



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS

DATE: Wednesday, January 18, 2012

TIME: 7:00 p.m.

LOCATION: Zone 7 Administration Building

100 North Canyons Parkway, Livermore, California

Any member of the audience desiring to address the Board on an item under discussion may do so upon receiving recognition from the President. After receiving recognition, please step to the podium and state your name and address.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Zone 7 Board Secretary, Judy Rector, at (925) 454-5053 or fax (925) 454-5724. Notification 48 hours prior to the meeting will enable Zone 7 to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}

A G E N D A

1. Call Meeting to Order
2. Pledge of Allegiance
3. Citizens Forum
This is an opportunity for members of the audience to speak on an item not listed on the agenda. The Board cannot deliberate or take action on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.
4. Minutes of the Regular Meeting of December 21, 2011
5. Consent Calendar
 - a. Alameda Countywide Clean Water Program Memorandum Of Agreement
 - b. Contract Approval for Continuation of Arroyo Mocho – Stanley Reach Project Design with ESA-PWA
 - c. Contract Proposal for Environmental Assistance
 - d. Election of Three Zone 7 Board Members on June 5, 2012
6. Staffing Update:
 - a. Employee of the Month Recognition
7. Ordinance 2012-01 – Flood Protection and Storm Water Drainage Development Impact Fee

Recommended action: Hold second public hearing; adopt ordinance.
8. Grant Agreement with California State Coastal Conservancy and Contract with Urban Creeks Council for Stream Management Master Plan Update

Recommended action: Adopt resolution.

9. Refund of Water Connection Fees to KB Homes

Recommended action: Adopt resolution.

10. Committees – Zone 7/DSRSD Liaison Meeting, December 13, 2011 - minutes

11. Items for Future Agenda – Directors

12. Reports – Directors

- a. Written report by Director Quigley
- b. Verbal reports

13. Staff Reports (Information items. No action will be taken.)

- a. General Manager's Report
- b. Recent Public Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Quarterly Update of Expansion Fund
- f. Verbal Reports

14. CLOSED SESSION

- a) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.
- b) Conference with Legal Counsel--Existing Litigation, Government Code Section 54956.9(a):
Petition for Extension of Time, Water Right Permit No. 11319 (Application No. 17002), State Water Resources Control Board.
- c) Conference with Legal Counsel--Initiation of litigation; Government Code Section 54956.9(c):
Sacramento Regional County Sanitation District v. California Regional Water Quality Control Board, Central Valley Region, et al., Sacramento County Superior Court Case No. 34-2011-80001028.

15. Open Session and Report Out of Closed Session

16. Adjournment

17. Upcoming Board Schedule: (All meeting locations are in the Board Room at 100 North Canyons Parkway, Livermore, California, unless otherwise noted)

- a) Regular Board Meeting: February 15, 2012, 7:00 p.m.

Materials related to an item on this agenda that have been provided to the Board less than 72 hours prior to the meeting are available for public inspection at the Zone 7 office at the time of, and prior to, the meeting and at www.zone7water.com. All other material otherwise provided to the Board will be available at the public meeting.

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
REGULAR MEETING

December 21, 2011

President Figuers called the regular meeting to order at 7:00 p.m. The following were present:

DIRECTORS: SANDS FIGUERS
JOHN GRECI
CHRISTOPHER MOORE
RICHARD QUIGLEY
BILL STEVENS

DIRECTORS ABSENT: AJ MACHAEVICH, SARAH PALMER

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE
TAMARA BAPTISTA, FINANCIAL AND SYSTEMS SERVICES
MANAGER
TOM HUGHES, ASSISTANT GENERAL MANAGER, EMPLOYEE
SERVICES
RHETT ALZONA, SENIOR ENGINEER
ELKE RANK, ASSOCIATE WATER RESOURCES PLANNER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

President Figuers called the meeting to order at 7:00 p.m.

Item 3 - Citizens Forum - None.

Item 4 - Minutes of the Regular Meeting of November 16, 2011

On a motion by Director Greci with a second by Director Quigley, the minutes of the Regular Meeting of November 16, 2011 were approved by a voice vote of 4-0-2-1 with Directors Machaevich and Palmer absent and Director Moore abstaining.

Director Palmer arrived at 7:05 p.m.

Item 5 - Consent Calendar

The resolutions were approved by a voice vote of 6-0-1 with Director Machaevich absent.

Resolution 11-4144 Authorized the General Manager to select participants in the Voluntary Resignation Program and execute Settlement Agreements; and the Board directs the Auditor-Controller to issue severance pay to participants.
(Item 5a)

- Resolution 11-4145 Request and recommend that the Board of Supervisors approve granting an easement to Dublin San Ramon Services District for the South San Ramon Creek (Line J). (Item 5b)
- Resolution 11-4146 Authorized the General Manager to execute a four-way funding agreement among East Bay Regional Park District, Alameda County Water District, Santa Clara Valley Water District and Zone 7 to continue the Quagga and Zebra Mussel prevention program for Lake Del Valle in 2012 and 2013. (Item 5c)
- Resolution 11-4147 Authorized the General Manager to accept an easement from the City of Livermore for the Southern Conveyance Facility and have it recorded at the Office of the Recorder of Alameda County. (Item 5d)
- Resolution 11-4148 Accepted the adoption of the annual report of development fee revenues and expenditures for FY ending June 30, 2011. (Item 5e)

On a motion by Director Greci with a second by Director Quigley, the consent calendar passed by a voice vote of 6-0 with Director Machaevich absent.

Item 6 - Staffing Updates

Item 6 (a) - New Employee Introduction

Ms. Duerig reviewed the staff report with the Board and the Board welcomed Mr. Gregory Brock who was present, as a Water Plant Operator III.

Item 6 (b) - Employee of the Month Recognition

Ms. Duerig reviewed the staff report with the Board and the Board congratulated Mr. Dan Tobias, Water Plant Operator III, who was chosen as the November Employee of the Month.

Director Greci asked for the current employee count and was told 106 filled positions and 121 authorized positions. General Manager Jill Duerig added that it is part of the soft hiring freeze to save money during these poor economic times.

As a follow-up to the employee-of-the-month, Ms. Duerig reported that Zone 7 staff are all appreciated. Board members viewed a slide show which was put together by members of the holiday luncheon team and shown at the luncheon that showed various staff accomplishments and milestones that occurred during 2011.

Item 7 - Ordinance 2012-01 – Flood Protection and Storm Water Drainage Development Impact Fee

Kurt Arends, Assistant General Manager, Engineering, explained why the existing Flood Protection and Storm Water Drainage fee schedule needed to be amended. In 2009 the Board agreed to fee increases in steps through 2014, but in 2010 it was amended to stop the fee increases in 2012 and do a re-evaluation of the fees. That evaluation will be done by the end of 2012 or in 2013. Because of the economy, a new ordinance is recommended that will eliminate the last step increase (January 1, 2012) and keep the fee at the existing 2011 level which is \$1 per square foot. The original fee ordinance was to increase it to \$1.10 plus any inflationary increase in the Engineering News Record (ENR). Based on the lack of development and because the current study is being done, staff felt

that it was appropriate to recommend not changing that fee for now. It should not impact Zone 7's ability to do projects as future costs will be factored into the study.

Because it is an Ordinance, it is a public hearing process. Staff will come back in January with an item for adoption. President Figuers asked for Board comments. Director Palmer asked about the 2009 rates which were 87 cents and up to 96 cents in 2010 plus ENR which equals \$1.00. Director Moore was concerned about how it will impact Zone 7 because every financial decision the Board makes now, may result in an increase later. Staff explained that the study will be done collaboratively with stakeholders to address this.

President Figuers opened the public hearing but there were no public comments and the hearing was closed. Mr. Arends reassured the Board that public notice was given through a notice published in the newspaper and the Zone 7 Board meeting agenda.

Director Stevens said he would like to see the trend of how many new square feet are paid in fees between 2007 and 2011. Mr. Arends said he will bring that information back next month.

Item 8 - Patterson Pass Water Treatment Plant Sanitary Sewer Pipeline Project – CEQA Compliance

Ms. Duerig introduced Elke Rank, Associate Water Resources Planner, from the Integrated Planning section. Ms. Ranke talked about the CEQA compliance aspects of the Patterson Pass Water Treatment Plant Sanitary Sewer Pipeline Project. After a short description of the project, she noted that it is a line item in the current Capital Improvements Program (CIP) budget for \$780,000 but that it has not been bid so a more exact number is not available.

Zone 7 is the lead agency for the CEQA document and a mitigated negative declaration was prepared and circulated for thirty days per CEQA requirements. No public comments were received. The final document contained clarifications and a modification and improvement to a mitigation measure.

President Figuers asked Board members for comments or questions prior to the public hearing. Director Palmer said there was no indication of the cost in the item but part of the resolution is to approve the project and authorize staff to complete the final design, get permitting as necessary, and construct the project and that is asking the Board to go through the process without an indication of cost. Ms. Ranke replied that the cost is the \$780,000 that was approved in the CIP. Rhett Alzona, Senior Engineer, noted that it was also part of the Board-approved FY 2010-2011 budget and was itemized as a project.

Director Palmer asked that the cost be included in future proposals. Mr. Arends clarified that the Board will have an opportunity to approve or question the cost of the construction contract when it comes before the Board. Director Moore agreed that he had the same concern about cost that Director Palmer noted. Director Quigley asked about dual conveyance of the pipeline and Director Moore asked if any other underground work could be done at the same time? The requirements for separation of the lines was emphasized and there is no cost advantage for multiple trenchings. President Figuers asked when construction would begin and Mr. Alzona estimated the end of June.

