

**LAVWMA**  
**Livermore-Amador Valley Water Management Agency**  
**Minutes**  
**Regular Meeting of Board of Directors**  
**Wednesday, May 19, 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/83531133920>  
6:00 p.m.**

**1. Call to Order**

Chair Ann Marie Johnson called the meeting to order at 6:00 p.m.

**2. Pledge of Allegiance**

**3. Roll Call**

Board Members Present: Chair Ann Marie Johnson; Directors Valerie Arkin, Gina Bonanno, Bob Carling, Arun Goel, and Julie Testa

Board Members Absent: None

Staff Present: General Counsel Alexandra Barnhill, General Manager Chuck Weir, and Treasurer Carol Atwood, DSRSD

Staff Absent: None

Others Present: Jan Lee, DSRSD; Yanming Zhang and Anthony Smith, City of Livermore; Jackie Zipkin, East Bay Dischargers Authority; Robert Porr and Lora Carpenter, Fieldman Rolapp; Chris Lynch, Jones Hall; Eric McKean, Steifel

Introductions

Introductions were made.

**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 February 17, 2021 LAVWMA Board Meeting

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

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

## **7. Annual Board Rotation – Elect Chair and Vice Chair for FY2021/22**

**Director Testa nominated, seconded by Director Arkin, Vice Chair Johnson to be Chair for FY2021/22.**

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

**Director Bonanno nominated, seconded by Director Goel, Director Testa to be Vice Chair for FY2021/22.**

There were no comments from the public. The Motion passed unanimously (6-0) by a roll call vote. General Manager Weir noted that due to the stepping down of Past Chair Woerner both positions take effect immediately.

## **8. Financial Reporting for the Fiscal Year Ending June 30, 2020**

Treasurer Atwood discussed the financial statements and noted that expenses were tracking as expected. Power charges are up due to PG&Es new rate structure. Operational agreement and professional services expenses are higher than normal due to the EBDA negotiations and the NPDES permit renewal. Insurance cost trends increasing are also industry wide. Treasurer Atwood also noted that there was in inadvertent overbilling that would be corrected.

There were no comments from the public. This was an information item requiring no action by the Board.

## **9. Status Report on LAVWMA Debt Refinancing**

Treasurer Atwood discussed LAVWMA's debt and the process for refunding the debt to obtain a lower interest rate. As of April 21, 2021, our financial advisors, Fieldman Rolapp & Associates, were projecting a net present value savings of \$12.4 million, or 19.3%. The process will take approximately 3-4 months and will be coordinated by DSRSD. The cities of Livermore and Pleasanton will also be involved. The refunding requires the Board to adopt a Debt Management Policy and a Disclosure Policies and Procedure which are included in this packet as Agenda Item Nos. 10, and 11, respectively. Treasurer Atwood recommended approval of both policies

Robert Porr described the Debt Management Policy and the reasons for it. Board members asked several questions related to the current debt. Staff responded that: 1) there is no other debt; 2) all of the current bonds will be called and refinanced; 3) consultant and related costs, approximately \$500,000, are factored into the new debt; 4) everything in the document is true and all the projects mentioned have been completed and this is just a refinancing of existing debt to lower the interest rate and thus reduce the total cost of the debt; and 5) no equity is being taken out as a result of the refunding.

Chris Lynch described the Disclosure Policies and Procedures and the next steps for implementation of the policy, which will occur at the continuation of this Board meeting on July 21, 2021. Chair Johnson asked if the policy requires that the bonds be refinanced. Mr. Lynch

stated that the policy only applies if the debt is refinanced. Treasurer Atwood reminded the Board of the three options that were considered. Scenario 1, which is term to term refunding with level annual payments was the most cost effective and is the one that is being pursued.

There were no comments from the public. This was an information item requiring no action by the Board.

**10. Resolution Approving a Debt Management Policy**

There Board reviewed the reasons for the Debt Management Policy that were discussed under Agenda Item No. 9.

**Director Goel motioned, seconded by Director Bonanno to approve Resolution No. 21-02 Approving a Debt Management Policy.**

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

**11. Resolution Approving a Disclosure Policies and Procedures**

There Board reviewed the reasons for the Disclosure Policies and Procedures that were discussed under Agenda Item No. 9.

**Director Goel motioned, seconded by Director Arkin to approve Resolution No. 21-03 Approving Disclosure Policies and Procedures.**

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

**12. LAVWMA Quarterly Reports of Operations, 3rd Quarter, FY2020-2021**

General Manager Weir noted that this is the last meeting for DSRSD Wastewater Operations Superintendent Levi Fuller, who is retiring after twenty years of dedicated service to DSRSD and LAVWMA. Mr. Weir and the Board thanked Mr. Fuller for his service. General Manager Weir reviewed the contents of the report for the benefit of the new Board members. He noted that he had an earlier Zoom discussion with Director Bonanno regarding pumping efficiency and how it is dependent not only on the flow, but which pumps are used at any given time. He also complimented DSRSD staff for their response to implementing the new PG&E time of use requirements, where no pumping occurs between the 4:00 to 9:00 p.m. during the peak period for PG&E.

