

## Minutes of the Regular Board of Directors Meeting

### DELTA DIABLO

May 8, 2019

The meeting was called to order by Chair Wright on Wednesday, May 8, 2019 at 4:34 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Present were Chair Sean Wright, Director Juan Banales, and Director Federal Glover. Also present were Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Cheryl Rhodes Alexander, Human Resources and Risk Manager; Angela Lowrey, Public Information Manager/Management Association Bargaining Unit Representative; Thanh Vo, Senior Engineer; Amanda Roa, Environmental Programs Manager; Joaquin Gonzalez, Operations Manager; Jayne Strommer, Government Affairs Manager; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; and Holland White, City of Pittsburg Councilmember and Supervisor's Aide for Special Projects, Office of Supervisor Federal D. Glover.

#### **PUBLIC COMMENTS**

The Board received public comment from Ms. Kathy Chang, a property owner in the City of Antioch. Ms. Chang raised concerns regarding the District's Proposition 218 notice as it pertains to collecting funds for a significant Advanced Treatment project that is not included in the five-year Capital Improvement Program, and increasing rates to cover operations instead of using cash balances. She asked that the Board investigate her concerns. Director Glover responded that because the matter was not on the Board's agenda, the Board could not discuss it. He asked Mr. De Lange to look into the matter and report back to the Board.

#### **RECOGNITION**

Recognize and Congratulate Angela Lowrey, Public Information Manager, for Receiving the California Association of Public Information Officials 2019 Communicator of the Year Award  
Ms. Margetich acknowledged Ms. Lowrey and reviewed several of her accomplishments, while noting her dedication to public education and outreach, communications expertise, creativity, and stakeholder relationship focus. Ms. Lowrey thanked the Board for its support, while acknowledging contributions from staff who contributed to this award, and for the opportunity to serve the District. Chair Wright congratulated Ms. Lowrey on her achievement.

#### **Recognize and Receive California Association of Public Information Officials Video Production, PSA/Promotional/Marketing Video – Short Form as a Member of the East County Regional Coalition**

Ms. Lowrey highlighted that the District recently received an award for a video produced by an external videographer in support of a bilingual, regional public outreach campaign, entitled "No Wipes in the Pipes" in collaboration with Byron-Bethany Irrigation District, City of Brentwood, Ironhouse Sanitary District, and the Town of Discovery Bay. This coalition was formed to provide an opportunity for agencies to combine resources, target a broader audience, and collaborate with other industry professionals facing similar issues. The goal of the campaign was to help customers understand the impacts caused by wipes that are marketed as "flushable."

Another video was developed in partnership with Deer Valley High School (DVHS), which included a business-education “linked-learning” opportunity for students. Both videos were played before the Board. The Board congratulated Ms. Lowrey on the award.

**CONSENT CALENDAR**

Direct Banales recused himself from *Item E/7, Authorize General Manager or His Designee to Approve Contract Change Orders in an Amount Not to Exceed 10% of Contract Amount; and Authorize General Manager to Execute Amendment No. 1 to Consulting Services Contract in an Amount Not to Exceed \$90,000, V.W. Housen & Associates, Inc., Permanent Brine Transfer Facility, Project No. 18109.* Director Glover moved approval of the Consent Calendar, excluding Item E/7, seconded by Chair Wright, and by unanimous voice vote (*Ayes, Banales, Glover and Wright, Noes: None; Absent: None*), the Board approved the following Consent Calendar items according to staff recommendations: Approve Minutes of Regular Board of Directors Meeting, April 10, 2019; Receive Notes from Finance Committee Meeting, May 1, 2019; Receive District Monthly Check Register, March 2019; Receive Second Quarter Fiscal Year 2018/2019 District Investment Report; Adopt Resolution Commending and Congratulating Gary Van Pelt, Maintenance Mechanic II, on his Retirement from the District; Authorize General Manager to Execute Amendment No. 1 to Consulting Services Contract in an Amount Not to Exceed \$29,219, Maze & Associates, Financial Audit Services; Approve Project, Contract Documents, and Design; Award and Authorize General Manager to Execute a Construction Services Contract in an Amount Not to Exceed \$860,469, Bayview Engineering & Construction Co., Inc.; Approve Bay Point Sewer Repairs – Phase IV Project and Determine the Project is Categorically Exempt Under California Environmental Quality Act (CEQA) Guidelines Class 1 and Class 2; and Authorize General Manager to File CEQA Notice of Exemption with Contra Costa County Recorder’s Office and State Clearinghouse, Bay Point Sewer Repairs – Phase IV, Project No. 18119.