Director Greci asked who will own the pipeline when it is finished. Mr. Alzona responded that Zone 7 will maintain the line until the City annexes the land. County issues include encroachment permits that deal with traffic.

President Figuers opened the public hearing for public comments but since there were none, the public hearing was closed.

Director Quigley moved for approval and Director Greci seconded the motion. Resolution 11-4149 was passed by a roll call vote of 6-0 with Director Machaevich absent.

Item 9 - Independent Auditor's Report and Annual Financial Statements for Fiscal Year Ending June 30, 2011

John Yue, Assistant General Manager, Finance, explained the purpose of an audit, presented the independent auditor's report, and a quick review of the financial statements. The auditor presents an opinion based on his review and the accuracy of the accounting records.

Mr. Yue introduced Tim Krisch of Maze & Associates who noted three key points: 1) the District has received an unqualified opinion once again, a clean opinion, the highest level of assurance that auditors can issue for an entity; 2) the District is in solid financial condition as of June 30, 2011; and 3) the internal controls of the District were tested and they found no material weaknesses and no significant deficiencies.

Director Palmer asked about Construction in Progress under Capital Assets (Page 32 of the Notes to the Financial Statements of June 30, 2011), concerning the Altamont Treatment Plant. Since it is not being constructed at this point, why is it included as a construction in progress? Mr. Yue responded that the easements, land rights, and related investments that have been purchased and paid for have been captured in this holding account so until the project is completed and put into operation, it will not begin to depreciate.

Director Moore moved and Director Greci seconded a motion to approve Resolution 11-4150 accepting the independent auditor's report, basic financial statements and supplementary information for the fiscal year ending June 30, 2011. The resolution was approved by a roll call vote of 6-0 with Director Machaevich absent.

Item 10 - Committees - Finance Committee, November 28, 2011 - minutes (no discussion).

Item 11 - Items for Future Agendas – Directors - None.

Item 12 - Reports - Directors

Director Quigley discussed the ACWA Fall Conference that he, President Figuers and Director Moore attended. Zone 7 won the 2011 Outstanding Outreach Participation Award in recognition for outstanding outreach participation as the top agency in ACWA's Region 5. Another highlight was listening to a speech by retired Judge Wanger.

President Figuers reported that the Groundwater Committee meeting at ACWA's conference had the largest attendance (105) on record. They are doing some interesting technical work on joining with DWR on creating the technical details of who has to report what as far as groundwater levels, groundwater constituents, and how things are defined: a key point because the person who controls the definitions, controls law.

Director Moore said it was the first ACWA conference he attended and everyone knows who Zone 7 is even if we are not the largest district in this state. There is an appreciation for the work

Zone 7 staff does at the state-wide and regional level. Director Moore acknowledged Carl Morrison for the work he does with Zone 7 and other agencies.

Director Palmer reported on the Liaison Meeting with Dublin San Ramon Services District (DSRSD) on December 12. DSRSD's recycled water program was discussed along with the BDCP and the Delta Stewardship Council report. The meeting scheduled with the City of Pleasanton for December 11 was cancelled by Pleasanton.

Item 13 - Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent Public Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Verbal Reports

Ms. Duerig talked about an item that came to the Board on August 18, 2010, where the Board authorized the negotiation and agreement for supplemental funding for the Delta Habitant Conservation and Conveyance Program with DWR. The general wording and material concepts were set in August 2010 and DWR has finally promised the supplemental funding agreement by the end of the week. The agreement will allow a group of state and federal contractors to complete the BDCP and to complete the environmental compliance documents that are associated with it along with supplemental engineering that is required to do the environmental compliance work. The original BDCP should have been done two years ago and the original cost was estimated to be \$140 million; this supplemental funding agreement nearly doubles the cost and schedule, taking it from \$140 million to \$240 million. In association with the extra funds, there is a Memorandum of Agreement (MOA) that the funding partners felt they needed to make sure that there is more adherence to scheduling and budgets in the future. The final MOA was executed this week by the State and Federal Contractors, the State Water Contractors, the Kern County Water Agency and others; Zone 7 will be participating through the State Water Contractors.

The Board went into closed session at 8:00 p.m.

Item 15 - CLOSED SESSION

- a) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.

Item 16 - Open Session and Report Out of Closed Session

President Figuers said there was nothing to report when the Board came out of closed session at 8:45 p.m.

The meeting was adjourned at 8:46 p.m.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: INTEGRATED PLANNING
CONTACT: CAROL MAHONEY/MARY LIM

AGENDA DATE: January 18, 2012

ITEM NO. 5a

SUBJECT: ALAMEDA COUNTYWIDE CLEAN WATER PROGRAM
MEMORANDUM OF AGREEMENT

SUMMARY:

- Zone 7 is a member agency of the Alameda Countywide Clean Water Program (“ACCWP”) and fully participates in the activities, benefits, duties, and responsibilities of the ACCWP as reflected in the existing Agreement to Implement the Alameda Countywide Clean Water Program as approved in 1991 and amended in 1997, 2001 and 2003; and
- Zone 7 is required to be permitted by a National Pollutant Discharge Elimination System (NPDES) permit as prescribed by the Federal Clean Water Act with respect to discharges of storm water from its storm water drainage and collection system, and is currently included as a co-permittee under California Regional Water Quality Control Board, San Francisco Bay Region, Municipal Regional Stormwater NPDES Permit, Order R2-2009-0074 (NPDES Permit No. CAS612008);
- The ACCWP’s Management Committee is recommending that each of the parties to the Agreement adopt the new Agreement to accomplish the following objectives: 1) improve equity by making changes in allocations of the ACCWP’s cost and voting shares; 2) improve flexibility of the ACCWP’s operations by allowing parties to the Agreement to take on the role of program manager and fiscal agent; 3) establish a new 15-year term starting July 1, 2012; and 4) improve the clarity of the Agreement by adopting a new stand-alone agreement incorporating the changes described above as well as a number of minor additional changes to reflect current conditions.
- Due to increased costs and reallocated participant shares, Zone 7’s annual contribution will increase from \$18,000 to \$26,118 in 2011 dollars.

FUNDING:

Funding for Zone 7’s participation in the ACCWP is provided 50% from Fund 50 – Flood Control and 50% from Fund 52 – Water Enterprise.

RECOMMENDED ACTION:

Adopt the attached resolution (1) approving the new *Agreement to Implement the Alameda Countywide Clean Water Program*; and (2) authorizing the General Manager to execute the new agreement on Zone 7’s behalf.

ATTACHMENTS:

1. Agreement Providing for Implementation of the Alameda Countywide Clean Water Program
2. Zone 7 Board Resolution

Interoffice Memo

Date: December 29, 2011
To: Jill Duerig, General Manager
From: Mary Lim, Associate Water Resources Planner
Subject: Alameda Countywide Clean Water Program – Memorandum of Agreement

BACKGROUND

Zone 7 Water Agency is a member agency of the Alameda Countywide Clean Water Program (ACCWP), which also includes Alameda County, its 14 cities, and the Alameda County Flood Control and Water Conservation District. Zone 7 is also a party to the agreement that established the ACCWP, *Agreement to Implement the Alameda County Clean Water Program* (Agreement). Participation in the ACCWP provides the most cost-efficient means for the member municipalities and districts to obtain a federally-mandated National Pollutant Discharge Elimination System (NPDES) permit. The permit requires implementation of a program designed to reduce or eliminate pollutants discharged from a member agency's storm drain system. This NPDES permit is issued by the San Francisco Bay Regional Water Quality Control Board (Regional Board). In October 2009, the Regional Board reissued the Parties' permit as a permit covering the Parties as well as 56 other stormwater dischargers throughout the San Francisco Bay Region. This permit is referred to as the Municipal Regional Permit or MRP.

The Agreement was amended in 1997, 2001, and 2003. Previous amendments to the Agreement included revisions to the cost sharing formula, changing the name of the Program from Alameda County Urban Runoff Clean Water Program to the Alameda Countywide Clean Water Program, extending the term of the current Agreement through April 1, 2013, and allowing for Parties other than the District to contract on behalf of the Program. The proposed new agreement must be approved by the governing bodies of Parties representing two-thirds or more of the votes as allocated under the current Agreement.

DISCUSSION

The current Agreement is due to expire on April 1, 2013. A workgroup from the Program's Management Committee reviewed the current Agreement in light of the requirements in the Municipal Regional Permit. After considering the workgroup's findings, the Program's Management Committee is recommending that each Party to the current agreement approve a new Agreement to accomplish the following objectives:

- 1) Improve equity: The new Agreement will make minor changes in allocations of the ACCWP's cost and voting shares.
- 2) Increase flexibility of the ACCWP's operations by allowing parties to the Agreement to take on the role of program manager and fiscal agent.
- 3) Establish a new 15-year term starting July 1, 2012.

- 4) Improve the clarity of the Agreement by adopting a new stand-alone agreement incorporating the changes described above as well as a number of minor additional changes to reflect current conditions.

