

LAVWMA
Livermore-Amador Valley Water Management Agency
Minutes
Regular Meeting of Board of Directors
Wednesday, August 21, 2024
6:00 p.m.

1. Call to Order

Chair Arun Goel called the meeting to order at 6:06 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Roll Call

Board Members Present: Chair Arun Goel (arrived at 6:06 p.m.) and Directors Dinesh Govindarao, Evan Branning, Robert Carling, Valerie Arkin, and Julie Testa.

Vice Chair Nibert was absent.

LAVWMA Staff Present: General Manager/Treasurer Levi Fuller, General Counsel Alexandra Barnhill, Administrative Assistant Sheree Davis, and Regional Government Services (RGS) Finance Consultant Tracy Fuller (participated via Zoom).

Member Agency Staff Present: DSRSD Operations Director Dan Gill, Pleasanton Assistant Directors of Public Works Ryan Smith and Tamara Baptista, and Acting Assistant Public Works Director of the City of Livermore, Anthony Smith.

4. Order of Agenda/Acknowledgement of Posting

There were no changes to the agenda.

5. Comments from the Public

There were no comments from the public. No members of the public were present for the duration of the meeting, so public comment was not made on any of the agenda items at this meeting.

6. Consent Calendar

a. Board Meeting Minutes for the May 15, 2024, meeting.

Director Testa requested a correction to the minutes noting Director Nibert proposed a Motion, and with that correction, Director Govindarao motioned, seconded by Director Carling, to approve Consent Calendar Item No. 6.a.

The Motion passed unanimously (6 – 0).

7. Financial Reporting for the Fiscal Year Ending June 30, 2024

General Manager/Treasurer Fuller provided a summary of the Fourth Quarter Financial Report

for the Fiscal Year Ending June 30, 2024. He noted that FY23/24 operating expenses were under budget and that energy costs were over budget as PG&E rates have increased in recent years. EBDA fixed costs were over budget likely due to an increase in NPDES fees. EBDA variable costs are slightly over budget due to an increase in energy and chemical costs. DSRSD's Operations Agreement costs were under budget due to lower-than-expected labor costs.

Director Govindarao inquired as to the difference in interest income between FY2022/23 and FY2023-24, requesting that staff research the difference and report back their findings at a future Board meeting.

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

8. Regional Government Services Update

General Manager Fuller stated that the process of changing AR/AP process from DSRSD to RGS has been more complicated than expected. First, the most challenging issue has been RGS having to manually maintain balance sheets due to a fault in QuickBooks' online version rendering to software unable to maintain accurate balance sheets. The pursuit of alternative financial software packages will require a procurement process and could take 6 or more months to procure and install. Secondly, for security purposes, DSRSD cannot allow a third-party vendor, such as RGS, to access DSRSD's financial software system. Alternatively, DSRSD has manually uploaded numerous LAVWMA financial documents and files to a digital Dropbox where RGS could manually download those files. It was also noted that DSRSD's accountant assigned to manage LAVWMA's accounts receivable, and accounts payable functions was a retired annuitant whose work assignment with DSRSD ended on June 27, 2024. Lastly, LAVWMA's need to set up remote payment processes has been time-consuming and LAVWMA's existing banking institution does not offer all the needed payment processes. These manual work processes have resulted in one-third of RGS' not-to-exceed \$92,000 budget having been spent within the first two months. The first month's invoice was \$18,193, while the second month's invoice was \$13,387. The General Manager noted that he expects RGS' monthly service invoices to continue to decline. However, it is likely that a budget adjustment may be needed before the end of the fiscal year.

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

9. Resolution 24-06 Adopting a Conflict-of-Interest Code for the Livermore-Amador Valley Water Management Agency and Rescinding the Prior Conflict of Interest Code

General Manager Fuller provided an update to the Board stating that because the Fair Political Practices Committee (FPPC) requires LAVWMA's Conflict of Interest Code be updated every five years and whenever there is a change in LAVWMA staff position(s). The transfer of LAVWMA's financial services from DSRSD to RGS eliminated the position of Assistant Treasurer and the FPPC last review of LAVWMA's COI code was in 2018. LAVWMA's 2024 Conflict of Interest Code has been reviewed and approved by the FPPC.

Director Arkin asked if there were any changes other than the elimination of the Assistant Treasurer position. General Manager Fuller stated that there was only one change.

Director Carling motioned, seconded by Director Testa, to approve Resolution 24-06 Adopting a Conflict-of-Interest Code for the Livermore-Amador Water Management Agency and Rescinding the Prior Conflict of Interest Code

The Motion passed unanimously (6 – 0).

