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LAVWMA

Livermore-Amador Valley Water Management Agency

Minutes

Special Meeting of Board of Directors
Wednesday, November 16, 2022
Pursuant to AB 361, this was a web meeting available to participants and the public through the following link: https://us02web.zoom.us/j/83475474408
6:00 p.m.

1. Call to Order

Chair Julie Testa called the meeting to order at 6:02 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance, led by Chair Testa, was recited.

3. Roll Call

Board Members Present: Chair Julie Testa; Vice Chair Bob Carling; and Directors Valerie Arkin (arrived at 6:06 p.m.), Gina Bonanno, Arun Goel, and Ann Marie Johnson

Staff Present: General Counsel Alexandra Barnhill, Treasurer Carol Atwood, DSRSD Engineering Services Director Steven Delight, DSRSD Assistant General Manager Jan Lee, DSRSD Finance Manager Herman Chen, DSRSD Administrative Assistant Sheree Davis, DSRSD Administrative Assistant Dana d'Angelo, Livermore Water Resources Manager Anthony Smith, and General Manager Chuck Weir

Others: David Alvey, Maze & Associates

4. Order of Agenda/Acknowledgement of Posting

There were no changes to the order of the agenda. General Manager Weir introduced Sheree Davis a new Administrative Assistant II at DSRSD who works for Treasurer Atwood. Ms. Davis will be helping LAVWMA.

5. Comments from the Public

There were no comments from the public.

6. Consent Calendar

a. Minutes of the August 17, 2022 LAVWMA Board Meetings

Director Bonanno motioned, seconded by Director Arkin, 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.

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7. Consider Adopting a Resolution Authorizing Continued Remote Teleconference Meetings of the Legislative Bodies of the Livermore-Amador Valley Water Management Agency Pursuant to Brown Act Provisions

General Counsel Barnhill previously described this issue, including the expiration of the Governor's Executive Order that temporarily allowed remote meetings, the passage of AB 361 allowing public agencies to continue to meet remotely provided that certain findings (describing the health and safety reasons justifying remote participation) can be made, a decision by DSRSD to make all meetings in its chambers remote through September and an order from the Contra Costa County Public Health Department, which was updated on August 9, 2022, recommending that public meetings be held remotely to reduce the spread of COVID-19. The end result is that, so long as the findings can continue to be made, remote meetings will be allowed until January 1, 2024, when AB 361 will sunset. A resolution similar to the one proposed making the necessary findings will need to be approved at each regular meeting. Following discussion, the Board agreed to hold the February 15, 2023 meeting via Zoom, and that would be the last Zoom meeting unless circumstances dictate otherwise.

Director Carling motioned, seconded by Director Arkin, to approve Resolution No. 22-05 Authorizing Continued Remote Teleconference Meetings of the Legislative Bodies of the Livermore-Amador Valley Water Management Agency Pursuant to Brown Act Provisions.

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

8. Financial Reporting for the Fiscal Year Ending June 30, 2023

Treasurer Atwood provided a summary of the first quarter financial report for the Fiscal Year Ending June 30, 2023. She noted that all expenses are tracking normally. She also reported on two additional items. The first item is setting up a new account with Charles Schwab to allow LAVWMA to invest $13.5 million in 6, 12, and 18 month Treasury Notes, which will allow LAVWMA to increase the return on its reserve funds from approximately 2.5% to approximately 4.5%. She, General Manager Weir, and Finance Manager Chen have signed the necessary documents to set up the account. Treasurer Atwood also noted that staff are recommending amending the agreement for Treasurer Services with DSRSD to establish the position of Assistant Treasurer and appoint Herman Chen to that position. This will provide better segregation of financial duties as well as provide a back up for purchasing treasury notes.

Board members spoke in support of these items and thanked staff for being proactive in finding solutions to increase the rate of return on investments.

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

9. Acceptance of the Audit Report for Fiscal Year Ending June 30, 2022

Treasurer Atwood introduced David Alvey, Maze & Associates. His firm conducted the audit of LAVWMA's finances for FYE22. He briefly discussed the process used and noted that this was a clean audit opinion. Mr. Alvey also discussed the Memorandum on Internal Control and Required Communications (MOIC) and noted that no issues were identified by their audit. He

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complimented Treasurer Atwood, Herman Chen, and DSRSD's staff for their efforts to properly manage LAVWMA's finances.

Director Bonanno motioned, seconded by Director Carling, to accept the Audit Report for the Fiscal Year ending June 30, 2022.

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

10. Third Amendment to the Agreement with Dublin San Ramon Services District for Treasurer Services and Appointment of Herman Chen as Assistant Treasurer

Treasurer Atwood provided a summary of the proposed amendment as described in Agenda Item No. 8. The amendment creates the position of Assistant Treasurer and appoints Herman Chen to that position.

Director Arkin motioned, seconded by Director Goel, to approve the Third Amendment to the Agreement with DSRSD for Treasurer Services and Appointment of Herman Chen as Assistant Treasurer.

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

11. LAVWMA Quarterly Report of Operations, 1st Quarter, FY2022-2023

General Manager Weir provided an overview of the report and noted the various charts showing pump performance, electrical usage, and maintenance activities. This was an information item only requiring no action by the Board.