Table 1. Comparison of Current and New Agreement Cost and Voting Share Allocation Percentages

PARTY	CURRENT AGREEMENT COST ALLOCATION	NEW AGREEMENT COST ALLOCATION
Alameda	3.97%	4.42%
Alameda County	11.82%	10.76%
Albany	1.00%	1.85%
Berkeley	4.87%	5.13%
Dublin	2.50%	3.42%
Emeryville	1.00%	1.69%
Fremont	15.92%	14.03%
Hayward	11.05%	10.14%
Livermore	5.65%	6.09%
Newark	2.69%	3.45%
Oakland	21.58%	18.51%
Piedmont	1.00%	1.80%
Pleasanton	5.12%	5.64%
San Leandro	4.82%	5.15%
Union City	5.02%	5.31%
District	1.00%	1.30%
Zone 7	1.00%	1.30%
Total	100%	100%

The benefits of Zone 7's continued participation in the ACCWP include, but are not limited to the following: acknowledges Zone 7's responsibilities as a co-permittee of the Municipal Regional NPDES permit; Zone 7's contribution would go toward permit provisions that are countywide and/or regional activities (i.e. water quality monitoring, public outreach and education, trash, mercury, PCB, copper, legacy pesticides, selenium controls and load reductions,

training, and developing countywide and/or regional guidance documents); Zone 7 would continue to have a vote on the ACCWP's Management Committee; and Zone 7 would also continue to receive an allotment of the outreach materials prepared by the ACCWP, which are distributed to the member agencies according to the percent cost contribution.

FUNDING

The proposed revisions to the Agreement would increase Zone 7's contribution from 1% to 1.3% of the ACCWP program costs. From fiscal year (FY) 2006/07 to FY 2009/10, the ACCWP program costs were approximately \$1,800,000 per year. From FY 2010/11 through FY 2015/16, the ACCWP program costs increased to \$2,005,000 per year as a result of new requirements under the MRP. In FY 2010/11 and FY 2011/12, ACCWP had adequate fund balance reserves to offset the increase in program costs for two fiscal years such that there would be no impact to the member agencies' contributions. However, starting in FY 2012/13, the member agencies will be paying their full proportionate share in accordance to the revised calculated cost allocations. Therefore, Zone 7's contribution will increase from \$18,000 per year to \$26,118 per year starting in FY 2012/13.

RECOMMENDED ACTION

Adopt the attached resolution (1) approving the new *Agreement to Implement the Alameda Countywide Clean Water Program*; and (2) authorizing the General Manager to execute the new agreement on Zone 7's behalf.

AGREEMENT
PROVIDING FOR IMPLEMENTATION
OF THE
ALAMEDA COUNTYWIDE CLEAN WATER PROGRAM

THIS AGREEMENT, is made and entered into by and between the ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a local public agency of the State of California; Zone 7 of ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a local public agency of the State of California; COUNTY OF ALAMEDA, a subdivision of the State of California; CITY OF ALAMEDA, a municipal corporation of the State of California; CITY OF ALBANY, a municipal corporation of the State of California; CITY OF BERKELEY, a municipal corporation of the State of California; CITY OF DUBLIN, a municipal corporation of the State of California; CITY OF EMERYVILLE, a municipal corporation of the State of California; CITY OF FREMONT, a municipal corporation of the State of California; CITY OF HAYWARD, a municipal corporation of the State of California; CITY OF LIVERMORE, a municipal corporation of the State of California; CITY OF NEWARK, a municipal corporation of the State of California; CITY OF OAKLAND, a municipal corporation of the State of California; CITY OF PIEDMONT, a municipal corporation of the State of California; CITY OF PLEASANTON, a municipal corporation of the State of California; CITY OF SAN LEANDRO, a municipal corporation of the State of California; and CITY OF UNION CITY, a municipal corporation of the State of California.

All of the above-mentioned entities are hereinafter collectively referred to as "PARTIES" or individually as „PARTY."

RECITALS:

- A. The Water Quality Control Plan for the San Francisco Bay Basin (hereinafter "Basin Plan"), adopted by the California Regional Water Quality Control Board, San Francisco Bay Region (hereinafter "Regional Water Board"), in implementation of the Federal Clean Water Act, and the Municipal Regional Stormwater NPDES Permit (hereinafter "NPDES Permit") required that the PARTIES develop a program to control the discharge of pollutants from urban runoff in the Alameda County area.
- B. In furtherance of their responsibilities pursuant to the Basin Plan and the applicable NPDES Permit, the PARTIES have previously entered into a series of agreements to jointly fund the costs of preparing an action plan to evaluate nonpoint source pollutants, monitor unidentified pollutants, and develop control measures to mitigate or reduce the discharge of pollutants. Collectively, the measures undertaken pursuant to the previous agreements and anticipated to continue pursuant to this Agreement and upon execution of this agreement henceforth shall continue to be known as the Alameda Countywide Clean Water Program (hereafter "the Program"). The Program contains elements that provide a general benefit to the PARTIES (such as monitoring, public education, staff training, program administration, etc.). In addition to the Program elements, each Party has the responsibility to implement permit requirements within its jurisdiction. Activities carried out by a Party may include but are not limited to municipal operations and maintenance, construction site inspections and enforcement, commercial and industrial inspection and enforcement, illicit and illegal connection inspections, and implementation of new development and redevelopment treatment requirements.
- C. In 1987 Congress added Section 402 (p) to the Federal Clean Water Act (CWA) (33 U.S.C. Section 1342 (p), which requires National Pollutant Discharge Elimination System Permits for

certain stormwater discharges from municipal separate storm sewer systems, stormwater discharges associated with industrial activity (including construction activity), and designated stormwater discharges, which are considered significant contributors of pollutants to waters of the United States.

- D. Previous agreements have been executed between the PARTIES for the administration of the Program, and it is the intention of the PARTIES that this Agreement supersedes all prior agreements. In and for the mutual interests of the PARTIES, the PARTIES desire to continue the Program and to enter into this Agreement for the purpose of ensuring continued participation, in terms of cost and administrative responsibilities, and to make certain updates and procedural revisions to facilitate implementation of the Program in compliance with the NPDES Permit.
- E. The Alameda County Flood Control and Water Conservation District (hereinafter “the District”) and Zone 7 of the Alameda County Flood Control and Water Conservation District (hereinafter “Zone 7”) are local public agencies of the State of California duly organized, existing and empowered to conserve water and to provide maintenance and flood control management of the water courses and have the authority to control the discharge of surface waters to their facilities. The County of Alameda and all the cities herein are political subdivisions of the State of California with authority to control the discharge of surface waters from their respective jurisdictions.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Alameda Countywide Clean Water Program

- 1.01 The Alameda Countywide Clean Water Program is hereby continued (hereinafter “the Program”) to assist the PARTIES to fulfill the requirements of NPDES Permit No. CAS612008 as it exists, may be modified, or may be reissued in the future (hereinafter “NPDES Permit”).
- 1.02 The Program is a collective effort and implementation of area-wide activities, designed to benefit all PARTIES.

Section 2. Management Committee

- 2.01 A Management Committee shall provide overall Program direction and coordination. The Management Committee shall review and adopt an annual budget.
- 2.02 The Management Committee may, as necessary, adopt and revise Bylaws for its governance.
- 2.03 The Management Committee shall consider NPDES Permit compliance, including benefit to a majority of the PARTIES, as a primary objective in approving Program tasks and corresponding budgets.
- 2.04 Management Committee members, and their alternates, shall be appointed by the City Manager or the equivalent of the respective PARTIES and a confirming letter sent to the Program Manager. The voting membership of the Management Committee shall consist of one designated voting representative from each PARTY. Alternate voting representatives may be appointed by each PARTY.
- 2.05 Each PARTY to this Agreement is assigned a “Proportional Vote” in proportion to the Cost Allocation in Exhibit A.

- 2.06 A quorum for the conduct of business by the Management Committee shall be a majority (50% plus one) of the voting PARTIES to the Agreement. The Proportional Vote allocated to a PARTY shall not be considered in the determination of a quorum.
- 2.07 The PARTIES shall continue to utilize the Program's preferred approach of achieving consensus to resolve issues and reach decisions and to rely on a simple majority vote (50% plus one) for all decisions requiring a vote, except for changes to the Agreement (including changes to the Cost Allocation) and approval of the Annual Budget. Approval of Annual Budgets require both an affirmative vote by a majority of the PARTIES and an affirmative vote by PARTIES representing more than 50% of the Proportional Votes. Changes to the Agreement require an affirmative vote by a majority of the PARTIES, an affirmative vote by PARTIES representing more than 50% of the Proportional Votes of the PARTIES, and the approval by the governing bodies of the PARTIES representing both a majority of the PARTIES and more than 50% of the Proportional Votes of the PARTIES.
- 2.08 Management Committee approval is required prior to any Program expenditure by the Fiscal Agent or any other PARTY to this Agreement.
- 2.09 Approval by the Management Committee of a motion to submit a report to the Regional Water Board or the State Water Board will be considered a submittal on behalf of all PARTIES unless a PARTY notifies the Management Committee in writing that it does not wish the report to be submitted on its behalf.

Section 3. Program Budget Cost Allocation

- 3.01 The PARTIES shall each pay a yearly contribution into a fund established for Program operations.. Each PARTY's contribution shall be based upon the cost allocation in Exhibit A. The cost allocation in Exhibit A shall remain in effect unless and until a revised cost allocation is adopted through an amendment to the Agreement.
- 3.02 Invoices for payment of Program cost allocations will be sent out by July 30 of each year. If payment has not been received by the Fiscal Agent by September 30, a notice of non-payment will be mailed to the PARTY. If payment has not been received within 60 days of the notice of non-payment, the PARTY will receive notice that their participation in the Program will be terminated effective 30 days from the notice of termination.

