

**CONTRA COSTA WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
August 18, 2021**

MINUTES

CALL TO ORDER

Vice President Avila called to order a regular meeting of the Board of Directors of the Contra Costa Water District (District or CCWD) at 6:30 p.m., at 1331 Concord Avenue, Concord, the regular meeting place of the Board. Pursuant to Governor Newsom's Executive Orders, the public may participate in the meeting in-person at the Board Room or through the teleconference.

SAFETY BRIEFING

The safety protocols completed by the Board and staff participating in-person were provided.

ROLL CALL

Directors Present:	Lisa M. Borba, President (arrived at 6:53 p.m.) Ernesto A. Avila, Vice President John A. Burgh Connstance Holdaway Antonio Martinez
Directors Absent:	None
General Manager:	Stephen J. Welch
Legal Counsel:	Douglas E. Coty
District Secretary	Mary A. Neher
Executive Management Analyst	Shelly Wise

PLEDGE OF ALLEGIANCE

District Secretary Neher led the pledge of allegiance.

ADOPTION OF AGENDA

The Board adopted the agenda by rule.

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

Vice President Avila asked for public comment, there were none.

CONSENT CALENDAR

1. Approve Directors' Services/Business and Travel Expenses
 - a. Future Services – August/September 2021
 - b. Expenses – July 2021
 - c. Compensation – July 2021

2. Approval of July 21, 2021 meeting minutes.
3. Approve the warrant register dated August 19, 2021.
4. Authorize execution of a third amendment to the lease with Denali Water Solutions, LLC. for District property at Grant Line Road in Alameda County.

Vice President Avila asked if anyone wanted to remove an item from the Consent Calendar to be separately considered. There were no items removed. There were no Board or public comments on the consent calendar.

MOTION: Holdaway/Martinez to approve the consent calendar. The motion was approved by roll-call vote (Ayes: Avila, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: Borba).

ACTION

5. Association of California Water Agencies (ACWA) Region 5 Board Election for the 2022-2023 Term
 - a. Designate General Manager Welch as the District's voting representative for the 2022-2023 ACWA Region 5 Board election; and
 - b. Direct the District's voting representative to cast the District's ACWA Region 5 Board vote for the nominating committee's recommended slate.

General Manager Welch explained Vice President Avila is unable to continue as the designated voting representative for the 2022-2023 ACWA Region 5 Board election, due to Vice President Avila's participation as a candidate. Vice President Avila asked Legal Counsel to confirm if recusal of the vote was necessary. Legal Counsel Coty responded it was not.

Vice President Avila asked for Board comments, there were none. Vice President Avila asked for public comment, there were none.

MOTION: Holdaway/Martinez to designate General Manager Welch as the District's voting representative for the 2022-2023 ACWA Region 5 Board election, and to direct the District's voting representative to cast the District's ACWA Region 5 Board vote for the nominating committee's recommended slate. The motion was approved by roll-call vote (Ayes: Avila, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: Borba).

6. Amendment No. 3 to the Multi-Party Cost Share Agreement for the Phase 2 Los Vaqueros Reservoir Expansion Project
 - a. Authorize execution of Amendment No. 3 to the Multi-party Cost Share Agreement for the Phase 2 Los Vaqueros Reservoir Expansion Project
 - b. Amend the FY22 budget by increasing total Project budget by \$1,939,360.

General Manager Welch reported extending the proposed Multi-Party Cost Share Agreement for the Los Vaqueros Reservoir Expansion Project (LVE) will provide additional funding for the District to continue leading the project efforts and allow additional time for continued studies and development.

Vice President Avila asked for Board comments, there were none. Vice President Avila asked for public comment, there were none.

MOTION: Martinez/Burgh to authorize extension of Amendment No. 3 to the Multi-Party Cost Share Agreement for the Phase 2 Los Vaqueros Project and amend the FY22 budget by increasing total Project budget by \$1,939,360. The motion was approved by roll-call vote (Ayes: Avila, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: Borba).

DISCUSSION AND INFORMATION

7. Review and comment on the Los Vaqueros Reservoir Joint Powers Authority formation update.

Assistant General Manager Marguerite Patil presented an update on the Los Vaqueros Reservoir Joint Powers Authority (JPA) formation and provided a summary of each article of the agreement. The final form of the agreement was distributed to the Local Agency Partners for their approval and execution to be completed by September 25. In early October, it is expected, the District will execute the JPA agreement and file it with the State. Once filed, the first JPA Board meeting will be scheduled in mid-November.

The purpose of the JPA agreement is to establish a new public agency to provide governance and administration of the LVE Project. The JPA will have 29 powers, including power to issue bonds limited to JPA executed agreements, enter state and federal funding agreements and provide general powers for normal JPA business operations. The intent of the agreement is to retain flexibility for the Local Agency Partners with project participation including conveyance only, pooled storage and dedicated storage.

Vice President Avila asked if pooled storage was defined in the agreement. Assistant General Manager Patil responded it is a concept that is being evaluated and will be further defined in upcoming agreements.

President Borba arrived at 6:53 p.m. and resumed the meeting.

