

**DSRSD•EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Regular Meeting Minutes
Monday, April 27, 2026**

1. CALL TO ORDER – Chair Vonheeder-Leopold called the DSRSD•EBMUD Recycled Water Authority (DERWA) meeting to order at 6:01 p.m.
2. PLEDGE TO THE FLAG
3. ROLL CALL – Directors present: Chair Georgean Vonheeder-Leopold, Vice Chair Luz Gòmez, and Director Dinesh Govindarao. Staff present: Vivian Housen, Authority Manager; Jackie Lee, Treasurer; Dan Gill, DSRSD Operations Director; Austin Cho, General Counsel; and Nicole Genzale, Authority Secretary.

Director April Chan was absent.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None.
5. PUBLIC COMMENT – 6:02 p.m. No public comments received.
6. CONSENT CALENDAR

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

- A. Approve Minutes of Regular Board Meeting of February 2, 2026 – Approved
 - B. Approve Treasurer’s Reports for January 31, and February 28, 2026 – Approved
 - C. Approve Quarterly Investment Report for March 31, 2026 – Approved
 - D. Approve Task Order No. 23 for Fiscal Year 2026-2027 for Public Information Services with ICF Jones & Stokes, Inc. – Approved
7. BOARD BUSINESS

- A. Approve and Adopt the Fiscal Year 2026-2027 Operating and Capital Budget

Authority Manager Housen reviewed the item for the Board and gave a presentation that was added to the website as supplemental materials. The Board and staff discussed various aspects of the proposed Fiscal Year (FY) 2026-2027 Operating and Capital Budget including the 2.6% overall decrease from last year’s budget due to DERWA making its final debt payment this June and how that will offset projected operational cost increases for labor, materials, and services. Staff clarified the projected increases on slide 5 as some of the figures reflected the current year’s budget. They also discussed the planned capital improvement projects scheduled for near-and longer-term completion and the Board noted it would be helpful for the attached project sheets to include project progress, contingency budget allocation and spending, and expected duration. General Manager Housen stated she would look at each project’s history and report the status back to the Board.

DSRSD Operations Director Gill provided additional background on cost increases attributed to operations and maintenance including the chemicals used in the treatment process (such as coagulant and disinfection) and labor to perform necessary reservoir cleanings and inspections.

The Board and staff also discussed the budget variances (historical v. actual) shown on slide 3. Staff explained the impacts attributable to year-to-year weather fluctuations which drive recycled water demand. The Board requested staff provide additional background on the variances shown across recent budget years due to drier periods. Staff also noted that the peak shown for FY 2024-2025 is attributable, in part, to the new cost included for backwash treatment, and that the downward trend shown for FYs 2025-2026 and 2026-2027 is due to successive debt payoffs.

Director Govindarao MOVED to Approve Resolution No. 26-2, Adopting the Fiscal Year 2026-2027 Operating and Capital Budget. Vice Chair Gómez SECONDED the MOTION, which CARRIED with THREE AYES and ONE ABSENT (Chan).

B. Authorize Authority Manager to Execute an Agreement with California Sanitation Risk Management Authority for Property Insurance

Authority Manager Housen reviewed the item for the Board. The Board and staff discussed the history of DSRSD carrying property insurance on behalf of DERWA. If authorized by the Board this evening, DERWA will contract directly with the California Sanitation Risk Management Authority (CSRMA) and assume the insurance policy effective July 1, 2026. Ms. Housen explained that staff seeks to assume the policy with CSRMA due to administrative ease of moving the policy from DSRSD to DERWA and receiving the same rate charged to DSRSD. She noted staff did not seek out additional quotes but could do so if the Board so desired.

Vice Chair Gómez MOVED to Authorize the Authority Manager to Execute an Agreement with California Sanitation Risk Management Authority for Property Insurance. Director Govindarao SECONDED the MOTION, which CARRIED THREE AYES and ONE ABSENT (Chan).

Vice Chair Gómez MOVED to Approve DERWA Joining the California Sanitation Risk Management Authority Joint Powers Authority. Director Govindarao SECONDED the MOTION, which CARRIED THREE AYES and ONE ABSENT (Chan).

8. STAFF REPORTS

A. Authority Manager Update

Authority Manager Housen highlighted that in April, DERWA executed the Memorandum of Agreement with Central San to extend the term for temporary wastewater diversion to DERWA, as well as the agreement with CDM Smith to kick-off the first technical study for Central San in support of a longer-term agreement. She also reported that DSRSD has informed DERWA that it will soon hold its kick-off meeting for the second technical study of DSRSD's wastewater treatment plant. She also announced that the Save the Date for DERWA's June 18 anniversary celebration will be sent out soon.

B. Confirm Next Board Meeting – September 28, 2026

The Board acknowledged the September meeting date and did not request any changes.

9. BOARDMEMBER ITEMS

Vice Chair Gómez stated that she is looking forward to the event on June 18 to celebrate 20 years of DERWA's recycled water deliveries.

Chair Vonheeder-Leopold shared that DERWA was founded 30 years ago with deliveries starting 10 years after it was established. She is hopeful that some of the founding and early DERWA Boardmembers will attend the event to share some of DERWA's history. She also reported that she requested Authority Counsel Cho to prepare the Board to conduct the Authority Manager performance evaluation at a special Board meeting to be held ahead of the September Board meeting.

10. ADJOURNMENT

Chair Vonheeder-Leopold adjourned the meeting at 6:38 p.m.

Submitted by,



Nicole M. Genzale, CMC
Authority Secretary