

**CONTRA COSTA WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
MARCH 2, 2022**

MINUTES

CALL TO ORDER

President Borba 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 Ave. Concord, the regular meeting place of the Board. The public is participating in the meeting only via 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 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	Veronica Sepulveda
Executive Management Analyst	Shelly Wise

PLEDGE OF ALLEGIANCE

Vice President Avila led the pledge of allegiance.

ADOPTION OF AGENDA

The Board adopted the agenda by rule.

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

President Borba asked for public comment; Chris Dundon, Retiree, spoke regarding the Retiree Cost of Living Adjustment (COLA) stating the District's decision to eliminate a Retiree COLA will have significant impacts on the livelihood of retirees; stated retirees expect a COLA each year and factor it into their retirement plans, since it has been a common practice for decades and other public agencies provide reasonable COLA's; recommended the District find a way to provide a reasonable COLA to retirees.

Karen Ustin, Retiree, spoke regarding the Retiree COLA and provided information on actuarial figures, which she provided to the Retirement and Other Post-Employment Benefits Committee on February 17. She provided three recommendations: for the Board to reconsider and provide a reasonable COLA to retirees this year; develop a Consumer Price Index (CPI) based retiree COLA policy; and develop a Financial Plan to fund liabilities over a 15-year period.

Al Donner, Retiree, provided background on his career with the District; stated not providing future retiree COLA's will have a significant impact on the ability to recruit employees and could be a deterrent; recommended the District realize the impact their decision will make on future recruitment and retention.

CONSENT CALENDAR

1. Approve Directors' Services/Business and Travel Expenses
 - a. Future Services – March 2022
2. Approval of February 2, 2022 meeting minutes.
3. Approve the warrant register dated March 3, 2022.
4. Adopt Resolution No. 22-006 authorizing the extension of teleconference meetings, pursuant to Government Code section 54953(e), effective through April 1, 2022.
5. Authorize Sole Source and Pre-Purchase of Sludge Collector Equipment for the Bollman Water Treatment Plant
 - a. Adopt Resolution No. 22-007 making findings and authorizing sole source procurement of sludge collector equipment; and
 - b. Authorize a purchase agreement with Brentwood Industries, Inc. for sludge collector equipment for a total amount not to exceed \$339,889.

President Borba asked the Board if any item should be removed from the Consent Calendar for separate consideration. There were no items removed. There were no Board or public comments.

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

ACTION

6. Adopt Resolution No. 22-008 placing a nomination for Antonio Martinez as a candidate for the Contra Costa Local Agency Formation Commission Special District Seat.

General Manager Welch reported Contra Costa Local Agency Formation Commission recently announced an opening on their Board and Director Martinez expressed interest in being nominated.

President Borba asked for Board comments; the Board unanimously expressed support for the proposed nomination. President Borba asked for public comments; there were none.

MOTION: Avila/Holdaway to adopt Resolution No. 22-008 placing a nomination for Antonio Martinez as a candidate for the Contra Costa Local Agency Formation Commission Special District Seat. The motion was approved by roll-call vote (Ayes: Avila, Borba, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: None).

7. Cease Declaration of Local Emergency Related to COVID-19 Pandemic and Authorize Emergency Purchases and Services
 - a. Adopt Resolution No. 22-009, ending the proclaimed existence of a local emergency resulting from the COVID-19 pandemic and rescinding Resolution No. 22-003;
 - b. Approve an additional \$100,000 in authority with Koa Hills Consulting LLC for ongoing consulting services on the District's Financial Information System; and
 - c. Authorize purchase of three light duty vehicles from Towne Ford in the amount of \$156,945 (not including tax, fees, and delivery).

General Manager Welch reported the District's emergency condition has stabilized and COVID-19 cases have decreased from approximately 5 cases per week, to none. The recommended action is to cease the emergency order and approve purchases authorized by the General Manager to assist with the impacts from COVID-19.

President Borba asked for Board comments; Vice President Avila spoke in support of the requests and commented the vehicles were quoted at a great price.

President Borba asked for public comments; there were none.

MOTION: Martinez/Burgh to adopt Resolution No. 22-009, ending the proclaimed existence of a local emergency resulting from the COVID-19 pandemic and rescinding Resolution No. 22-003; approve an additional \$100,000 in authority with Koa Hills Consulting LLC for ongoing consulting services on the District's Financial Information System; and authorize purchase of three light duty vehicles from Towne Ford in the amount of \$156,945 (not including tax, fees, and delivery). The motion was approved by roll-call vote (Ayes: Avila, Borba, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: None).