Section 4. Fiscal Agent

- 4.01 DISTRICT shall serve as the initial Fiscal Agent for the Program. If the District, or another Fiscal Agent, decides to relinquish the role of Fiscal Agent, the Fiscal Agent will notify the Management Committee prior to December 30 and will continue to act as Fiscal Agent until June 30 of the following year. In the event that the District or another Fiscal Agent withdraws from the Program or from providing Fiscal Agent services to the Program, the Management Committee will then select a willing PARTY as Fiscal Agent to serve commencing July 1.
- 4.02 If the Management Committee decides to select a new Fiscal Agent, the Management Committee will notify the Fiscal Agent prior to December 30th that another entity will become the new Fiscal Agent as of the following July 1st.
- 4.03 The Fiscal Agent shall be the treasurer of Program funds. The Fiscal Agent, in accordance with generally accepted accounting procedures, shall keep the Program funds segregated from any other funds administered by the Fiscal Agent; shall credit the Program with appropriate interest income earned on Program funds in each fiscal year; and shall not expend any funds except in

accordance with the annual budget approved by the Management Committee or as otherwise directed by the Management Committee.

- 4.04 The Fiscal Agent will provide a proper accounting of funds and reports of all receipts and disbursements. The Fiscal Agent shall execute contracts and process invoices in a timely manner. The Fiscal Agent may be reimbursed for reasonable expenses associated with oversight of Program accounts with the agreement of the Management Committee. In addition, a PARTY to this Agreement, pursuant to the direction of the Management Committee, may let and administer approved consultant contracts on behalf of the Program. Any PARTY to this Agreement who is administering a contract for the Program (Contracting Agent) shall be compensated for its services and/or contract costs as agreed to in advance by the Management Committee. All consultant contracts will contain hold harmless and indemnity provisions and insurance requirements for the benefit of all PARTIES.

Section 5 Program Management

- 5.01 The District shall serve as the initial Program Manager for the Program. If the District, or another Program Manager, decides to relinquish the role of Program Manager, the Program Manager will notify the Management Committee at least 90 days prior to their termination of Program Management services.
- 5.02 The Management Committee may select a willing PARTY or outside contractor to act as Program Manager. If the Management committee decides to select a new Program Manager, the Management Committee will notify the current Program Manager at least 90 days prior to the termination of the current Program Manager's services.
- 5.03 The Program Manager shall be responsible for Program management and administration, and technical program management in accordance with the PARTIES' NPDES Permit and as directed by the Management Committee. The Program Manager shall be paid from Program funds in accordance with the adopted Program budget.

Section 6. Duties of the PARTIES

- 6.01 In addition to the participation in the Management Committee, the PARTIES accept and agree to perform the following duties:
1. Each will authorize a representative to reapply for an NPDES Permit at the appropriate time as co-applicant with the other PARTIES;
 2. Each will comply with its applicable identified portion of Program implementation;
 3. Each will select a representative to participate in Management Committee meetings and other required meetings of the PARTIES as set forth in subsection 2.04 above;
 4. Each will fund and implement its share of the Program;
 5. Each has the responsibility to implement permit requirements within its jurisdiction.
- 6.02 This Agreement does not restrict the PARTIES from the ability to individually (or collectively) request NPDES Permit modifications and/or initiate NPDES Permit appeals or related actions relating to permit provisions to the extent that a provision affects an individual Party (or group of PARTIES).

Section 7. Term of Agreement

- 7.01 The term of this Agreement shall commence upon execution by the PARTIES and terminate on June 30, 2027. The cost allocation in Exhibit A shall become effective starting July 1, 2012, so that costs are allocated based on one amount for the fiscal year.
- 7.02 Any PARTY may terminate its participation in this Agreement by giving the Chair of the Management Committee at least ninety (90) days written notice. The terminating PARTY will bear the full responsibility for its compliance with the NPDES Permit commencing on the date it terminates its participation. Unless the termination is scheduled to be effective at the close of the fiscal year in which the notice is given, termination shall constitute forfeiture of all the terminating PARTY's share of the Program Budget, for the fiscal year in which the termination occurred (both paid and obligated but unpaid amounts). The Management Committee shall recalculate the cost allocations for the remaining PARTIES accordingly for the following fiscal year by the PARTIES without the withdrawing PARTY's participation.

Section 8. General Legal Provisions

- 8.01 This Agreement may be amended from time to time by an affirmative vote of the PARTIES and an affirmative vote of the governing bodies of the PARTIES as specified in Section 2.07..
- 8.02 This Agreement supersedes any and all prior agreement among all the PARTIES regarding the Program, but does not supersede any other agreements between any of the PARTIES.
- 8.03 This Agreement may be executed and delivered in any number of copies ("counterpart") by the PARTIES, including by means of facsimile. When each PARTY has signed and delivered at least one counterpart to the Program, each counterpart shall be deemed an original and, taken together, shall constitute one and the same Agreement, which shall be binding and effective as to the PARTIES hereto.
- 8.04 No PARTY shall, by entering into this Agreement, participating in the Management Committee, or agreeing to serve as Fiscal Agent, Contracting Agent and/or Program Manager assume or be deemed to assume responsibility for any other PARTY in complying with the requirements of the NPDES Permit. This Agreement is intended solely for the convenience and benefit of the PARTIES hereto and shall not be deemed to be for the benefit of any third party and may not be enforced by any third party, including, but not limited to, the United States Environmental Protection Agency, the State Water Resources Control Board, the Regional Water Board, and private non-governmental organizations, or any person acting on their behalf of in their stead.
- 8.05 It is understood and agreed that, pursuant to Government Code section 895.4, each PARTY ("indemnitor") shall, to the extent permitted by law, defend, indemnify and save harmless each other PARTY, and its officers, employees, volunteers, and contractors from all claims, suits or actions of every name, kind and description resulting from indemnitor's performance of this Agreement, excluding any injuries, death, damage or liability resulting from the gross negligence or willful misconduct of the other PARTIES or their officers or employees.

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EXHIBIT A

AGENCY	COST ALLOCATION
Alameda	4.42%
Alameda County	10.76%
Albany	1.85%
Berkeley	5.13%
Dublin	3.42%
Emeryville	1.69%
Fremont	14.03%
Hayward	10.14%
Livermore	6.09%
Newark	3.45%
Oakland	18.51%
Piedmont	1.80%
Pleasanton	5.64%
San Leandro	5.15%
Union City	5.31%
District	1.30%
Zone 7	1.30%
Total*	100%

* Sum equals 99.99% due to rounding.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**NEW ALAMEDA COUNTYWIDE CLEAN WATER PROGRAM
MEMORANDUM OF AGREEMENT**

WHEREAS, Zone 7 of the Alameda County Flood Control and Water Conservation District is a member agency of the Alameda Countywide Clean Water Program ("ACCWP"), which also includes Alameda County, its 14 cities, and the Alameda County Flood Control and Water Conservation District; and

WHEREAS, Zone 7 of the Alameda County Flood Control and Water Conservation District is required to be permitted by an NPDES permit as prescribed by the Federal Clean Water Act with respect to discharges of storm water from its storm water drainage and collection system, and is currently included as a co-permittee under California Regional Water Quality Control Board, San Francisco Bay Region, Municipal Regional Stormwater NPDES Permit, Order R2-2009-0074 (NPDES Permit No. CAS612008); and

WHEREAS, the ACCWP has developed a new agreement;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District does hereby adopt the new agreement to implement the Alameda Countywide Clean Water Program; and

BE IT FURTHER RESOLVED that the General Manager be authorized to execute the new agreement on behalf of Zone 7 of the Alameda County Flood Control and Water Conservation District.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on

January 18, 2012

By _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: INTEGRATED PLANNING
CONTACT: CAROL MAHONEY/ELKE RANK

AGENDA DATE: January 18, 2012

ITEM NO. **5b**

SUBJECT: Contract Approval for Continuation of Arroyo Mocho – Stanley Reach Project Design with ESA PWA

SUMMARY:

- ESA PWA was selected in 2011 from among a short-list of design firms, and has satisfactorily completed 30% design for the Arroyo Mocho – Stanley Reach Project.
- Zone 7 staff have been in negotiations with several agency partners to allow them to use the Stanley Reach site to help meet their mitigation requirements as a way of achieving SMMP objectives at minimum cost to Zone 7. The partners' project timelines make it imperative that they commence mitigation efforts no later than 2012.
- Long lead times for CEQA and environmental permitting require that design be at 60% in February 2012 to meet the construction start date goal of mid-July 2012.
- ESA PWA has submitted a proposed work plan and budget that will enable them to complete the design on a timeline that will work for the proposed permitting and construction schedule.
- Staff will bring agreements with the mitigating partners before the Board in the next two months to clarify the respective roles, responsibilities, and financial contributions. The mitigating partners have already locked themselves into using Stanley Reach as mitigation through their regulatory permits.

FUNDING:

Funds have been allocated from Fund 50 (83%) and Fund 76 (17%) for Zone 7's share of this phase of the project.

RECOMMENDED ACTION:

Adopt attached Resolution authorizing the General Manager to negotiate and execute a contract with ESA PWA for a not-to-exceed amount of \$150,000 to finalize design and assist with developing construction specifications for the Arroyo Mocho – Stanley Reach Project.