Director Glover moved approval of the Consent Calendar, *Item E/7, Authorize General Manager or His Designee to Approve Contract Change Orders in an Amount Not to Exceed 10% of Contract Amount; and Authorize General Manager to Execute Amendment No. 1 to Consulting Services Contract in an Amount Not to Exceed \$90,000, V.W. Housen & Associates, Inc., Permanent Brine Transfer Facility, Project No. 18109;* seconded by Chair Wright; and by unanimous voice vote (*Ayes, Glover and Wright, Noes: None; Absent: None, Abstain: Banales*), the Board approved Consent Calendar Item E/7.

**DELIBERATION ITEMS**

None.

**PRESENTATIONS AND REPORTS**

Receive Report on Key Assumptions for Proposed Fiscal Year 2019/2020 Operating Budget  
Ms. Margetich provided an overview of the operating budget development process, including the current single-year focus and future plans to transition to multi-year budgeting. She highlighted that staff has focused on implementing operating budget reduction strategies, which has resulted

in a reduction of \$0.6 million (preliminary estimate) for FY19/20 relative to FY18/19. Ms. Margetich reviewed a breakdown of the \$28.7 million budget by major category.

Ms. Margetich reviewed key assumptions for Salaries and Benefits, including cost-of-living adjustments (2-5%, pending in mid-May), unfunding three positions (\$0.7 million in savings), position reclassifications, reallocation of engineering labor (\$0.85 million in savings), and overlap of critical positions to support succession planning (\$0.1 million budgeted). She highlighted medical insurance premium increases (5%) and retirement program costs (CalPERS, PARS, CCCERA, OPEB). Ms. Margetich noted that staff has reduced the budget for Utilities costs (\$1.9 million or 7% of total budget) by 3.9% relative to last year. Ms. Margetich reviewed the Outside Services/Repairs and Maintenance budget (\$4.6 million or 16% of total budget), while highlighting a number of organizational improvement efforts (e.g., IT Strategic Planning, MUNIS enhancements, Cost-of-Service studies [Sewer Service Charges, Capital Facilities Capacity Charges], and total compensation studies). Ms. Margetich closed by noting that the proposed operating budget supports long-term financial sustainability and aligns with sewer service charge (SSC) assumptions presented to the Board at the April 10, 2019 meeting.

Chair Wright thanked Ms. Margetich for the report. The Board received and filed the report.

**MANAGER'S COMMENTS**

None.

**DIRECTORS' COMMENTS**

None.

**CORRESPONDENCE**

Receive Monthly Lobbyist Report dated April 2019, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024

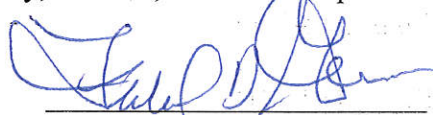
The Board received and filed the report.

**CLOSED SESSION**

None.

**ADJOURNMENT**

Prior to adjourning the meeting, Chair Wright noted the June 12, 2019 Board meeting will begin at 5:30 p.m. instead of 4:30 p.m. Chair Wright adjourned the meeting at 5:05 p.m. The next regular monthly meeting will be Wednesday, June 12, 2019 at 5:30 p.m.



Federal Glover  
Board Secretary

(Recording Secretary:

Cecelia Nichols-Fritzler)