8. Adopt the Capital Improvement Program and Financial Plan for Fiscal Years 2023-2032.
[\[CIP Draft Document\]](#)

General Manager Welch stated the Capital Improvement Program and Financial Plan (CIP Plan) was presented for first review at the February 16, 2022 Board meeting and is ready to move forward for adoption. This 10-year \$860 million funded CIP plan will focus on two priority projects; the Los Vaqueros Expansion Project (LVE Project) and Canal Modernization Project. President Borba recalled the first meeting of the CIP presentation and expressed appreciation for the thoroughness of the information provided.

President Borba asked for Board comments; Vice President Avila spoke in favor of approving the CIP, stated the well-integrated manner of the CIP represents the District's mission statement and key objectives and values to provide reliable water to customers; and commended staff for the great work.

Director Martinez spoke in support of the item due to the Project Labor Agreement for the LVE Project, which involves the community and provides local union workers with 15-20 year of construction experience.

President Borba asked for public comments; Joe Kavolick, Diablo Water District Director, requested a presentation of the CIP and Financial Plan at a Diablo Water District (DWD) Board meeting. General Manager Welch responded staff will coordinate a joint CCWD and DWD meeting, in the upcoming weeks, and will add the CIP presentation to the agenda.

MOTION: Avila/Holdaway to approve adoption of the Capital Improvement Program and Financial Plan for Fiscal Years 2023-2032. The motion was approved by roll-call vote (Ayes: Avila, Borba, Burgh, Holdaway, Martinez; Noes: None; Abstain: None; Absent: None).

9. Redistricting Draft Plan Review and Initial Direction
 - a. Conduct a public hearing to provide information and receive comments on the District's redistricting process; and
 - b. Review proposed voting area maps based on 2020 Decennial Census results and provide direction for final proposed voting area map to be considered for adoption on March 16, 2022.

At 7:04 p.m. President Borba opened the Public Hearing. Demographer Michael Wagaman from Wagaman Strategies provided an overview of four proposed redistricting plans, highlighting the changes for each division.

President Borba asked public comments; there were none. The public hearing was closed at 7:21 p.m.

President Borba asked for Board comments; Director Holdaway stated no to the red plan, prefers the green due to the least amount of change; expressed concern for the population shift in the blue and purple plan.

Vice President Avila stated he likes the blue and green plan, with blue being the preferred plan; stated the population in the green map does not address the growth element.

Director Burgh stated his vote would be for either the blue or green plan.

Director Martinez agreed with Director Holdaway; expressed concern for the volume of future housing in Division 5; and stated prefers the blue or green plan.

President Borba stated she prefers the green plan due to the proximity of several amenities in which she partakes in and has the least amount of change; and expressed concern for the blue plan separating the downtown Antioch area.

Vice President Avila stated the growth element is important and suggested modifying the green plan to account for more population growth in Division 4 and 5.

A discussion ensued on modifications to Division 4 and 5 in the green map. The Board reached a consensus to keep the green plan as presented and pursue the green plan for final approval at the March 16, 2022, meeting.

DISCUSSION AND INFORMATION

10. Receive and comment on the statewide water policy update.

Senior Policy Advisor Deanna Sereno provided an update regarding ongoing permitting activities, regulatory processes, and long-term planning activities of the Central Valley Project (CVP) and State Water Project (SWP) that affect flows in Delta channels, with potential implications for the District's water quality, water supply, and finances. The update included recent developments and upcoming milestones regarding permitting for the CVP and SWP, the Bay-Delta Water Quality Control Plan (Bay-Delta Plan), and the Delta Conveyance Project.

Operational criteria for CVP and SWP can affect Delta water quality, the ability to fill Los Vaqueros Reservoir, and the District's CVP water supply and water rates. The current permits became operational in 2020 and provide coverage for some District operations under the federal Endangered Species Act. Some operational criteria in the federal permits for the CVP and SWP differ from operational criteria in a state permit for operation of the SWP. These differences are addressed by coordination of daily operations, litigation, and additional permitting activities. Most recently, parties to the federal litigation put forth opposing operational plans for 2022. A hearing was conducted on February 11, and a Court ruling on the matter is expected soon. Additionally, the Bureau of Reclamation initiated the development of new permits to replace the 2020 federal permits and resolve the difference with the state permit. The District requested participation in the development of the permits, under both the National Environmental Quality Act and the Endangered Species Act, as a CVP contractor and as an agency whose facilities and operations may be governed by the new permits. Public participation will also be available in the process. A graph with a schedule was provided.

