

Meeting of the Board of Directors Minutes
DELTA DIABLO
January 10, 2024

The meeting was called to order by Chair Juan Banales at 4:31 pm, on Wednesday, January 10, 2024. Present were Vice Chair Federal Glover and Director Monica Wilson. Also present were Rebecca Hooley, District Counsel; Vince De Lange, General Manager; Brian Thomas, Deputy General Manager; Dean Eckerson, Resource Recovery Services Director; Nitish Sharma, Business Services Director; Murat Bozkurt, Engineering Services Director/District Engineer; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Anika Lyons, Finance Manager; Amanda Roa, Environmental Programs Manager (and Management Association bargaining unit representative); Joaquin Gonzalez, Operations Manager (and Management Association bargaining unit representative); Gabriel Duong, Laboratory Manager; Jason Piper, Information Technology Manager; Thanh Vo, Senior Engineer; Mark Guadagni, Associate Engineer; and John Cropper, Cropper Accountancy Corporation.

PUBLIC COMMENTS – None.

BOARD REORGANIZATION

Approve Reorganization of Board of Directors for 2024 and Appoint Board Committee Members, Alternates, and Representatives

Mr. De Lange outlined the recommended traditional rotation of the Board positions, committee members, and representatives for 2024, proposed to take effect on February 1, 2024. Vice Chair Glover proposed that he remain the Vice Chair for 2024 and that Director Wilson serve as Board Chair for 2024. Director Wilson expressed support for the proposal. Vice Chair Glover moved approval of the item with this change; seconded by Director Wilson, and by roll call vote (Ayes: *Banales, Glover, and Wilson*; Noes: *None*; Absent: *None*), the Board approved reorganization of the Board and appointment of committee members, alternates, and representatives for 2024.

RECOGNITION – None.

CONSENT CALENDAR

Director Wilson moved approval of the Consent Calendar, seconded by Vice Chair Glover and by roll call vote (Ayes: *Banales, Glover, and Wilson*; Noes: *None*; Absent: *Abstain: None*), the following Consent Calendar items were approved: Approve Minutes of Board of Directors Meeting, December 13, 2023; Receive Notes of Board of Directors Finance Committee Meeting, January 3, 2024; Receive District Monthly Check Register for November 2023; and Authorize General Manager to Execute Amendment No. 1 to General Services Contract in the Amount of \$44,033, for a New Total Contract Amount Not to Exceed \$484,363, Peterson Power Systems, Inc., Cogeneration Engine Rebuild, Project No. 23115.

DELIBERATION ITEMS – None.

PRESENTATIONS AND REPORTS

Receive Audited Annual Comprehensive Financial Report (ACFR) and Required Auditor Communication Letters for FY22/23

Ms. Lyons introduced Mr. John Cropper from Cropper Accountancy Corporation. Mr. Cropper highlighted the District has exceeded basic financial reporting requirements by including a transmittal letter and statistical section in the ACFR, which is intended to improve reader context and transparency. He commented that the ACFR accurately represents the District's financial position, and the District was issued an "unmodified" or "clean" opinion by the auditor, which represents the highest quality outcome. Mr. Cropper noted the District continues to maintain a strong financial position, including adding \$20.2 million in net position in FY22/23 for a total net position \$227.8 million as of June 30, 2023, which includes an unrestricted net position of \$94.1 million. In addition, Mr. Cropper reviewed the District's operating revenues (\$43.6 million) and operating expenses of (\$34.5 million) resulting in net income of \$9.1 million. Regarding internal controls, Mr. Cropper discussed three opportunities to strengthen internal controls and operating efficiency, which included reviewing the timing of ongoing capital improvement projects to ensure accounting for expenditures in the proper fiscal year, reissuing stale dated checks in a timely manner, and developing a code of conduct/ethics policy to ensure proper compliance with purchasing and managerial oversight.

Chair Banales thanked Mr. Cropper for the presentation. The Board received and filed the report.

GENERAL MANAGER COMMENTS

Mr. De Lange commented the District hosted 25 participants from Leadership Contra Costa. He thanked participating staff for leading the event. Second, Mr. De Lange commented that the District is experiencing power supply disruptions at its Pittsburg Pump Station facility with a large number of staff working to ensure uninterrupted service. Last, he thanked the Board for its approval of lowering the District's flags to half-staff in memory of Shawn Redmond, noting a number of staff attended the flag-lowering ceremony immediately following the last Board Meeting.

BOARD MEMBER COMMENTS – None.

CORRESPONDENCE

Receive Monthly Lobbyist Report Dated December 2023 Key Advocates, Inc., Western Recycled Water Coalition

The Board received and filed the report.

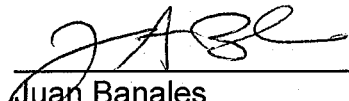
CLOSED SESSION

Chair Banales convened to Closed Session at 4:56 pm.

ADJOURNMENT

Chair Banales reconvened to Regular Session at 5:20 pm. Ms. Hooley announced there was nothing to report out of Closed Session. Chair Banales adjourned the meeting at

5:20 pm and noted the next regular Board of Directors Meeting is scheduled for 4:30 pm on February 14, 2024. The Board adjourned to the Integrated Financing Corporation meeting.



Juan Banales
Board Secretary

(Recording Secretary: Cecelia Nichols-Fritzler)

cc: District File No. BRD.01-MINS