



TOWN OF DISCOVERY BAY CSD

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Board Members

President-Kevin Graves
Vice President-Mark Simon
Treasurer-Brian Dawson
Director-David Piepho
Director-Ray Tetreault

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY CSD

Wednesday, May 19, 2010

1800 Willow Lake Road, Discovery Bay, California

REGULAR MEETING at 7:00p.m.

A. ROLL CALL

The meeting was called to order at 7:00p.m. President Graves led the Pledge of Allegiance. General Manager Koehne called roll which reflected that Director Piepho was absent. All other Directors were present.

B. PUBLIC COMMENTS (Public Comments will be limited to a 3-minute time limit)

Resident Pat Richardson asked for clarification of the District Invoices. She asked what the Appraisal was for and when it was done. Resident Jeff Barber stated that he is of the belief that the building being appraised is one that is owned by the Hofmann Company and located on Discovery Bay Boulevard. He then stated that he thought an individual email that went out regarding the Fire Stations was a political stunt by a Director under the banner of Discovery Bay. He also asked that the Board get involved in the potential situation of losing Fire Stations and that the Board should align themselves with a Citizens Group that has done something about making a proposal with Cal-Fire. He does not know if Cal-Fire is a solution but thinks that it should be looked at as a possibility.

C. CONSENT CALENDAR

1. Minutes previous meeting, Regular Meeting & Special Meeting of May 5, 2010
2. Various District Invoices
3. Accept Grant Deed for Parcel 008-330-057 from New Discovery, Inc.
4. Approve Change Order #1 for UV Bypass Project

Treasurer Dawson asked that Item C-2, Various District Invoices be pulled from the Consent Calendar for discussion. Treasurer Dawson then made a motion to approve the Consent Calendar, except for item C-2, District Invoices. Director Tetreault 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain. President Graves then began a discussion regarding the District Invoices and addressed Pat Richardson's question from the Public Comments. He stated that an Appraisal was done on a piece of property in Discovery Bay that could potentially be used as a Community Center. He stated that the

Appraisal Report has just been completed in the last couple of weeks. It is being turned over to the County at their request as the district has an advisory role only. The county has the final decision making process with the Hofmann Company and what happens with regard to their obligations to the community. It is a step forward in finally getting some progress on the Community Center. Resident Pat Richardson asked for the address of the building that was appraised. Vice-President Simon stated that the reason that the address has not been made public is because this building may or may not be leased to different tenants and the district does not want the landlord to lose potential tenants for this building. He also stated that at this point all they want to do is to get an Appraisal to find out what the value is; it has not gone any further than that. Director Tetreault stated that in order to even look at, the Board wanted to use their own Appraiser value the property. President Graves stated that the Community Center will be on the Agenda and at that time he expects the County and Hofmann to be present to discuss it and the community will be able to ask additional questions at that time. Resident Walter MacVittie stated that he thinks there are a lot of questions regarding the Community Center because there has been no public communication and he thinks the Community Center should be on the next Agenda and the Board should provide information to the community. Treasurer Dawson made a motion to approve Item Two (2) from the Consent Calendar. Director Tetreault 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain.

D. CHAIR REPORT

President Graves stated Eagle Scout David Knittel sent a letter thanking the district for the recognition at the last meeting.

E. DIRECTORS' COMMENTS

Treasurer Dawson stated that he is the author of the email that was mentioned in the Public Comments section of the meeting. He stated that all he was trying to do was to get what he thought was a very important issue out to the public and his intent was strictly to get the information to as many people as possible. Director Tetreault stated that if he viewed the email as a political stunt that he would be the first one to address it, but he saw that email as an important community item. He also stated that as one of the members of the Fire Committee, he is the one that told the Board Representative about the Cal-Fire quote, but it was shut down by the Unions and as far as he knows, the Board of Supervisors has not addressed it. He does think that if the community attends their next meeting, it would be a show of support for our Fire Stations. Vice-President Simon stated that he also wants to see the Community Center on the Agenda and he has tried to get this item on. He stated that there are two (2) Directors on the committee and if one (1) can not be here and chair the committee, then Director Tetreault should chair the committee and move this item forward. Vice-President Simon added that we need to get the County and Hofmann here and get this done. He thinks that we need to move this forward and it needs to be on the next Agenda. President Graves stated that counsel was consulted with regard to the email that was sent by Treasurer Dawson and the Board is asking for clarification on policy. He stated that he thinks that it is extremely important for the community to become engaged in the Fire District and if there is some way for the Board to take action, he would definitely be willing to support it. President Graves also stated that the Community Center is planned to be on a future Agenda, and does not know if it will be the next meeting, but he has spoken with Catherine Kutsuris at the Contra Costa County Department of Conservation and Development and she has spoken with David Lennon from Hofmann Company. He said that they are both being pro-active and there will be something soon, but not necessarily at the next meeting. Resident Bob Mankin stated that regarding the Fire District, he does not know how a community of 15,000 people can dictate what happens in a 105,000 person district. He also stated that he read about Cal-Fire and found that the largest district that they serve is Riverside and their administrative costs through Cal-Fire have gone up One Hundred Percent (100%) over the last five (5) years and Three Hundred Percent (300%) in the last ten (10) years. From his reading on different districts that use Cal-Fire, he does not think they are the definitive answer to the problem.

