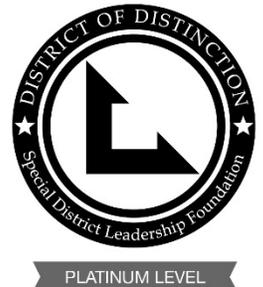




TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



President – Kevin Graves • Vice-President – Ashley Porter • Director – Bryon Gutow • Director – Michael Callahan • Director – Carolyn Graham

NOTICE OF THE REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY Wednesday April 20, 2022

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m. by President Graves.
2. Pledge of Allegiance led by Vice President Porter.
3. Roll Call - all members were present, Director Callahan joined via teleconference.

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

1. None.

C. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

No public comment.

1. Approve, Regular Board of Directors DRAFT Meeting minutes from April 6, 2022.
2. Approve Register of District Invoices.
3. Approve Resolution 2022-10 Re-Authorizing Remote Teleconference Meetings of the Legislative Body of the Town of Discovery Bay Community Services District Pursuant to the Brown Act Provisions.
4. Accept \$6000 Donation from Veolia North America to the Community Center.

Director Gutow made a Motion to Approve the Consent Calendar as presented.
Vice-President Porter second.

Vote: Motion Carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0

D. AREA AGENCIES AND LIAISON REPORTS / PRESENTATIONS

1. None.

E. PRESENTATIONS

1. Veolia – April 2022 Presentation by Anthony Harper:

- Safe workdays - 4,598
- Safety topics – annual required trainings are completed.
- All six wells are active, five are on standby.
- Water production total 69MG, Chlorine solution is 3,142 and is starting to climb due to summer growth, with Newport taking the lead in water production.
- Water compliance – five week month, 25 samples were collected, zero coliform, water quality complaints, hydrant flushing, and valve exercising.
- All fifteen Lift Stations are active – annual clean out will be happening soon for routine maintenance.
- Wastewater flow has been stable.
- Conductivity is coming from the groundwater and is higher, by law and permit we are right at the limit.

President Graves raised a question regarding Newport production being almost double from last March and wanted to know if there are state guidelines or requirements for reporting. Harper replied that the reporting was typical without pushback from the state, however; he does expect to receive some push back from the state as usage increases. Harper confirmed that the plants are operating functionally.

Director Gutow inquired about the storage capacity for Willow Lake and Newport. Harper responded that Willow Lake has more production and tank capacity, and less filtration capacity. However, Newport is almost opposite with less production capacity and more filtration capacity, less tank capacity, and is located on the higher usage of town.

President Graves inquired if the Water Conductivity permit is based on average MG discharge flow per day. Harper explained the average is based on flow. Plant 2 is capable of 4MG per day max. Due to diffuser failure the flow is up to 2.6MG. Gregory Herwit referenced the permit states the average for the year is 2.37. Conductivity is the concern and is currently at 2,356.

Harper commented that he's been at The Town since April 2021 and will soon be a resident. Gutow congratulated Veolia Team on Safety Days.

F. DISCUSSION AND POSSIBLE ACTION

1. Discussion and Possible Action to Adopt Resolution 2022-12 Authorizing the Issuance and Sale of Series 2022 Revenue Bonds to Finance Improvements to the Town of Discovery Bay's Water and Wastewater Enterprises and Approving Related Documents and Official Actions.

No public comment.

Bond team introduction by Finance Manager, Julie Carter. Presentation by Municipal Advisor, James Fabian, Fieldman, Rolapp & Associates:

- Financing is for the Denitrification Project and Well 8 - \$20M Project for Denitrification the bond is for \$13M, Well 8 is \$5M and the bond is for \$5M.
- Bond issuance is approximately \$17.425M – subject to verification when bonds are priced.
- April 2025 completion date for the Water System Project; June 2023 completion date for the Denitrification Project.
- Reaffirmed AA Rating Highlights from S&P: “Pre-approved wastewater rates – 2025, robust liquidity position, well defined and comprehensive financial management practices that we consider likely sustainable. We view The Districts prudent and conservative financial planning and robust long range capital financial and strategic planning of which ultimately supports a stable operational and financial profile.” “Affluent bedroom community with strong income indicators”. “Water and wastewater rates are affordable for the residents”.
- Debt is secured, each of the systems is treated separately. Installment payments from each of the systems is used to pay the bond holders the debt service. Each of the debt series is done at a fixed interest rate for the full term. The Board will have rate convenance.

President Graves referenced page 5 of the slide presentation and inquired about the Water System Aggregate Debt Service for 2017 bonds that expire in 2028 and the level of debt payment dropping. However, when the 2012 bonds expire in 2042/43 it doesn't drop. Jim Fabian explained the reason was due to being backloaded. In year 2044 the gap created by the 2012 bonds being paid off is more than made up for by the 2017 bonds, which is typically done to keep things relatively level. Backload the debt to keep the debt service relatively level over the time frame of the pre-payment.

Director Gutow inquired, what determines the pricing and the fluctuation between now and in two weeks. Jim Fabian replied, “we have a week before we price, we will have more direction on costs of oil, inflation, housing, etc. all those things blend together and have an impact on taxes and interest rates that are paid by bond investors. Once the preliminary statement is posted then pre-marketing is done on the Town's behalf to get the lowest possible interest rate.”

Director Graham asked staff, General Manager, Dina Breitstein the current interest rate possible re-financing and if there are other monies that may be available. Underwriting team and General Manager, Dina Breitstein confirmed the interest rate for 2012 is just under 4%, 2017 is in the higher end of 4%. General Manager Dina Breitstein stated in September we could look at re-financing due to the 10 year par call. According to Assistant General Manager, Mike Davies we are looking at Federal

Infrastructure Grants, the Water and Wastewater team are keenly looking at those grants to see if we can capitalize on them.

