

**CONTRA COSTA WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
February 5, 2020**

MINUTES

CALL TO ORDER

President Borba called to order a regular meeting of the Board of Directors of the Contra Costa Water District (District) at 6:31 p.m., at 1331 Concord Avenue, Concord, the regular meeting place of the Board.

ROLL CALL

Directors Present:	Lisa M. Borba, President Connstance Holdaway, Vice President Ernesto A. Avila Bette Boatmun John A. Burgh
Directors Absent:	None
General Manager:	Stephen J. Welch
Legal Counsel:	Douglas E. Coty
District Secretary	Mary A. Neher

PLEDGE OF ALLEGIANCE

Director Boatmun led the pledge of allegiance.

ADOPTION OF AGENDA

The Board Future Services calendar was updated to include additional meetings and Agenda Item No. 4 was revised due to a typographical error. The Board adopted the agenda by rule.

PUBLIC COMMENT (Please observe a three-minute time limit)

President Borba asked for public comments. There were none.

CONSENT CALENDAR

1. Approve Directors' Service/Business and Travel Expenses
 - a. Future Services – February 2020
2. Approval of January 8, 2020 meeting minutes.
3. Approve the warrant register dated February 6, 2020.

President Borba asked if anyone wanted to remove an item from the consent calendar to be separately considered. No items were removed for separate consideration.

President Borba asked for Board questions and comments. There were none.

President Borba asked for public comments. There were none.

MOTION: Boatmun/Holdaway to approve the consent calendar. The motion carried by unanimous vote.

DISCUSSION AND INFORMATION

4. Review and comment on the Draft Ten-Year Capital Improvement Program and Financial Plan for Fiscal Years 2021 -2030.

Assistant General Manager – Planning Jeff Quimby reviewed the new two-year Capital Improvement Program (CIP) and Financial Plan review schedule. The new two-year CIP structure better aligns capital projects with areas of responsibility, which is broken into six programs. A review of priority 1 and 2 level projects, which are funded by revenues, funded by others, or debt-funded, was provided. New projects added include replacement of the video surveillance system, Los Vaqueros Interpretive Center Water System replacement, and Marsh Creek Road Leak Detection. The program changes, funding changes, and annual operating cost impacts were provided.

In response to Board questions, staff said the Future Water Supplies Program includes placeholders for water use efficiency projects to meet new long-term state regulations related to water use objectives. The District's cost share of the Rock Slough Fish Screen Improvements is 25% of the total project included in the Untreated Water Facilities Program. The Board provided positive feedback on the updated CIP format and the low amount of debt-funded projects in the CIP. The Canal Modernization studies will continue, and the outcomes will be used to update the project cost estimates included in the CIP, which will move projects between the various priority levels. The District continues to evaluate alternatives and funding mechanisms for the Canal Modernization Project. Construction of the project remains at priority 3 (unfunded).

Assistant General Manager – Administration Ron Jacobsma reviewed the water sales projections, which include anticipated impacts from the City of Antioch's desalination project. The untreated and treated water facility reserve charges were updated to reflect the current housing trends, which are lower than historic levels. A review of the Financial Plan assumptions for the operations and maintenance costs, drought reserve, debt financing, and reserve management was provided. The projected revenue increases for untreated and treated water revenue requirements were consistent with the previous CIP and include potential impacts to the untreated water rates from the Antioch desalination project. The sources of funds and use of funds were provided. A discussion ensued regarding benefits of paying off debt and how the freed up financial capacity could be used. The District's bonding capacity and debt service level were also discussed. A review of the long-term financial capacity concept was provided. The CIP will be brought back to the Board on February 19 for Board consideration of adoption. The CIP project team was acknowledged for the efforts to reformat the CIP document.

President Borba asked the Board for additional questions and comments. In response to Board, staff discussed the challenges encountered during the development of the CIP. The high energy cost increase expected by PG&E is reduced due to the lower rates charged by other energy providers. The Board thanked staff for providing the 2021-2030 CIP and Financial Plan.

President Borba asked for public comments. There were no public comments.

5. Receive District values and goals update report and comment.

Mr. Jacobsma discussed the review and update process for the District's values and goals. The District's mission statement remains unchanged. The District's values were broken into nine areas of focus, which were provided. The evaluation of the District's goals took into consideration Board policies, strategic plan, public awareness, and staff performance plan and evaluation milestones. The eight goals were reviewed, and each goal has associated milestones that will be incorporated into the two-year budget, Financial Plan, staff workplans, and staff evaluations.

President Borba asked for Board questions and comments.

In response to the Board questions, staff explained that the environmental responsibility value was more challenging due to balancing individual beliefs and business responsibilities. The Board expressed support for the review and update of the values and goals and thanked staff for the report.

President Borba asked for public comments. There were none.

REPORTS FOR DISCUSSION

6. Future Meeting Dates and Times

There were none.

REPORTS

7. General Manager

Mr. Welch reported that Governor Newsom released an op-ed piece about the voluntary agreements, which will be included in the Board letter. The District was awaiting its draft water supply allocation, which is currently expected in March. The five outlet gates at the Los Vaqueros Reservoir Dam are all operational, and the Los Vaqueros Reservoir Hydraulic Power Unit Flushing and Refurbishment Project is underway.

8. Legal Counsel

Mr. Coty did not have a report.

9. Board

Director Avila reported that he met with the General Manager on January 27. On January 29, he attended the Association of California Water Agencies (ACWA) Region 5 Board of Directors and the ACWA Federal Affairs Committee meetings.

Director Burgh did not have a report.

Vice President Holdaway reported that she had a meeting with Assemblymember Grayson on January 17. On January 22 she attended the Congressman DeSaulnier recognition of former District General Manager Jerry

Brown. She met with the General Manager on January 24. On January 30 she attended the East Bay Leadership Series – Part I event. She attended the January 31 Finance Committee meeting.

Director Boatman reported that she attended the East Bay Leadership Council – Water Task Force on January 28. On January 29 she attended the Concord State of the City event. She attended the ACWA Board workshop on January 30 and ACWA Board meeting on January 31.

President Borba reported that she had attended a meeting with Assemblymember Grayson on January 17. She attended the Operations and Engineering Committee meeting on January 22. On January 29 she attended the Concord State of the City event. She attended the East Bay Leadership Series – Part I event on January 30. She met with the General Manager on January 22, January 28, and February 3.

CLOSED SESSION

10. Public Employee Performance Evaluation as allowed under Government Code Section 54957, Employee: General Manager.

At 7:52 p.m. President Borba announced the Board would move into closed session regarding a public employment matter and there were no additional attendees.

RECONVENE FROM CLOSED SESSION

11. Report on closed session.

At 8:10 p.m. President Borba announced the Board did not take any reportable action during closed session.

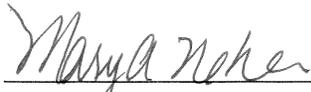
ADJOURNMENT

At 8:11 p.m. President Borba adjourned the meeting. The next regular meeting of the Board of Directors will be on February 19, 2020 commencing at 6:30 p.m. in the Board Room located at 1331 Concord Avenue in Concord.



Lisa M. Borba, President

Attest:



Mary A. Neher, District Secretary