F. REQUEST FOR BOARD CONSIDERATION

1. **Presentation by Contra Costa County Building Inspection Department regarding the Residential Rental Inspection Program (RRIP) (Koehne)** – Michael Angelo Silva, Property Conservation Chief from the Contra Costa County Department of Conservation and Development provided information regarding the Residential Rental Inspection Program and some changes that are being considered to save time and money in the inspection process. One change would be that rates would be reduced for units that would only require drive-by inspections in lieu of full inspections. If the drive-by inspection reveals that the property is in disrepair, a full interior inspection would be required and an additional fee charged to the property owner.
2. **Discuss and Possible Action to Approve Development of a Water Master Plan (Koehne)** – Engineers John Fawcett and Tom Elson from Luhdorff and Scalmanini gave a PowerPoint presentation that showed what the Water Master Plan entailed. They are not asking for plan approval tonight, they are providing information on the plan and will return to the Board with a Contract Proposal and Scope of Work for approval at a future meeting. No action taken.
3. **Discuss and Possible Action on the Ravenswood Park Improvement Projects (Water Play & Solar Lighting) (Perez)** – Landscape Manager Fairin Perez provided some plan costs for the Water Play and Solar Lighting Projects. She explained that the quotes for the design costs from Bruce Jett Associates came in with a quote under \$21,000.00 and she is asking for approval to move forward with this part of the project. Director Tetreault made a motion to approve the design cost not to exceed \$21,000.00. Vice-President Simon 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain.
4. **Discuss and Possible Action on New General Manager's Contract (Graves)** – President Graves stated that he and Director Tetreault worked as a committee to put together an Employment Contract and they have been successful in negotiating under the guidelines provided by the Board. President Graves reviewed the contract with the public. Director Tetreault made a motion to approve the General Manager's contract as written. Vice-President Simon 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain. After the contract was voted on and approved, President Graves introduced the new General Manager, Richard "Rick" Howard. Mr. Howard stated that he is looking forward to working for the district and provided his background and experience to the public. He stated that he has twenty-five (25) years of Government experience. He has worked for the County of San Diego, the cities of Pasadena, Poway, Mission Viejo, and a Public Transit Company. His also stated that his scheduled start date is June 14, 2010.
5. **Discuss and Possible Action on Proposed 2010-2011 Operating & CIP Budget (Koehne)** – General Manager Koehne discussed the proposed budget which was discussed at the Special Board Meeting on Wednesday, May 12, 2010. Based on comments and requests from that meeting, staff made changes to the budget and he listed those changes. There were also some changes to the Capital Improvement Budget based on suggestions submitted by the Board. General Manager Koehne then stated that if the budget remained as originally presented last Wednesday evening, the overall rate increase based on the Five (5) Year Projection, the district would have to raise Water and Wastewater rates Thirteen Percent (13%) annually for the next five (5) years. President Graves asked Legal Counsel Mike McGrew if it would be okay to talk about both Agenda Items F5 & F6 simultaneously and Mr. McGrew indicated that the Board could do so. General Manager Koehne then continued the discussion on budgets with removing certain Capital Improvement Projects and provided the Board with the two (2) alternatives for consideration and provided the projected rate increases for each alternative. The Board discussed the items that might be removed from the budget or moved to another budget year. Director Tetreault stated if they choose one of the alternatives, he would like to see a "Contingency Fund" established for unforeseen projects that the district may need. Resident Mike McCleery addressed the Veolia Water rate increase and asked about the district going out to Bid to try and secure a better Wastewater contract for that service. Legal Counsel Mike McGrew advised the Board to vote on the rate increase as a "not to exceed" increase since the Board does not have the exact