ATTACHMENTS:

Memo Providing Additional Background and Discussion
Resolution

Interoffice Memo

Date: January 18, 2012
To: Jill Duerig, General Manager
From: Carol Mahoney, Senior Geologist and Elke Rank, Associate Water Resources Planner
Subject: Contract Approval for Continuation of Arroyo Mocho – Stanley Reach Project Design with ESA PWA

BACKGROUND:

Zone 7 adopted the Stream Management Master Plan (SMMP) in August 2006. Project R.3-5 (now known as ‘Stanley Reach’) was identified as an area where stream channel enhancements, increased riparian vegetation, and fish passage improvements could be made without impacting the 100-year storm flow capacity. The project also identified this area as a location that is of interest for inclusion in the City of Livermore’s trail system. This reach of the Arroyo Mocho runs roughly east-west along Stanley Boulevard between Murrieta Boulevard and Isabel Avenue in the City of Livermore.

In April 2011, Staff presented “Pilot Use of Mitigation Funds for Restoration/Enhancement Projects: Caltrans and the Alameda County Surplus Property Authority (ACSPA) Mitigation at Stanley Reach on Arroyo Mocho” to the Board. The Board authorized a resolution allowing the use of Zone 7 property for mitigation purposes at Stanley Reach. Since that time, the circumstances have changed considerably, requiring additional action from the Board to allow the project to continue and for Zone 7 to seek grant funds. Due to litigation on a separate but related project, Caltrans issued a ‘stop-work’ order that impacts their mitigation plans for a portion of the Stanley Reach. To replace the funding for the work on this portion of the project, Zone 7 proposes to seek grant funding and/or explore other options for completing the project, including partnering with a different entity on mitigation work.

To accommodate the project schedule, meet the needs of the other project partners, and provide enough of a design to seek grant funding in upcoming rounds, in Zone 7 convened in August 2011 a short-list of design firms to determine which firm was best suited to create 30% design drawings and cost estimates. ESA-PWA was identified as the top firm based on project team experience, qualifications, and design recommendations.

In August 2011, Staff requested approval of a contract with ESA PWA to further the conceptual design that had been created in conjunction with Caltrans to a 30% design level. The purpose of that contract was time sensitive to be used in the Proposition 84 River Parkways Grant submission in October 2011. Notification on the next stage of the grant process is anticipated by February 2012. Zone 7 staff have been working under the initial contract and negotiating with the mitigating partners: Caltrans, ACSPA, and the Alameda County Transportation Commission (ACTC). The litigation preventing Caltrans from participating in the Stanley Reach Project has been settled. Negotiations with the mitigating partners regarding their interest to mitigate on Stanley Reach are on-going.

DISCUSSION:

Caltrans and ACTC are currently negotiating with the San Francisco Bay Regional Water Quality Control Board (RWQCB) on the exact details of which portions of the project site will be used as mitigation for either or both parties. Two acres of the roughly 10 acre site have already been set aside for mitigation for the Stoneridge Bridge project being constructed by Alameda County Surplus Property Authority and are not included in the aforementioned negotiations. Zone 7 staff and those of the mitigating partners are creating a draft agreement where cost sharing allocations will be set and delineation of project responsibilities will be established. In general, the mitigating partners will pay Zone 7 for project planning, environmental review, design, and construction. In addition, the partners will also pay for the maintenance and monitoring for the first 10 years. A maintenance fee will be negotiated with each partner to cover long-term maintenance at the site, similar to that negotiated with the City of Livermore under the El Charro Specific Plan agreement.

Based on the initial negotiations with the mitigating partners, Zone 7 staff recommends entering into a contract with ESA PWA to further the project design to allow for CEQA and permitting to be initiated (roughly at 60% design) and to create final designs and cost estimates to be used to establish payment from the mitigating partners. Staff is pleased with the initial design created by ESA PWA and recommend that Zone 7 continue with this design firm through final design for consistency. Except for the pilot nature of this project concept for mitigation by others and the timing of the grant proposal, staff would have brought the entire contract to the Board at one time.

ESA PWA developed a scope of work and cost estimate to complete design in consultation with Zone 7 staff. These elements are summarized in the following table:

Task Number	Task Description	Budget Amt.
1	Hydraulic analysis	\$1,540
2	Geotechnical analysis	7,500
3	Permitting and CEQA compliance assistance (as needed)	4,140
4	Basis of design	21,880
5	Engineering design	69,450
6	Project management and coordination	8,080
7	Bidding and construction support	25,950
8	Communication fees and other	4,257
Total		\$142,797

The elements listed in the scope and budget are needed to complete the specialized design for Stanley Reach. No staff training time on the stream design has been incorporated in this budget because the majority of the costs will be covered by the mitigating partners; however, Zone 7 staff will be involved in the design process and the review of the designs, which will provide valuable knowledge in assessing these types of stream designs in the future. This project is being split into phases to better track costs since this may be an example for future projects using mitigation dollars for planning, design, construction, and long-term maintenance. Staff has

included a contingency of roughly 5% of ESA PWA's budget projection (approximately \$7,000) in the contract request to cover any minor deviations that might become necessary as we move through this pilot project.

NEXT STEPS:

Staff anticipate bringing agreements before the Board in the next two months to finalize the roles, responsibilities and financial contributions of the respective mitigating partners. The mitigating partners have already locked in the site as their mitigation for the respective projects through their permits with the regulatory agencies. CEQA and permitting will be initiated in February 2012 when the 60% design is complete. Final design and CEQA adoption are anticipated to be complete by April/May 2012. Bidding would begin in May 2012 with Award in June 2012. Construction will begin in July 2012.

RECOMMENDED ACTION:

Adopt attached Resolution authorizing the General Manager to negotiate and execute a contract with ESA PWA for a not-to-exceed amount of \$150,000 to finalize design and assist with developing construction specifications for the Arroyo Mocho – Stanley Reach Project.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, Zone 7 and the mitigating partners (Caltrans, Alameda County Surplus Property Authority, and Alameda County Transportation Commission) have been in negotiations regarding mitigation on Zone 7 property to fulfill needs by the mitigating partners for riparian impacts from their respective other projects; and

WHEREAS, time is of the essence with respect to the project schedule to meet the needs of the mitigating partners by completing agreements, environmental review and permitting, and initiating construction by July 2012; and

WHEREAS, ESA PWA has performed services on the 30% design contract A12-32-ESA to the satisfaction of Zone 7 Staff, and the mitigating partners and Staff recommend completing the design with the same firm since it is uniquely situated to meet the project schedule;

NOW BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a professional services contract with ESA PWA, for design services on the Arroyo Mocho – Stanley Reach Project, in an amount not-to-exceed \$150,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on

January 18, 2012

By: _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Integrated Planning

CONTACT: Carol Mahoney/Brad Ledesma & Elke Rank

AGENDA DATE: January 18, 2012

ITEM NO. **5c**

SUBJECT: Contract Proposal for Environmental Assistance

SUMMARY:

- Department of Fish and Game and other stakeholders in the Arroyo del Valle watershed have requested additional environmental analysis of habitats and conditions.
- In order to complete the environmental analysis, Zone 7 will require specialized technical assistance from a consulting firm that specializes in coordinating environmental investigations involving fishery and amphibian habitat investigations.
- Based on input Zone 7 staff received from outside experts, staff identified Cardno ENTRIX as the sole consulting firm with the ability to prepare the needed environmental investigations.
- Zone 7 staff and other stakeholders plan to work with Cardno ENTRIX to conduct the environmental studies, thus reducing overall contract costs, building buy-in and acquiring training for any future assessments.
- Staff are recommending approval of an \$80,000 contract with Cardno ENTRIX to provide these environmental services.

FUNDING:

This project is funded 100% from Fund 72 (Renewal and Replacement/System-Wide Improvements).

RECOMMENDED ACTION:

Authorize the General Manager to negotiate and execute a contract with Cardno ENTRIX to provide specialized technical assistance conducting environmental analysis for an amount not to exceed \$80,000.

ATTACHMENTS:

1. Memo with additional background information
2. Zone 7 Board Resolution

Interoffice Memo

Date: January 18, 2012
To: Jill Duerig, General Manager
From: Brad Ledesma and Elke Rank, Integrated Planning
Subject: Proposal for Environmental Assistance

The following provides additional background and discussion of the above-referenced agenda item.

BACKGROUND:

Zone 7 Water Agency (Zone 7), along with Alameda County Water District (ACWD), has a water right permit to divert flows from Arroyo Del Valle (Arroyo Valle). Runoff from the Arroyo Valle watershed is stored in Lake Del Valle, a local reservoir managed by the California Department of Water Resources for flood control, water supply, and recreation.

For the past half-century, both agencies have used water diverted from Arroyo Valle to supply water to their customers, while replenishing and protecting both the Livermore-Amador Valley Groundwater Basin and the Niles Cone Groundwater Basin. Zone 7 and ACWD have a long-standing cooperative relationship regarding management and protection of local water resources within the Alameda Creek Watershed.

Additionally, the water Zone 7 diverts under its permit on the Arroyo Valle provides almost 13 percent of its total long-term average water supplies, and helps Zone 7 reduce its reliance on water conveyed through the Sacramento-San Joaquin Delta (Delta). Consequently, developing this local water resource in an environmentally sensitive way is an important goal, especially in light of the current crisis in the Delta.

However, Zone 7 cannot complete the key facilities needed to place water under its water right permit on Arroyo Valle and put the water to reasonable and beneficial use until gravel quarry companies complete mining and dedicate the remaining “Chain of Lakes” to Zone 7, which is anticipated to be after 2030. Zone 7 has little to no control over quarry operations and therefore, cannot expedite their completion.