In addition, Mr. Weir encouraged Board members to send him their availability and he would schedule tours or the facilities for them.

There were no comments from the public. This was an information item requiring no action by the Board.

**13. Proposed Operating and Capital Budget for Fiscal Year 2021/22**

General Manager Weir described the budget, including PG&E costs, EBDA costs, insurance increases, and the reasons for continued effort in the administration areas to review and revise long term agreements and planned capital projects. Director Bonanno asked if there was a reserve policy, and if not, should there be one. Both General Manager Weir and General Counsel stated that they could not recall a reserve policy. Mr. Weir stated that he would discuss this issue with members of the Staff Advisory Group and determine if a policy was needed and, if one is developed, it will be placed on a future agenda for discussion and direction or possible action.

**Director Bonanno motioned, seconded by Director Testa to approve the Operating and Capital Budget for Fiscal Year 2021/22.**

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

**14. Approval of Amended and Restated Master Agreement between East Bay Dischargers Authority and Livermore-Amador Valley Management Authority**

General Manager weir discussed the process that resulted in the agreement to be considered by the Board this evening. He thanked the Board, the Ad Hoc Committee, and the other negotiating team members (Alexandra Barnhill and Jan Lee) for their efforts. EBDA General Manager Jackie Zipkin commented that the EBDA Ad Hoc Committee is recommending approval of the agreement by the EBDA Commission at their meeting tomorrow morning. She thanked the group for the positive working relationships and looks forward to another twenty years of collaboration. General Counsel Barnhill commented that this was designed to make minimal changes and work from the existing agreement. General Manager Weir noted that there is one minor change to the to delete word “quarterly” from last page of agreement to achieve consistency with the remainder f the agreement regarding invoicing.

**Director Testa motioned, seconded by Director Goel to approve Resolution No. 21-04 Approval of Amended and Restated Master Agreement between East Bay Dischargers Authority and Livermore-Amador Valley Management Authority with the minor edit as described.**

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

**15. Approval of Amendment No. 1 to the Agreement for Maintenance of LAVWMA Facilities with DSRSD**

General Manager weir discussed the history of how this issue came to our attention during the negotiations with EBDA, capacity needs, and DSRSD’s operations responsibilities. General Counsel Barnhill explained the intent behind the amendment to properly allocate liability.

**Director Bonanno motioned, seconded by Director Arkin to approve Resolution No. 21-05 Approval of Amendment No. 1 to the Maintenance of LAVWMA Facilities with DSRSD.**

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

**16. 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. Mr. Weir then discussed the pump station risk analysis project and noted that it has been completed and all report have been received and shared with the member agencies. One of the recommendations is to continue inspection of the pipeline such that a complete inspection can be completed in five years. He also noted that there is one category 4 area that will be repaired in the new fiscal year at an estimated cost of \$40,000.

There were no comments from the public. This was an information item only requiring no action by the Board.

**17. Update and Response to Various Legal and Legislative Issues**

Mr. Weir and Ms. Barnhill highlighted several legislative and legal issues described in the report as presented by CASA. The Governor’s revised budget includes funding for water and wastewater projects. A continuing drought emergency status will encourage recycled water and potential toilet to tap projects. Additional items of interest included legislation related to disposable wipes and a bill that would allow wastewater treatment plants to accept and treat dry weather runoff. Ms. Barnhill noted that it is early in the legislative session and that additional information would be presented at future meetings. She also discussed the procedure that allows LAVWMA to comment on critical pieces of legislation that may require action between LAVWMA’s regular meetings. Board members were particularly interested in all items dealing with PFAS as this issue will likely impact both water and wastewater agencies.

There were no comments from the public. This was an information item only requiring no action by the Board.

**18. General Manager’s Report**

Mr. Weir referred to the list of issues and activities in his report. Based on a question from Chair Johnson he noted a typo and that the records management project has been completed. He also highlighted the recently approved renewal of the NPDES permit and draft job description as part of the succession planning process.

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

**19. Matters From/For Board Members**

There were no matters from the Board. Staff acknowledged the reserve policy issue and will bring that to a future Board meeting.

**20. Next Regular Board Meeting, Wednesday, August 18, 2021 at 6:00 p.m.** The meeting will likely still be a Zoom meeting.

**21. Order of Adjournment to Wednesday, July 21, 2021, 6:00 p.m.**

There being no further action, Chair Johnson adjourned the meeting at 7:31 p.m. to a date certain, July 21, 2021 at 6:00 p.m.

Minutes Approved by the Board August 18, 2021.

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*Charles V. Weir*  
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Charles V. Weir  
General Manager

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