budget numbers worked out yet. Any rate increases need to be provided to the public and there is a deadline to make any changes. Director Tetreault made a motion that the recommended rate increase for Water and Wastewater not to exceed 8.0%. The Board continued their discussion on the items that may need to come out of the current budget in order to get to that number. There was no 2nd to the motion. After further discussion, the Board decided that they have time to work on the budget, but need to put a maximum percentage rate increase so they can implement it for this year. General Manager Koehne noted that the Veolia Contract alone has driven the budget way above what staff is asking for as an increase. In 2009, the increase for the Veolia Contract was Fifty-Two Percent (52%) and we only raised our rates by Three Percent (3.1%), so we are in the red approximately \$398,000 as of June 2010. He also said the district has no debt and no bonds and staff would like to stay that way if possible. Director Tetreault made a motion to recommend a preliminary budget with Alternative #2 plus a 3.2% Contingency Fund. Vice-President Simon 2nd the motion. After further discussion on the budget and the required time frame for approving the budget, President Graves asked staff to revisit the Operating and Capital Budget for 2010/2011 and bring the Board a budget that is based on the 9.0% increase. President Graves asked about the motion on the floor. Treasurer Dawson made a substitute motion to cease to make further changes to the 2010/2011 and notice a Public Hearing. No 2nd was made to the motion. Director Tetreault withdrew his original motion and Vice-President Simon withdrew his 2nd. Vice-President Simon made a motion to adopt the preliminary budget the way it stands. Treasurer Dawson 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain.

6. **Discuss and Possible Action to Consider Proposed New Water & Wastewater Rate Increase's for 2010/2011 Yr. (Koehne)** – Refer to Agenda Item F5 above for discussion on this action. Director Tetreault made a motion to accept a recommended rate increase with Alternative #2 (which is 5.8%) plus a contingency fund of the difference, which is 3.2% for a rate increase not to exceed 9%. Vice-President Simon 2nd the motion. The motion passed with a vote of 4 ayes, 0 nos, 0 abstain.

G. GENERAL MANAGER REPORT

1. **Update on Mariner's Church** – General Manager Koehne reported that staff contacted LAFCo and they were told that the church property is within the district service boundary. The district has temporarily hooked them to water and they have installed a meter. Well # 1B has been completed and the district is in the process of testing it. Well # 6 is moving along and a pump and motor will be installed next week. There was a major water leak on Willow Lake Road. There will be a California Highway Patrol inspection on the two (2) district trucks and there has been some tree trimming on Highway 4. The district is very close to getting new email addresses.

H. LEGAL COUNSEL REPORT

Legal Counsel Mike McGrew stated that he looks forward to working this district. He works with a number of CSDs and is used to the issues faced by these districts.

I. CORRESPONDENCE-Discussion and Possible Action

1. R - Minutes of Aviation Advisory Committee Meeting of February 16th & Mar 16, 2010
2. R - Minutes of Transplan Committee Meeting for February 11, 2010
3. R - Letter from Contra Costa Fire Protection District re: Large Family Day Care Safety Inspection May 06, 2010
4. R - LAFCo re: Fire Services Workshop of May 21, 2010
5. R - Letter from Supervisor Piepho - Summer Concert Series in Discovery Bay -- April 28, 2010
6. R - Letter from Supervisor Piepho - Census Bureau - Zip Code Address Item -- May 4, 2010
7. R - Letter from Supervisor Piepho - Board Order Payment to Habitat Conservancy -- May 4, 2010
8. R - Letter from Supervisor Piepho - Various Area Road Improvements -- May 4, 2010

9. S - Letter to CCC Conservation Development Dept - Request for Park Dedication Fund - Regatta Park May 5, 2010

10. R - Letter from Supervisor Plepho re: SB 808 Delta Levee Maintenance Bill - April 28, 2010

11. S - Letter to CCC Public Works - Support of Concert in the Park Series - May 7, 2010

No comments.

J. PUBLIC RECORD REQUESTS RECEIVED

No Public Records Request received since May 5, 2010 Board Meeting

K. FUTURE AGENDA ITEMS (Planned)

1. **Status of Community Center** - Vice-President Simon wants to have this on the next Agenda. He thinks that the Representative or the Alternate present this item next meeting and get the County and Hofmann here at the meeting.

2. **Video & Audio Streaming** - Treasurer Dawson thinks he will be ready for this item at the next meeting.

L. ADJOURNMENT

The meeting adjourned at 9:41p.m. to the next Regular meeting of June 2, 2010 starting at 7:00p.m. at 1800 Willow Lake Road- Located in back of the Delta Community Presbyterian Church.

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