Zone 7’s current permit expired in 2007 and a petition was filed prior to that with the State Water Resources Control Board (State Board) to extend the time for Zone 7 to put this water to reasonable and beneficial use, allowing for the quarries to be completed and the Chain of Lakes Project to be fully implemented.

DISCUSSION:

As part of the permit renewal process, Zone 7 has been asked to conduct an environmental analysis of the Arroyo del Valle Watershed. The initial environmental analysis will include a fisheries habitat and geomorphologic study along the Arroyo del Valle and Arroyo de la Laguna during this winter and spring. Zone 7 staff are also coordinating this work with other efforts in

separate parts of the watershed associated with the Alameda Creek Fisheries Restoration Workgroup and the Stream Management Master Plan/Development Impact Fee update.

In order to complete the environmental analysis, Zone 7 will require specialized technical assistance from a consulting firm that specializes in coordinating environmental investigations involving fishery and amphibian habitat investigations. Based on input Zone 7 staff received from outside experts, staff identified Cardno ENTRIX as the sole consulting firm with the ability to prepare the needed environmental investigations.

The purpose of the proposed scope of work is to provide Zone 7 with specialized technical assistance in working with the stakeholders (e.g., the Department of Fish and Game and the Alameda Creek Fisheries Restoration Workgroup) to plan and implement the environmental analysis necessary. This includes a fisheries habitat and geomorphologic study along the Arroyo del Valle and Arroyo de la Laguna conducted during this winter and spring.

Staff identified Jean Baldrige, from the consulting firm Cardno ENTRIX, as an expert in leading such environmental analysis. Zone 7 intends to play an active role in these efforts to help control the budget and train Zone 7 staff; consequently, Zone 7 will provide in-house staff to complete tasks wherever feasible. For example, three Zone 7 staff will be paired with three fisheries or geomorphology specialists from Cardno ENTRIX to complete the habitat studies fieldwork. This is advantageous to Zone 7 not only in terms of budget, but also provides one-on-one training in specialized fieldwork that is likely to be required again in the future. In addition, the environmental analysis will most likely be a collaborative effort with other stakeholders to assure minimum costs and maximum credibility within the fisheries community.

RECOMMENDED ACTION:

Authorize the General Manager to negotiate and execute a contract with Cardno ENTRIX to provide specialized technical assistance conducting environmental analysis, for an amount not to exceed \$80,000.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Authorization to negotiate and execute a contract with Cardno ENTRIX to provide specialized technical assistance addressing environmental analysis

WHEREAS, Zone 7 must augment its existing habitat and environmental information for the Arroyo del Valle with additional data to support the environmental analysis requested by the Department of Fish and Game.

WHEREAS, Cardno ENTRIX was identified by staff as having specialized skills related to conducting such environmental analysis, and Zone 7 staff will obtain training from Cardno Entrix for conducting fisheries habitat studies that is likely to be required again in the future.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a contract with Cardno ENTRIX to provide specialized technical assistance conducting environmental analysis, for an amount not to exceed \$80,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on

January 18, 2012

By _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: OFFICE OF THE GENERAL MANAGER

CONTACT: JUDY RECTOR

AGENDA DATE: JANUARY 18, 2012

ITEM NO. **5d**

SUBJECT: ELECTION OF THREE ZONE 7 BOARD MEMBERS ON JUNE 5, 2012

SUMMARY:

- The terms of three members of the Zone 7 Board (Directors Figuers, Moore and Quigley) will conclude on June 30, 2012.
- According to provisions in the District Act, the Zone 7 board election will be consolidated with the Direct Primary Election to be held on June 5, 2012.
- The period for obtaining and filing nomination papers will be February 14, 2012, through March 9, 2012. Should any incumbent decide not to file a declaration of candidacy, the filing period for non-incumbents will be extended by five days to March 14, 2012.
- Nomination papers may be picked up at the Registrar of Voters office in Oakland.
- Zone 7 board candidates who wish to have statements of qualification printed on the ballot will be charged the actual costs associated with printing, translating (Spanish, Chinese, Tagalog and Vietnamese) and typesetting the statements. All cost figures are provided by the Registrar of Voters and are based on actual costs and the number of registered voters in Zone 7.
- In 2010 the cost of the ballot statement was \$2,368; an estimate for 2012 is still forthcoming from the County.
- It is recommended that the estimated cost of the statement of qualifications be collected at the time of filing. If actual costs are less than the estimate, candidates will receive refunds. If actual costs are more than the estimate, candidates will be billed for the difference. **There is no charge for candidates who choose not to have a ballot statement.**
- It is recommended that the Board adopt the attached resolution which:
 1. Calls for the consolidation of the Zone 7 election with the Direct Primary on June 5, 2012; and
 2. Establishes the up front cost for candidates who wish to have a statement of qualifications printed on the ballot.

RECOMMENDED ACTION: Adopt resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO

INTRODUCED BY DIRECTOR
SECONDED BY DIRECTOR

BE IT RESOLVED that the Zone 7 Board of Directors hereby authorizes and requests the Board of Supervisors of the County of Alameda to call an election for the purpose of electing three (3) Members of the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District, said election to be consolidated with the Direct Election to be held on June 5, 2012; and

BE IT FURTHER RESOLVED that the cost of said election, including legal advertising, be charged to the Zone 7 General Fund; and

BE IT FURTHER RESOLVED that statements of qualifications by candidates shall not exceed two hundred (200) words; and

BE IT FURTHER RESOLVED that the estimated cost for ballot assembly and printing, Spanish, Chinese, Tagalog and Vietnamese translation, be payable to Zone 7 at the time of filing (in 2010 the cost of the ballot statement was \$2,368; an estimate for 2012 is still forthcoming from the County); and

BE IT FURTHER RESOLVED that should the actual cost for each candidate's statement of qualifications be less than the 2012 estimate, the candidate will receive a refund; and

BE IT FURTHER RESOLVED that should the actual cost for each candidate's statement of qualifications be more than the 2012 estimate, Zone 7 will bill each candidate for the additional cost.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on

January 18, 2012

By _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATIVE SERVICES

CONTACT PERSON: TOM HUGHES

AGENDA DATE: January 18, 2012

ITEM NO. **6a**

SUBJECT: Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in December and selected the Employee of the Month for November 2011 according to the established Program Guidelines. The individual chosen out of the submitted nominations is then recommended to Management for approval and there is a subsequent announcement of the selection to all Agency employees.

JaVia Green, Staff Analyst, has been chosen from among those nominated as the November 2011 Employee of the Month. JaVia has worked in the Financial & Systems Services Section for over 6 years. According to the recommendation the committee received, JaVia works well with people across Zone 7 in the complex efforts of preparing budgets and on the Capital Improvement Program, among her other responsibilities. In coordinating with Zone 7 staff, JaVia is professional and respectful, takes the time to listen and understand the issues and addresses people's concerns. JaVia takes the same approach with the Board in Committee and Board meetings, as well as with other Zone 7 stakeholders such as our water retailers. JaVia's equanimity is especially valuable in her position, where difficult decisions sometimes have to be made and conflicting viewpoints resolved. Therefore, JaVia has been recognized as a valuable employee and an asset to Zone 7.

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate JaVia Green as November 2011 Employee of the Month.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

100 NORTH CANYONS PARKWAY LIVERMORE, CA 94551 PHONE (925) 454-5000 FAX (925) 454-5727

ORIGINATING SECTION: Flood Control Engineering

CONTACT: Joe Seto/Jeff Tang

AGENDA DATE: January 18, 2012

ITEM NO. 7

SUBJECT: Ordinance 2012-01 - Flood Protection and Storm Water Drainage Development Impact Fee

SUMMARY:

- Zone 7's Board of Directors adopted Ordinance 2009-01, which established the Flood Protection and Storm Water Drainage Development Impact Fee (DIF) on March 18, 2009.
- The Ordinance prescribed the assessment of a DIF for developments creating new impervious surfaces as part of their projects.
- The DIF is used to fund future projects identified in the Stream Management Master Plan (SMMP) which was approved by the Zone 7 Board on August 16, 2006.
- Ordinance 2010-01, adopted on March 17, 2010, amended the fee schedule of Ordinance 2009-01 and limited the annual DIF adjustments through 2012.
- Zone 7 staff is initiating a collaborative re-evaluation and update of the SMMP in early 2012 that will address future adjustments to the DIF.
- With the state of the local economy slowly recovering and Zone 7 staff presently re-evaluating the SMMP and its components, deletion of the DIF adjustment specified for 2012 is proposed.
- Staff recommends the Board amend the DIF Schedule in Ordinance 2010-01 by adopting Ordinance 2012-01 to delete the specified 2012 DIF increase scheduled to be effective January 1, 2012 and maintain the existing 2011 DIF of \$1.00 per square foot of new impervious surface created.
- The first public hearing on this matter was held on December 21, 2011. A second public hearing is proposed prior to consideration and adoption of Ordinance 2012-01.
- At the Board's request, a graph showing the amount of impervious surface created per year from 2005 to 2011 is attached.

FUNDING:

Revenue collected from the new Flood Protection and Storm Water Drainage Impact fees will be deposited into the Flood Protection and Storm Water Drainage Development Impact Fee Fund-Fund 76.