Assistant General Manager Patil reported the District has planned to be the last to sign the agreement in order to control the timing of the announcement of the JPA formation and the first JPA Board meeting. Each member agency will appoint a Director and Alternate, consisting of elected officials and staff, to ensure a full Board is present at each meeting. Once the Board meetings are established, members will have voting rights for issues pertaining to new/terminating members, amendments, termination of agreements, commence litigation, employment positions and Cal-PERS, and related activity debt, in addition to veto rights.

Assistant General Manager Patil stated although financial details are not included in the JPA agreement, a financial infrastructure was established for flexibility with the budget, self-funding of capital costs, reserves, and added language to clarify the City of San Francisco Charter that relates to annual budgeting.

Assistant General Manager Patil provided an overview on termination, amendment and withdrawal to the agreement, including a summary of the 7 withdrawal offramps. Director Martinez asked about the length of time a member has to withdrawal between the signing of the agreement and the final State funding agreement. Assistant General Manager Patil provided responded it could be up to a few months or less.

Assistant General Manager Patil provided an overview of provisions for San Luis & Delta-Mendota Water Authority (SLDMWA), breach and enforcement, and special provisions. Vice President Avila asked for clarification on new agencies requesting to join the JPA, once the service agreements have been signed. Assistant General Manager Patil explained the existing SLDMWA members would require the new SLDMWA member agency to buy-in.

Vice President Avila expressed importance that LVE related activities can take place within the conditions and approvals agreed to in the environmental document of LVE. Assistant General Manager Patil provided an example of water transfer being a related activity that would be considered outside of the final environmental documents prepared for LVE. In this case, the agency requesting the water transfer would need to have their own environmental documentation for the transfer or notice of exemption. Legal Counsel Coty responded there is flexibility in the provision, as the Board of the JPA will always have authority whether a related activity will move forward.

Assistant General Manager Patil stated once the agreement is finalized, monthly JPA Board meetings will be expected. Staff will continue to update the Board on the status of the agreement.

Vice President Avila commended Assistant General Manager Patil, Legal Counsel Doug Coty and JPA Formation Council Jim Ciampa on the agreement.

President Borba asked for public comment, there were none.

REPORTS FOR DISCUSSION

8. Committee Report(s):
 - a. Operations and Engineering Committee Post-Meeting Report (07/14/2021)

President Borba asked for Board comments, there were none.

9. Schedule Future Meeting Dates and Times

President Borba asked for Board comments. Vice President Avila asked for confirmation that the meeting with the General Manager was moved to August 30. Staff confirmed.

REPORTS

10. General Manager

General Manager Welch reported there was a small fire in the San Ramon area near Marsh Creek and stated staff remained in constant communication with the fire agencies to prepare for lock removal on fire hydrants. General Manager Welch stated locks will remain on the hydrants, as there are continued reports of stolen water.

General Manager Welch reported COVID-19 cases have increased to over 30. As a result, the Management Team continues to discuss taking aggressive actions to curve the COVID-19 spread. General Manager Welch stated there has been push-back from employees regarding mandatory testing and vaccines; the General Manager will continue to work with other agency groups to determine best practices and will begin discussions with legal counsel and bargaining units.

11. Legal Counsel

Legal Counsel Coty encouraged the Board Members to follow updates regarding the Colorado River, as mandatory steps are being taken to cut off water supply to users due to drought conditions.

12. Board Members

Vice President Avila reported attendance to the Association of California Water Agencies (ACWA) Federal Funding Workgroup on August 3 and East Bay Leadership Council (ELBC) Water and Environment Task Force on August 17; commended General Manager Welch for support with the Morgan Territory group meeting.

Director Martinez thanked General Manager Welch for efforts made to decrease the spread of COVID-19 and expressed disappointment with the large number of unvaccinated employees; expressed support for vaccinations and looks forward to staff taking decisive measures to ensure more employees get vaccinated.

Director Martinez reported attendance to the EBLC Water and Environment Task Force on August 17 and was invited by Susan Morgan, Vice President CCSDA, to volunteer for the 30th Anniversary of CCSDA in 2023.

Director Burgh reported presenting to two groups at the Carlton Senior Living facilities on August 16. Due to feedback from the presentation, Director Burgh spoke with Public Affairs staff to create potential marketing materials on water conservation in residential living facilities.

Director Holdaway reported meeting with the General Manager on August 6.

President Borba reported attending the Mayor's Conference on August 5 and a meeting with the General Manager on August 10 and 17. President Borba expressed concern for the low number of vaccinated employees; encourages people become more educated on the vaccine to consider the valued protection for their friends and family.

All Board Members expressed comments of gratitude and congratulations to District Secretary Neher on her retirement.

CLOSED SESSION

13. Conference with Legal Counsel – Consideration of Initiation of Litigation, pursuant to Paragraph 4 of Subdivision (d) of Government Code section 54956.9: (one case).

At 8:06 p.m. President Borba announced the Board would move into a closed session regarding the consideration of initiation of litigation per Government Code Section 54956.9 and that there were no additional attendees.

RECONVENE FROM CLOSED SESSION

14. Report on Closed Session

At 8:45 p.m. President Borba announced the Board had returned from closed session and did not take a reportable action

ADJOURNMENT

At 8:46 p.m. President Borba adjourned the meeting. The next regular meeting of the Board of Directors will be on Wednesday, September 1, 2021 commencing at 6:30 p.m. and held via teleconference.



Lisa M. Borba, President

Attest:



Veronica Sepulveda, District Secretary