The Bay-Delta Plan provides reasonable protection of beneficial uses in the watershed. The District's focus in this effort is to protect Delta water quality, District water rights, CVP water supply, and finances. The plan update was divided into two phases: the San Joaquin River Flow and South Delta Salinity and the Sacramento River Delta Flow. An update of each phase and Voluntary Agreements (VAs) were provided.

The District's focus for the Delta Conveyance Project (Project) is to ensure the 2016 settlement agreement with the Department of Water Resources remains protective of District water quality and facilities and ensure any CVP participation follows the beneficiary's pay principle. In December 2021, after completing several planning activities, the Joint Powers Authority which addresses the design and construction for the Project chose to sunset the Delta Stakeholder Engagement Committee (Committee). Prior to sunsetting the Committee, Delta stakeholders had resigned from the Committee highlighting concerns regarding the environmental impacts of the Project on the Delta. The Environmental Impact Report is expected to be released in mid-2022 and District staff will review.

Lastly, a chart with a schedule summary was provided highlighting the key milestones of all three issues. As regulations evolve and projects progress, the schedules may be delayed.

President Borba asked for Board comments; Director Martinez expressed concerns for VAs and thanked staff for the presentation.

Vice President Avila expressed concern for the schedule not being met and asked for clarification on the priorities of the District for water quality.

President Borba expressed appreciation for the policies being outlined and defined on how they affect the District. President Borba asked for public comments; there were none.

REPORTS FOR DISCUSSION

11. Committee Report(s):
 - a. Finance Committee Post Meeting Report (1/28/22)

President Borba asked for Board comments; there were none.

12. Schedule Future Meeting Dates and Times

President Borba asked for Board comments; there were none.

REPORTS

13. General Manager

General Manager Welch had no report.

14. Legal Counsel

Legal Counsel Coty had no report.

15. Board Members

Vice President Avila reported attendance to a meeting with General Manager Welch on February 28; Association of California Water Agencies (ACWA) Fixed Cost Working Group on February 25; the East Bay Leadership Council (EBLC) Water & Environment Task Force meeting on February 15; and Multi-State Salinity Coalition Summit in Las Vegas on February 23-24.

Director Burgh reported presenting to the Real Estate Marketing Group on March 1 and congratulated General Manager Welch on receiving the American Water Works Association (AWWA) Diversity & Inclusion Award. Vice President Avila echoed the congratulations.

Director Holdaway reported attendance to a meeting with General Manager Welch on February 25.

Director Martinez reported attendance to the ACWA Energy Committee Meeting on February 16; Retirement and Other Post-Employment Benefits (OPEB) Committee on February 17; a meeting with General Manager Welch on February 24; and a meeting with the Contra Costa Special District's Association (CCSDA) on March 2.

President Borba reported attendance to two meetings with General Manager Welch on February 22 and March 1; EBLC Leadership Series on February 17; Retirement and OPEB Committee on February 17; and EBLC Board meeting on February 18.

General Manager Welch reported staff will set up 6 to 8 workshops for current employees to discuss the Retiree Cost of Living Adjustment decision. Director Martinez stated it is important to educate employees on retirement.

CLOSED SESSION

16. Conference with Legal Counsel – Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9: Fred Simon v. Contra Costa Water District; Contra Costa Superior Court, Case No. C20-01382

At 8:28 p.m. President Borba announced the Board would move into a closed session; there were three additional attendees, Assistant General Manager Marguerite Patil, District Labor Counsel Joe Wiley, and Attorney Alison Flowers from Aleshire & Wynder.

RECONVENE FROM CLOSED SESSION

17. Report on Closed Session

At 8:47 p.m. President Borba announced the Board had returned from closed session and did not take a reportable action.

ADJOURNMENT

At 8:48 p.m. President Borba adjourned the meeting. The next regular meeting of the Board of Directors will be on Wednesday, March 16, 2022, commencing at 6:30 p.m. via teleconference.



Lisa M. Borba, President

Attest:



Veronica Sepulveda, District Secretary