12. Project Status Reports – Motor Control Center Replacement Project, Purchase of Three Vertical Turbine Pumps, and the San Leandro Sample Station Improvements Project

General Manager Weir noted that the Notice of Completion for the MCC project has been filed with the County and that the project is now complete. Delivery of the three pumps has been delayed by the manufacturer until February 2023 due to supply chain issues. The San Leandro Sample Station project is also progressing. It is anticipated that a bid packet will be issued early in 2023. This was an information item only requiring no action by the Board.

13. Project Status Reports – PG&E Electrical Service Reliability and Photo Voltaic / Battery Storage Options

General Manager Weir noted that the agreement with DTN engineers for the MCC design has been amended to provide for updating the 2015 solar panel feasibility study as well as providing a report and recommendations on PG&E Electrical Service Reliability. This electrical service reliability report was included in the packet. The report notes that PG&E can no longer be counted on to provide continuous power and that the second feeder does not have the capacity to provide power for nine pumps if the first feeder loses power. The report further recommends installing a 1.5 MW standby generator to provide power for at least two large pumps in case of

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loss of power. It would take at least two years to complete such a project. The issues have been discussed with the Staff Advisory Group and other options are being considered. These options include better flow management and storage and utilizing portable generators on a short term basis. A modeling effort will also be undertaken to help determine how to better manage flow storage at the pump station and two treatment plants. This effort will allow LAVWMA to better determine standby power needs. Additional information and possible recommendations will be provided at the February 15, 2023 meeting.

General Manager Weir then discussed the status of the solar panel study. DTN Engineers is also working on this project. It initially appears that a project of approximately 1.75 MW can be constructed at the pump station utilizing roads and parking areas. A project of this size would offset approximately 38% of LAVWMA's energy usage. DTN and LAVWMA are working with Total Energies who will provide a formal proposal that could be used in a bid process for a Power Purchase Agreement with private companies. Additional information and possible recommendations will be provided at the February 15, 2023 meeting.

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

14. Authorization for the General Manager to Enter into a Memorandum of Agreement to Participate in the Regional Purified Water Project – Phase 2

General Manager Weir and DSRSD Assistant General Manager Jan Lee provided a summary of this item. The Memorandum of Agreement (MOA) will formalize DSRSD, ACWD, Zone 7 Water Agency, and Union Sanitary District's commitment to implementing Phase 2, which would involve cost-sharing on the preparation of a Public Outreach Plan with the assistance of a hired consultant. It is proposed that LAVWMA would also be a party to this agreement due to the potential location of the Pilot Project adjacent to the LAVWMA junction box structure. However, LAVWMA would not contribute funding to this Pilot Project and staff time on this effort is anticipated to be minimal. Director Arkin asked if any of the water produced by the project would end up in the Tri-Valley. All of the highly treated water would be delivered via the Alamo Canal to Alameda County Water District. There was additional discussion regarding potable reuse issues. Staff pointed out that any physical improvement project would be in Phase 3, which would have to come back to the Board for consideration. It was also noted that General Counsel Barnhill will review the MOA and ensure that there are no issues of concern for LAVWMA.

Director Carling motioned, seconded by Director Bonanno, to Authorize the General Manager to Enter into a Memorandum of Agreement to Participate in the Regional Purified Water Project – Phase 2.

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

15. Update and Response to Various Legal and Legislative Issues

General Manager Weir provided an overview of the November 2022 updates from CASA and BACWA. The reports include updates on items of interest to water and wastewater agencies including PFAS, nutrients, microplastics and various other issues. He noted that the Governor

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vetoed the bill that would have required manufacturers to report on PFAS concentrations in their products, which would allow public agencies to better develop source control programs to remove PFAS at their source. He also discussed the recent algal bloom in San Francisco Bay and BACWA's efforts to work with the Regional Board to better understand the cause of the bloom and implement the nutrient management permit.

General Counsel Barnhill noted that the Agenda packet has been structured to address the recent holding from *GI Industries v. City of Thousand Oaks,* a case from the Second District Court of Appeal. There, a court invalidated a city's action taken on an agenda matter because the California Environmental Quality Act (CEQA) exemption determination was not separately agendized, depriving the public of transparency. While this case may be appealed, out of an abundance of caution LAVWMA's agenda now includes an additional "CEQA" section that clarifies that discretionary agenda items should be assumed to be exempt and the public should refer to the staff report for details, unless the agenda specifies that substantive CEQA review (such as an MND or EIR) was prepared. This approach will balance the public's right to transparency with the burden on staff to prepare agenda materials.

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

12. General Manager's Report
General Manager Weir highlighted several areas of his report, including asset management, succession planning, capital projects, and PG&E usage. This was an information item only requiring no action by the Board.

13. Matters From/For Board Members
Director Bonanno stated that this would be her last meeting as her term ends December 31, 2022. She thanked everyone for helping her to better understand the issues facing wastewater agencies. She also indicated she could be back in two years. Board members and staff thanked her for her service.

14, Next Regular Board Meeting, Wednesday, February 15, 2023 at 6:00 p.m.
Following discussion, the Board agreed to hold the February 15, 2023 meeting via Zoom and that thereafter staff should prepare for the meetings to resume being held in person at DSRSD's Board Room.

There were no comments from the public.

21. Adjournment
There being no further action, Chair Testa adjourned the meeting at 7:13 p.m.

Minutes Approved by the Board February 15, 2023.

DocuSigned by:
Charles V. Weir
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Charles V. Weir
General Manager
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