RECOMMENDED ACTIONS:

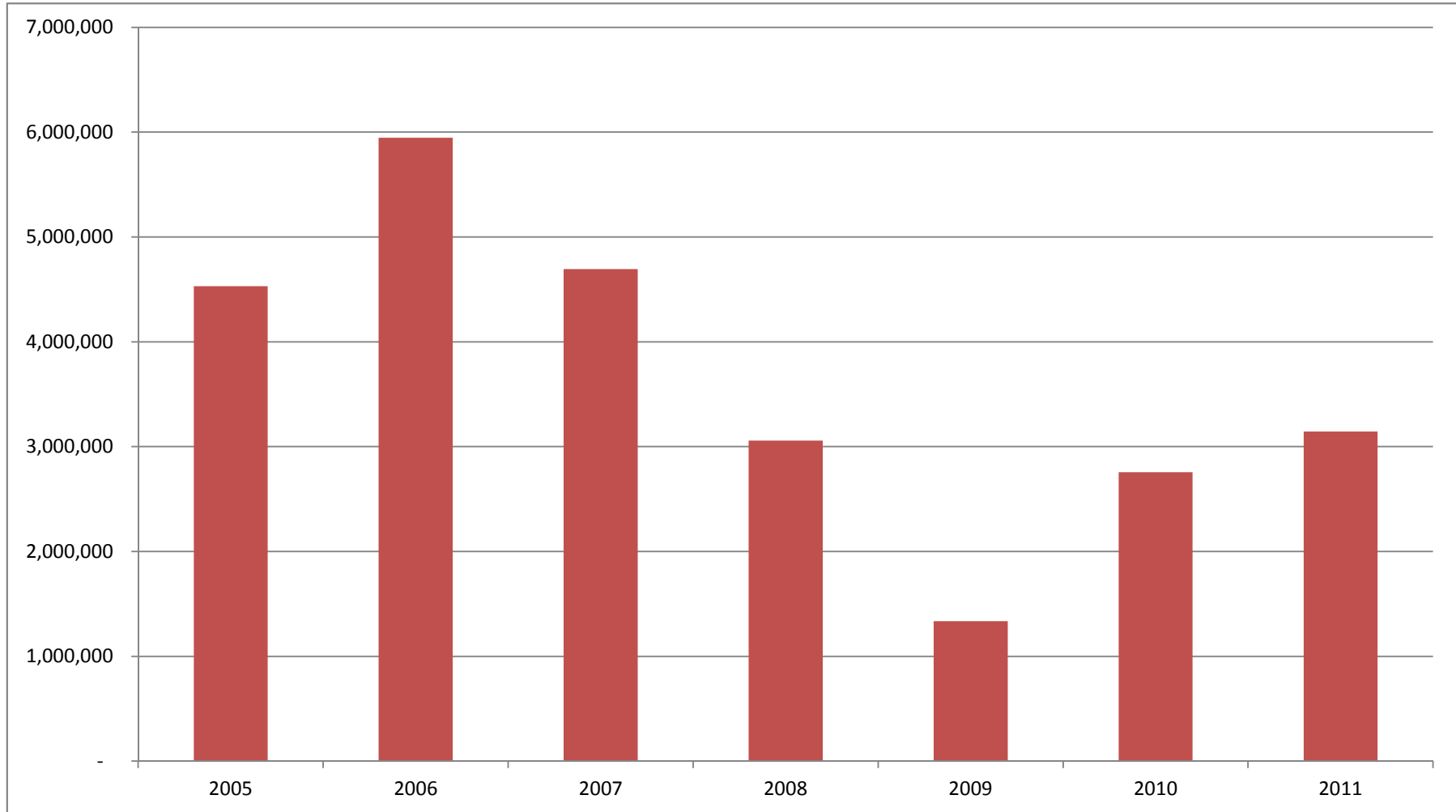
Hold second public hearing then adopt Ordinance 2012-01.

ATTACHMENTS:

Graph of New Impervious Surface Created by Development between 2005 and 2011
Ordinance 2012-01

New Impervious Surface Created by Development between 2005 and 2011

(in Square Feet)



ORDINANCE NO. 2012-01

**AN ORDINANCE OF ALAMEDA COUNTY FLOOD CONTROL &
WATER CONSERVATION DISTRICT, ZONE 7 AMENDING
FLOOD PROTECTION AND STORM WATER DRAINAGE
DEVELOPMENT IMPACT FEE SCHEDULE**

BE IT ORDAINED by the Board of Directors of Zone 7 of the Alameda County Flood Control & Water Conservation District ("Zone 7"), that an ordinance amending the Agency flood protection and storm water drainage development impact fee is hereby adopted to read as follows:

SECTION 1: BACKGROUND, PURPOSE AND AUTHORITY.

On March 17, 2010, the Zone 7 Board of Directors adopted Ordinance No. 2010-01 to amend the Flood Protection and Storm Water Drainage Development Impact Fee Schedule ("Schedule"). In approving the Schedule, Zone 7 approved an escalating Development Impact Fee with graduated increases to take effect on January 1st of each year from 2011 through 2012. (See Ordinance No. 2010-01, Appendix A)

The purpose of this ordinance is to amend the Schedule by deleting the increase that was approved to take effect on January 1, 2012, and to maintain the 2011 fee for 2012.

This ordinance is enacted pursuant to Section 12.1 of the Alameda County Flood Control & Water Conservation District Act and other applicable law.

SECTION 2: FEE SCHEDULE AMENDMENT.

Appendix A of Ordinance No. 2010-01 is hereby amended to read as shown on Appendix A – Revised, which is attached hereto and incorporated herein.

SECTION 3. EFFECTIVE DATE.

This ordinance shall take effect 30 days following the date of adoption by the Zone 7 Board of Directors.

SECTION 4. POSTING.

Within 15 days from the date of passage of this ordinance, the Clerk of the Zone 7 Board shall post a copy of it in at least three public places within the Zone 7 Service Area.

Adopted by the Board of Directors of the Alameda County Flood Control & Water Conservation District, Zone 7 on the ____ day of _____ 2012 by the following roll call vote:

AYES:

NOES:

ABSENT:

EXCUSED:

Sandy Figuers, President of the Board of Directors of Zone 7 of the Alameda County Flood Control & Water Conservation District

Judy Rector, Secretary of the Board of Directors

**APPENDIX A – REVISED
OF ORDINANCE NOS. 2010-01 & 2012-01**

**ZONE 7 FLOOD PROTECTION AND STORM WATER DRAINAGE
DEVELOPMENT IMPACT FEE SCHEDULE**

1. The flood protection and storm water drainage development impact fee payable by each Developer of a Development Project within the Zone 7 Service Area shall be equal to the product of the number of square feet of impervious surface created (as determined pursuant to Ordinance No. 2009-01) and \$0.96 per square foot (2009 dollars).
2. In addition to the Fee set forth above, on January 1 of each calendar year, the scheduled Fees may also be adjusted by Board Resolution in accordance with any increase in the Engineering News Record (ENR), Construction Cost Index (CCI), based on the percent increase between December 2009 and December of the current year. Beginning January 1, 2012, the total fee shall remain at the 2011 level of \$1.00 per square foot.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: INTEGRATED PLANNING
CONTACT: CAROL MAHONEY/ELKE RANK

AGENDA DATE: January 18, 2012

ITEM NO. 8

SUBJECT: Grant Agreement with California State Coastal Conservancy and Contract with Urban Creeks Council for Stream Management Master Plan Update

SUMMARY:

- The Stream Management Master Plan (SMMP) and the corresponding Master Environmental Impact Report (MEIR) were approved by the Board in August 2006.
- On March 18, 2009, Zone 7 adopted Ordinance 2009-01 (as amended by Ordinance 2010-01 on March 17, 2010), which established the Development Impact Fee (DIF) necessary to collect the proportionate share of SMMP project costs attributable to future development.
- Based on stakeholder input at that time, Zone 7 staff also recommended beginning a collaborative re-evaluation of the SMMP/DIF in 2012 to help address some of the issues raised by the three cities. Major concerns raised by the cities included the allocation of costs, the technical basis for project components, and the cost estimates of the projects.
- In preparation for the SMMP/DIF update in 2012, Staff began evaluating the SMMP work performed to date, which led to initiating the development of a valley-wide hydrology and hydraulic model.
- Also Staff determined that specific and targeted environmental studies would help streamline the CEQA, permitting, and mitigation of future projects. Staff began discussions with the State Coastal Conservancy (SCC), at the suggestion of Urban Creeks Council (UCC), to evaluate partnering to fund portions of such studies.
- UCC and Zone 7 jointly applied for funding in 2011 and received a grant of \$190,000 from SCC to include work performed by UCC and other biological and ecological professionals. Zone 7's specific match for this portion of the SMMP/DIF update is \$140,000. The full contract amount of \$330,000 is requested of the Board with reimbursement from SCC to follow as work progresses.

FUNDING:

Grant matching funds are available in Fund 50 (59%) and Fund 76 (41%).

RECOMMENDED ACTION:

Adopt attached Resolution authorizing the General Manager to negotiate and execute: (1) the grant agreement with the California State Coastal Conservancy for \$190,000 of reimbursement; and (2) associated matching funds contract with Urban Creeks Council for a not-to-exceed amount of \$330,000 (of which \$190,000 will be reimbursed).