President Graves commended Jim Fabian, staff, and the Board for their hard work and diligence. President Graves also commended and acknowledged previous Board members who established good principals, approving policies and keeping those policies moving forward so that we can get a good rating while the current board maintains those policies.

Director Gutow made a Motion to Approve Resolution 2022-12.

Vice-President Porter second.

Vote: Motion Carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0

2. Public Hearing and Possible Action to Adopt Resolution No. 2022-11 Amending the Town of Discovery Bay Community Services District Water and Sewer Capacity Fee Program.

Presentation by Principal, Katherine Tseng, Lechowicz & Tseng on behalf of Project Manager, Alison Lechowicz.

- Capacity fees are one-time fees paid by new development for capital projects when building permits are issued, they are intended to recover capital costs in new and existing facilities. The last study was completed in 2014. Water demand and sewer flow has gone down since 2019 due to water conservation practices since the last drought. In addition to reduced flows development agreements in 2014 are no longer applicable those projects have been completed.

President Graves asked why the total buildout for water is 9,300 for buildout and only 6,800 for wastewater. Katherine suggested deferring to the master plans of the Engineers, water demand is much higher than sewer flow. Overall, water is used more than sewer.

Public Comment:

- Resident 1: Inquired if gallons per EDU flows is divided by the number of houses if it was based on actual or conceptual. Gregory Harris stated it's the total flow at the treatment plant divided by the number of connections. Resident commended the Board for doing a great job.

Director Gutow made a Motion to Approve Resolution 2022-11.

Director Graham second.

Vote: Motion Carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0

3. Discussion and Possible Action to Approve Material Proposals and Authorize Prepurchase of Materials for Wastewater Diffuser Replacement Project.

Discussion by Gregory Harris, Herwit Engineering.

- Diffuser Project – almost three year project.
- Project is now out to bid, three month process before issuing the notice to proceed.
- Due to supply chain issues and delays Design Engineers are concerned about getting materials in time for September construction.
- Advisian has obtained four vendor quotes.

Vice-President Porter made a Motion to Approve the prepurchase of recommended items and authorize General Manager to execute Town's standard purchase order with listed vendors for the amount show plus additional costs of shipping and taxes where applicable.

Director Graham second.

Vote: Motion Carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0

4. Discussion and Possible Action Regarding Discovery Bay Town Hall Event.

Discussion by General Manager, Dina Breitstein.

- Communications Committee requested the District hold a Town Hall Event at the Community Center. This event is for the Board and Staff to meet, greet, and inform the public of the many

happenings in or around Discovery Bay. The date selected is Saturday, June 4, 2022, to coincide with the first Summer Jam event. The Town Hall Event will take place from 11 am – 1pm.

- Staff report includes the proposed date, time, agenda, and budget.

Director Graham agreed that this is a great time to showcase the pool, a great opportunity to provide updates on what has been done and will be done in the future for the Town. Director Gutow expressed concern over the day selected due to other festivities occurring same day for staffing at the community center.

President Graves inquired about the pool opening and staffing concerns. Community Pool Supervisor, Monica Gallo confirmed that the pool will be open Memorial Day weekend. “The pool is always closed on Summer Jam due to lifeguards working the event, too much to have alcohol, water/swimming, the amount of people with the event.” Open swim will be from 12:15 pm – 1pm pending enough lifeguards are hired and onboarded.

President Graves inquired about the budget of \$2,400. Vice-President Porter and General Manager Dina Breitstein confirmed this has been discussed however due to COVID and the pool not being opened it has been delayed.

Public Comment:

- Resident 1: Suggested the Town Hall Event would be a good opportunity to bring awareness to the community regarding the lot across the street (Discovery Bay Boulevard and Sand Point).

President Graves responded that the Town does not have Land Use Authority and recommended that the Town educate the public in regard responsibilities and how the public can address their concerns effectively. Currently, there are no plans nor modifications for zoning at this point. The Board hopes to have representatives at the Town Hall Event.

Director Graham made a Motion to Approve draft plan for The Discovery Bay Town Hall Event on June 4, 2022, from 11 am – 1pm.

Director Callahan second.

Vote: Motion Carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0

G. MANAGER’S REPORT

None.

H. GENERAL MANAGER’S REPORT

None.

I. DIRECTOR REPORTS

1. Special Parks and Recreation Committee Meeting (Members Ashley Porter and Bryon Gutow).

Report provided by Director Gutow:

- Clipper Drive Project – Landscape Manager Bill Engelman will be implementing plans, conducting a construction phase approach to re-evaluate each milestone accomplished and if any changes need to be made can be done so accordingly.
- Proposal will be brought to the board next board meeting on May 4, 2022.
- Vandalism and graffiti issue at Cornell Park – over \$6K has been spent on repair costs, anti-graffiti paint is helping to an extent.
- Pickleball and tennis – currently have fair and equitable scenario in regard to the number of courts next meeting will address the court issues at Cornell Park.

J. DIRECTORS REGIONAL MEETING AND TRAINING REPORTS

None.

K. CORRESPONDENCE RECEIVED

None.

L. FUTURE AGENDA ITEMS

None.

M. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

None.

N. CLOSED SESSION:

None

O. RETURN TO OPEN SESSION, REPORT ON CLOSED SESSION

None.

P. ADJOURNMENT

1. Meeting adjourned at 8:28 p.m. to the next Regular Meeting of the Board of Directors on May 4, 2022, beginning at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925) 634-1131, during regular business hours, at least forty-eight hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."