

**DSRSD•EBMUD RECYCLED WATER AUTHORITY
(DERWA)**

**Board of Directors Regular Meeting Minutes
Monday, April 22, 2024**

1. CALL TO ORDER – Chair Vonheeder-Leopold called the DSRSD•EBMUD Recycled Water Authority (DERWA) meeting to order at 6 p.m.
2. PLEDGE TO THE FLAG
3. ROLL CALL – Directors present: Chair Georgean Vonheeder-Leopold, Vice Chair April Chan, and Director Ann Marie Johnson. Staff present: Richard Sykes, Authority Manager; Jacqueline Lee, Treasurer; Austin Cho, General Counsel; and Nicole Genzale, Authority Secretary

Director Marguerite Young was absent.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

The Board took Item 7.A early under Item 4.

5. PUBLIC COMMENT – 6:19 p.m. – None

6. CONSENT CALENDAR

Director Johnson MOVED for approval of the items on the Consent Calendar. Vice Chair Chan SECONDED the MOTION, which CARRIED with THREE AYES and ONE ABSENT (Young).

- A. Approve Minutes of Regular Board Meeting of February 5, 2024 – Approved
- B. Approve Treasurer’s Reports for January 31, and February 29, 2024 – Approved
- C. Approve Quarterly Investment Report for March 31, 2024 – Approved

7. BOARD BUSINESS

Item 7.A. was held under Item 4.

- A. Approve Proclamation for Former Director John A. Coleman’s Service on the DERWA Board of Directors

Chair Vonheeder-Leopold introduced the item and read aloud from the proclamation.

Vice Chair Chan MOVED to Approve the Proclamation for Former Director Coleman’s Service on the DERWA Board of Directors. Director Johnson SECONDED the MOTION, which CARRIED with THREE AYES and ONE ABSENT (Young).

Chair Vonheeder-Leopold presented the proclamation and an engraved compass to former Director Coleman. The Board and staff shared stories of working together and thanked him for his many steady years of service. Mr. Coleman addressed the Board and reflected on DERWA’s history during his tenure on the Board. Newly appointed EBMUD Director Luz Gomez (Ward 2),

retired EBMUD Customer and Community Services Manager Rebecca Lamoreaux, and Zone 7 Director Dawn Benson also congratulated Mr. Coleman.

B. Approve and Adopt the Fiscal Year 2024-2025 Operating and Capital Budget

Authority Manager Sykes reviewed the item for the Board and gave a presentation (handed out to the Board) that was added to the website as supplemental materials. The presentation provided a summary of the annual administration, operations, debt service, and capital budget categories, a look back at 2020-2024 budgets and actuals, anticipated increases due to energy, labor, backwash, and asset replacement, and the partner agency cost-share (DSRSD 67%, EBMUD 33%). No new capital projects are included in the proposed budget. Mr. Sykes confirmed DERWA will see an increase in revenue collected due to the increases charged in operating costs.

Director Johnson MOVED to Approve Resolution No. 24-3, Adopting the Fiscal Year 2024-2025 Operating and Capital Budget. Vice Chair Chan SECONDED the MOTION, which CARRIED with THREE AYES and ONE ABSENT (Young).

C. Approve the First Amendment to the Consulting Agreement for DSRSD•EMBUD Recycled Water Authority (“DERWA”) Interim Authority Manager Services with Richard G. Sykes

Vice Chair Chan MOVED to Approve the First Amendment to the Consulting Agreement for DERWA Interim Authority Manager Services with Richard G. Sykes. Director Johnson SECONDED the MOTION, which CARRIED with THREE AYES and ONE ABSENT (Young).

8. STAFF REPORTS

A. Authority Manager Update

Authority Manager Sykes reported that he recently took a tour of DSRSD’s recycled water plant facilities and stated how impressed he is with DSRSD’s operations and staff.

B. Discuss Special Board Meeting

Authority Manager Sykes advised the Board that staff will look to schedule a special Board meeting in the June timeframe.

9. BOARDMEMBER ITEMS – None

10. CLOSED SESSION

At 6:30 p.m. the Board went into Closed Session.

As Authorized Pursuant to Government Code Section 54957:
Public Employment
Position: Authority Manager

11. REPORT FROM CLOSED SESSION

At 7:26 p.m. the Board came out of Closed Session.

General Counsel Cho announced that the Board took the following actions:

- Formed an Authority Manager Recruitment Ad-Hoc Committee and appointed Directors Chan and Johnson as the Committee representatives.
- Authorized staff to retain a recruitment firm for the Authority Manager recruitment with a not-to-exceed expenditure of \$30,000.

12. ADJOURNMENT

Chair Vonheeder-Leopold adjourned the meeting at 7:27 p.m.

Submitted by,



Nicole M. Genzale, CMC
Authority Secretary