

LAVWMA
Livermore-Amador Valley Water Management Agency
Minutes

Regular Meeting of Board of Directors
Wednesday, February 17, 2021

Due to Shelter in Place Orders, this was a web meeting available to participants and the public through the following link: <https://us02web.zoom.us/j/88372038419>.

6:00 p.m.

1. Call to Order

Chair Bob Woerner called the meeting to order at 6:00 p.m.

2. Pledge of Allegiance

Due to this being a Zoom meeting the Pledge of Allegiance was waived.

3. Roll Call

Board Members Present: Chair Bob Woerner; Vice Chair Ann Marie Johnson, Directors Jack Balch, Gina Bonanno, Arun Goel, and Julie Testa

Board Members Absent: None

Staff Present: General Counsel Alexandra Barnhill, General Manager Chuck Weir, Treasurer Carol Atwood, DSRSD Operations Superintendent Levi fuller, and Recording Secretary Lorrene Salazar

Staff Absent: None

Others Present: Bob Carlin, Alternate Director, City of Livermore; Jan Lee, DSRSD; Helen Ling and Yanming Zhang, City of Livermore; Daniel Repp, City of Pleasanton; Jackie Zipkin, East Bay Dischargers Authority

Introductions

Since there were three new Board members, Chair Woerner asked that everyone in attendance introduce themselves by identifying their agency, position, and a brief bio. Chair Woerner announced that this would be his last meeting and that he would become the alternate and Bob Carling would become the new Director. Helen Ling also announced that this would be her last meeting as she would be retiring in April. Both Chair Woerner and Ms. Ling were thanked for their service over the years to LAVWMA.

4. Order of Agenda

There were no changes to the order of the agenda.

5. Comments from the Public

There were no comments from the public.

6. Consent Calendar

- a. Minutes of November 18, 2020 LAVWMA Board Meeting

Director Johnson motioned, seconded by Director Testa to approve Consent Calendar Item No. 6.a.

There were no comments from the public. The Motion passed with four ayes and two abstentions (4-0-2) by a roll call vote. Directors Balch and Bonanno abstained.

7. Financial Reporting for the Fiscal Year Ending June 30, 2020

Treasurer Atwood discussed the financial statement and noted that expenses were tracking as expected. Administrative expenses are higher than normal due to the EBDA negotiations and the NPDES permit renewal.

This was an information item requiring no action by the Board.

8. Status Report on LAVWMA Debt Refinancing

Treasurer Atwood discussed LAVWMA's debt and the process for refinancing the debt to get a lower interest rate. The debt is \$53 million at 5%. In August 2021, the debt can be refinanced at a rate of between 3.5 – 5%. Projected savings are \$14 million. The process starts in April 2021. Director asked if there were cash out options. Treasurer Atwood responded that the financial advisor would look at all possibilities. Director Balch asked if there was a go / no go date in case interest rates rise to the point that refinancing would not make sense. Treasurer Atwood responded that the financial advisor would rerun the analysis in April and the refunding would be reevaluated at that time. She also indicated that an updated report would be presented at the May 19, 2021 Board meeting.

This was an information item requiring no action by the Board.

9. LAVWMA Quarterly Reports of Operations, 1st Quarter, FY2020-2021

General Manager Weir reviewed the contents of the report for the benefit of the new Board members. The Board noted that costs were normal and there were no major equipment issues. Director Bonanno asked about the 1,600 MPN/100mL fecal coliform value on November 25, 2020 and whether that is a compliance issue. Mr. Weir indicated that the limit is a geometric mean of 500 for all samples in a calendar month and an 11 sample 90th percentile of 1,100, and the single high value is not an issue.

In addition, Board members expressed interest in taking a tour of the LAVWMA facilities. Mr. Weir stated that he would reach out to Board members and schedule tours as needed.

This was an information item requiring no action by the Board.

10. Project Status Reports – Risk Analysis of the Pump Station / Failure Analysis of the Forcemain System and Engineering Services for the Motor Control Center Replacement Project

Mr. Weir discussed both projects in some detail for the benefit of the new Board members. The MCC replacement project is proceeding on schedule. He also discussed the electrical energy cost analysis that will help DSRSD Operations staff manage the pump station under the new time of use rate structure for PG&E costs that becomes effective March 1, 2021.

Mr. Weir then discussed the pump station risk analysis project and the consultant's analysis of needed improvements for the San Leandro Sample Station (SLSS). The original project estimate was \$175,000 and that was approved in the FY20/21 Budget. The consultant's analysis has determined that many additional items need replacing and or upgrading to achieve the goals of automating the emergency discharges to San Lorenzo Creek. The revised cost is \$570,000 including all equipment, installation, testing, engineering services, construction management, and LAVWMA/DSRSD staff time.

