been an exciting year with several changes to the organization. He is proud, thankful, and impressed with the professionalism of staff and thanked everyone for their hard work.

CORRESPONDENCE**Receive Monthly Federal Report dated December 2017, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024**

The Board received and filed the report.

CLOSED SESSION

Chair Longmire adjourned the meeting to Closed Session at 5:40 p.m. for the purpose of:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8)

Property: Antioch Pump Station Property Acquisition, Portions of Parcel Nos. 065-050-037 and 065-020-002

Agency Negotiators: Vince De Lange, Thanh Vo

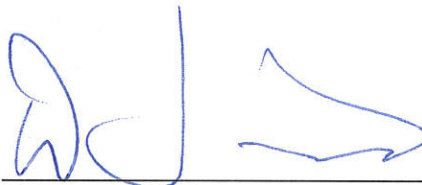
Negotiating Party: City of Antioch

Under Negotiation: Price and Terms of Payment

Chair Longmire reconvened the regular session at 5:49 p.m. stating there was nothing to report out.

ADJOURNMENT

Chair Longmire adjourned the meeting at 5:49 p.m. The next regular meeting of the Board of Directors will be on Wednesday, February 14, 2018, at 4:30 p.m.



D. Pete Longmire
Board Secretary

(Recording Secretary:

Denise Cappucini Jones)