10. LAVWMA Quarterly Report of Operations, 4th Quarter, FY2023-2024

The General Manager began by stating that DSRSD staff have done an outstanding job operating LAVWMA facilities. He then provided an overview of the report, noting the operating budgets' labor costs and overall export pump efficiency.

Director Carling asked about the operations of the three new export pumps. General Manager Fuller stated that all three new export pumps are operating well and are being operated in the lead position to fully test their capabilities while they are under warranty.

Director Arkin asked about the impact of power outages. DSRSD Operations Director, Dan Gill, stated PG&E power has been reliable during the summer of 2024.

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

11. Project Status Reports - Livermore Interceptor Pipeline, the San Leandro Sample Station (SLSS), and the Export Pipeline and Repairs Project

General Manager Fuller stated the physical work of the Livermore Pipeline Project has been completed and that the City of Livermore has produced a payment plan for the project to cover the to date project expenses of \$5.8 Million using \$4.3 million from city cash and \$1.5 million from sole use reserves. The GM noted that a true up invoice that is not expected to exceed \$400,000 will be billed to Livermore later in the fiscal year. General Manager Fuller noted that Kermani Consulting Group was hired with a not-to-exceed \$15,000 contract to manage the FEMA reimbursement process for the Livermore Interceptor Pipeline Project. General Manager Fuller plans to extend the not-to-exceed amount to \$25,000 so that KCG can be available to process future requests for information from FEMA, and if necessary, facilitate any appeals of FEMA decisions on granting reimbursements for the Livermore Interceptor Pipeline Project. General Manager Fuller noted that Contractor, McGuire, and Hester, submitted and LAVWMA approved a “no-cost” change order to extend the completion date of the SLSS Project to August 2025. He also mentioned that the Export Pipeline Inspection and Repair Project should begin within the next few weeks with the publication of an RFP for service providers.

Director Carling asked if FEMA issues a reimbursement for the Livermore Interceptor Pipeline Project and whether those funds would go to the City of Livermore. General Manager Fuller responded that they would.

Chair Goel asked if there was any risk of delaying the SLSS Project. General Manager Fuller stated that the station is being rebuilt because of its inadequate design but should be able to be successfully operate in its existing condition.

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

12. California Regional Water Quality Control Board's Nutrient Permit

General Manager Fuller reported to the Board that the Regional Water Quality Control Board has adopted a Nutrient Permit that requires a 40% reduction in nitrogen to the Bay and that the wastewater community is disappointed with this Nutrient Permit for multiple and major reasons. He noted that BACWA and EBDA along with DSRSD and the City of Livermore (individually) have filed petitions against the Waterboard's Nutrient Permit, but placed those petitions in abeyance, giving BACWA and EBDA Agencies and the Waterboards time to collaborate and work toward an amendment to the Nutrient Permits' Time Compliance Schedule to allow for a compliance date sometime beyond 2034. At this time LAVWMA feels its position is adequately represented by the parties that have filed petitions.

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

13. Board Member Compensation

The Board discussed a discrepancy among the payment for Directors depending on their member agency. The Board provided feedback and direction to staff to make LAVWMA Board member compensation equal for all LAVWMA Board members regardless of which member agency the Board members represent (City of Livermore, City of Pleasanton, or DSRSD) and LAVWMA should pay all Board Members directly. The compensation amount to be adjusted to modern rates since it has not been altered since the 1970s.

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

14. Update and Response to Various Legal and Legislative Issues

General Manager Fuller informed the Board that both LAVWMA and the City of Livermore have considered and signed a conflict waiver as JarvisFay represents both LAVWMA and the City of Livermore on various legal matters. Legal Counsel Barnhill gave an overview of the State of California Supreme Court's recent action in removing the Taxpayer Protection Act from the November Ballot. Ms. Barnhill also gave an overview of a few other legal and legislative actions.

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

15. General Manager's Report

General Manager Fuller provided an update on the Advanced Quantitative Precipitation Information (AQPI) project noting that the project can be useful in informing agencies on how staff and equipment can be more strategically deployed during wet weather events. The project has \$20 million in grant funding to build initial infrastructure; however, the funding may be short on supporting ongoing operations and maintenance. In the future, the AQPI project may ask agencies for funding to assist with ongoing operations and maintenance activities.

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

16. Matters From/For Board Members

There were no matters from/for Board members.

17. Next Regular Board Meeting, Wednesday, November 20, 2024, at 6:00 p.m.

The next Board meeting will be held in DSRSD's Board Room.

18. Adjournment

There being no further action, Chair Goel adjourned the meeting at 7:19 p.m.

Minutes Approved by the Board on November 20, 2024.

Submitted by,



Levi Fuller
General Manager