Mr. Weir also noted that during the discussion with the Regional Water Board on the revision of the NPDES permit the question of addressing sea level rise at the SLSS was raised and needs to be addressed in the permit. As a consequence, an additional \$100,000 is needed in the SLSS improvements project. This will cover the following: 1) confirmation that sea level rise is an issue, 2) design of a long term solution, and 3) construction of said solution. Thus the project cost is now \$670,000 and is to be considered by the Board in Agenda Item No. 12, Modification No. 2 to the Operating and Capital Budget for Fiscal Year 2020/21.

This was an information item only requiring no action by the Board.

11. Status Report on Negotiations with East Bay Dischargers Authority for a New Master Agreement and Consideration of Approval of a Term Sheet as the Basis of a New Master Agreement

General Manager Weir and General Counsel Barnhill highlighted the process of the negotiations with EBDA, the three extensions of the current agreement, and the terms and conditions of the Term Sheet that has now been accepted by both EBDA and LAVWMA staffs and their respective Ad Hoc Committees. Mr. Weir thanked Chair Woerner and Vice Chair Johnson for their efforts to reach consensus on the Term Sheet. Both Chair Woerner and Vice Chair Johnson thanked staff for their efforts and recommended that the Board approve the Term Sheet. Mr. Weir noted that the intent was to bring a new Master Agreement to the Board for approval at the May 19, 2021 Board meeting.

Mr. Weir noted that the new Master Agreement would be retroactive to July 1, 2020 and that would increase the costs for EBDA for the current fiscal year by approximately \$138,000 due to the increased fixed cost percentage and additional dechlorination costs.

Director Testa motioned, seconded by Vice Chair Johnson to approve the revised Term Sheet to serve as the basis for a new Master Agreement between EBDA and LAVWMA.

There were no comments from the public. The Motion passed unanimously (6-0) by a roll call vote.

12. Modification No. 2 to the Operating and Capital Budget for Fiscal Year 2020/21

Mr. Weir noted that this budget modification was to 1) increase the SLSS improvements project from \$175,000 to \$670,000, which would not increase costs to the member agencies and 2) increase costs for EBDA by \$138,000 which would increase the member agency costs.

Director Balch motioned, seconded by Director Bonanno to approve Modification No. 2 to the Operating and Capital Budget for Fiscal Year 2020/21.

There were no comments from the public. The Motion passed unanimously (6-0) by a roll call vote.

13. Update and Response to Various Legal and Legislative Issues

Mr. Weir and Ms. Barnhill highlighted several legislative and legal issues described in the report. Mr. Weir noted that the BACWA Key Issues Summary is a very useful document to keep treatment plant managers informed. He indicated that he would be happy to provide additional information to any Board members that were interested.

This was an information item only requiring no action by the Board.

14. General Manager's Report

Mr. Weir referred to the list of issues and activities in his report. Mr. Weir highlighted Records Management, Asset Management, and the NPDES Permit renewal process. Director Bonanno expressed her support for the asset management program.

This was an information item only requiring no action by the Board.

15. Matters From/For Board Members

There were no matters from the Board.

16. Closed Session

There being no further business before the Board, Chair Woerner adjourned the Regular Session at 7:30 p.m. General Counsel Barnhill stated that the Board was going to meet in closed session for a conference with Legal Counsel for:

- a. Public Employee Performance Evaluation
(Government Code Section 54957) – Title: General Manager
- b. Conference with Labor Negotiator
(Government Code Section 54957.6)
Unrepresented employee: General Manager

No members of the public were present, and no one was left in the main meeting room during the closed session.

17. Report from Closed Session

At 8:28 p.m. the Board returned from Closed Session. Mr. Weir closed the Zoom Breakout Room and participants returned to the initial Zoom meeting. General Counsel Barnhill reported that the Board provided informal feedback on the General Manager's performance and that she would draft a letter to be signed by the Chair. Board members indicated that outgoing Chair Woerner should review and sign the letter.

18. Third Amendment to the Agreement for General Management Services with Charles V. Weir, dba Weir Technical Services

Chair Woerner motioned, seconded by Director Testa to approve Resolution 21-01 amending the Agreement for General Management Services with Charles V. Weir. The motion included direction for Mr. Weir to develop a succession plan for his planned retirement in 2024.

There were no comments from the public. The Motion passed unanimously (6-0) by a roll call vote.

19. Next Regular Board Meeting, Wednesday, May 19, 2021 at 6:00 p.m. The meeting will likely still be a Zoom meeting.

20. Adjournment

There being no further action, Chair Woerner adjourned the meeting at 8:31 p.m.

Minutes Approved by the Board May 19, 2021.

Charles V. Weir
General Manager