ATTACHMENTS:

- Memo Providing Additional Background and Discussion
- Resolution

Interoffice Memo

Date: January 18, 2012
To: Jill Duerig, General Manager
From: Carol Mahoney, Senior Geologist
Elke Rank, Associate Water Resources Planner
Subject: Grant Agreement with California State Coastal Conservancy and Contract with Urban Creeks Council for Stream Management Master Plan Update

BACKGROUND:

Zone 7 began implementing the 1960 Flood Control Master Plan (FCMP) through the creation of the Special Drainage Area (SDA) 7-1 fee and Ordinance 53 in 1966. By the late 1990s, flood protection practices and implementation had significantly changed, including new environmental laws and regulations that effectively made the FCMP obsolete. Various studies and stakeholder groups were convened to explore updating the FCMP. On August 16, 2006, the Zone 7 Board approved the Stream Management Master Plan (SMMP) and associated Master Environmental Impact Report (MEIR). The SMMP sought to address not only flood protection and channel maintenance issues, but also water supply, water quality, erosion, sedimentation, habitat, environment, and recreation issues as they relate to streams and arroyos in Zone 7's service area. To replace the SDA 7-1 fee, a Development Impact Fee (DIF) study was required to support the SMMP.

In October 2007, Zone 7 initiated the DIF Study to establish appropriate fees for developers to pay for the impact of development on SMMP projects. A draft of the study was completed in February 2008. Between March 2008 and March 2009, staff vetted the proposed DIF with stakeholders. This vetting process resulted in a Final Study completed in March 2009. On March 18, 2009, Zone 7 adopted Ordinance 2009-01, which established the Development Impact Fee necessary to collect the proportionate share of SMMP project costs attributable to future development. A subsequent amendment, Ordinance 2010-01, was adopted on March 17, 2010 to modify the fee implementation schedule to account for economic conditions and to address stakeholder concerns. As part of the 2009 adoption and based on stakeholder input, Zone 7 staff also recommended beginning a collaborative re-evaluation of the SMMP/DIF in 2012 to help address some of the issues raised by the three cities. Major concerns raised by the cities included the allocation of costs, the technical basis for project components, and the cost estimates of the projects.

In preparation for the SMMP/DIF update in 2012, Staff began evaluating the studies performed to date on the SMMP in late 2009, which led to, among other things, the March 2010 amendment (and proposed 2012 amendment – see separate board item) and the initiation of the development of a valley-wide hydrology and hydraulic model. Also as a part of examining the SMMP and other stream related work efforts, Staff consulted with other flood control agencies in the region and the Urban Creeks Council (UCC) to identify ways to better integrate environmental elements into the SMMP/DIF project costs. Staff determined that specific and targeted environmental studies and plans would help streamline the CEQA, permitting, and mitigation of future projects.

In particular, Staff concluded that three study elements should be pursued initially to begin addressing concerns raised by stakeholders and to fill identified data gaps for completing the 2012 SMMP/DIF update:

- Frame SMMP projects within a larger ecosystem context. This will facilitate project selection and prioritization, guide project design, and provide an overall context for regulatory agencies so that projects are not perceived as “one-offs” but rather as contributing to an overall goal of improving environmental conditions.
- Identify potential mitigation needs and opportunities in advance. This will facilitate project planning and budgeting, and along with the preceding item will help foster the understanding within the regulatory agencies that environmental protection and enhancement is a key goal of the SMMP.
- Develop a maintenance plan that will lessen the need for mitigation when routine maintenance (such as de-silting) must be carried out.

In partnership with UCC, Staff began discussions with the State Coastal Conservancy (SCC) in early 2011 to explore SCC’s willingness to help fund a revision of the SMMP that would address these issues. SCC invited a proposal, which was jointly produced by Staff and UCC and submitted in July 2011. The grant request was approved in the amount of \$190,000 by the SCC board in November 2011. Zone 7 is in receipt of an award letter from the SCC’s Executive Officer outlining the terms of the grant (see attached), one of which is formal acceptance of the grant by the Zone 7 board before funding can be released.

The studies funded by this grant largely focus on the tributaries of the Arroyo Mocho and upper Arroyo de la Laguna; however similar studies, such as the Sediment Survey and efforts on the Arroyo del Valle, are being coordinated under separate contracts. The results of these separate studies are being tracked and will be incorporated into the SMMP/DIF as they become available.

DISCUSSION:

The recommended contract will retain the services of the Urban Creeks Council (UCC) and its various subcontractors during the projected 30-month term of the SMMP to produce five deliverables:

1. **Riparian Adaptive Management Plan:** UCC will produce (with the assistance of experts in their respective disciplines) several detailed studies of ecological conditions within the Zone 7 service area, including the following:
 - a. Fish community study
 - b. Bird community study
 - c. Riparian vegetation study
 - d. Aquatic invertebrate study

UCC will bring those together along with additional analyses being carried out by Zone 7 Staff and others into a comprehensive Riparian Adaptive Management Plan. This plan will describe existing ecological conditions, define target conditions, and describe steps to achieve and maintain those targets as a part of the SMMP implementation. *Task budget: \$148,940.*

2. **Project development support:** UCC staff and expert subcontractors will provide ongoing consultation during the development of SMMP projects. Consultation will include assisting Zone 7 Staff with planning, data gathering and analysis (including field surveys), writing specifications, and estimating costs. *Task budget: \$85,060.*
3. **Funding plan support:** UCC will assist Zone 7 Staff to develop a robust funding plan that will integrate local, state, and other sources of funding, both public and private. *Task budget: \$18,200.*
4. **CEQA support:** UCC will assist Zone 7 staff in the preparation of CEQA documents that may be required as an aspect of the SMMP Update. *Task budget: \$11,200.*
5. **Project coordination:** UCC will coordinate activities to ensure that products and services produced are timely and reflective of the needs of Zone 7. *Task budget: \$66,660*

Total recommended contract amount is \$330,000, of which \$190,000 will be reimbursed through the SCC grant that's been awarded.

RECOMMENDED ACTION:

Adopt attached Resolution authorizing the General Manager to negotiate and execute: (1) the grant agreement with the California State Coastal Conservancy; and (2) associated matching funds contract with Urban Creeks Council for a not-to-exceed amount of \$330,000 to assist with the update of the Stream Management Master Plan and Master Environmental Impact Report (if needed).

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, as part of the SMMP/DIF update, staff determined that certain environmental studies would help streamline the CEQA, permitting, and mitigation of future projects; and

WHEREAS, Urban Creeks Council (UCC) and Zone 7 jointly applied for funding in 2011 and received a grant of \$190,000 from the California State Coastal Conservancy (SCC) to include work performed by UCC and other biological and ecological professionals that will inform the SMMP/DIF update effort; and

WHEREAS, Zone 7 needs to enter into a grant agreement with SCC and a separate contract with UCC to fulfill the requirements of the grant;

NOW BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute

- 1.) A grant agreement with the California State Coastal Conservancy
- 2.) Associated matching funds contract with Urban Creeks Council for a not-to-exceed amount of \$330,000 to assist with the update of the Stream Management Master Plan and Master Environmental Impact Report (if necessary).

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on
January 18, 2012

By: _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Facility Engineering
CONTACT: Steven Ellis/Rhett Alzona

AGENDA DATE: January 18, 2012

ITEM NO. 9

SUBJECT: Refund of Water Connection Fees to KB Homes

SUMMARY:

- On September 21, 2011, KB Homes paid Zone 7 fees for two 1½ -inch displacement meters in the amount of \$222,300.
- In December 2011, KB Homes revised their plan, eliminating the need for these meters.
- KB Homes is eligible for a refund of 99% (DSRSD keeps 1% for an administrative fee) of the fees paid for these unused meters in the amount of \$220,077.

FUNDING:

The refund will be funded from Fund 73 – Expansion.

RECOMMENDATION:

Adopt attached resolution approving a water connection fee refund in the amount of \$220,077 to KB Homes.

ATTACHMENTS:

Request for refund from KB Homes
Zone 7 Board Resolution

Ellis, Steve

From: Gomes, Zach <ZGomes@kbhome.com>
Sent: Wednesday, January 04, 2012 4:29 PM
To: Ellis, Steve
Cc: Pantoja, Leo; Tay, Henryk
Subject: RE: Silvera Ranch Potable Water Meters (Dublin,Ca)
Attachments: Attached Image; Fee Invoice for zone 7 irrigation meters -9-20-11.pdf

Steve – sorry for the delay.

KB Home is requesting a refund for the 2 – 1-1/2” potable water meter fees paid (fee statement attached).

Here is the information below in red including map for location of meters not needed (addresses are 3561 M Cydonia ct and 3601 M Cydonia ct). Let me know if you need any additional information.

Again thank you for your help,

Thank you
Zach Gomes
KB Home Norcal
510-714-3770
925-750-1807
zgomes@kbhome.com

From: Ellis, Steve [<mailto:SEllis@zone7water.com>]
Sent: Wednesday, January 04, 2012 2:33 PM
To: Gomes, Zach
Subject: RE: Silvera Ranch Potable Water Meters (Dublin,Ca)

Zach,

Any update on your request. I have the agenda item prepared but we will need a copy of your request to go along with the item before we can get it on the agenda item. Items are due to my GM today, but I think we can still get it on the agenda if I can get the request by the end tomorrow or Friday.

Thanks,

Steven

From: Ellis, Steve
Sent: Tuesday, December 20, 2011 8:49 AM
To: 'Gomes, Zach'
Cc: Jaclyn Yee (yee@dsrsd.com)
Subject: RE: Silvera Ranch Potable Water Meters (Dublin,Ca)

Zach,

I am sorry but I cannot find your original e-mail requesting a refund. I looked back thru my list and cannot find it. There is a chance that it was directed to my spam folder (does not happen too often), but that has already been deleted or possibly I deleted by accident. However I missed it I apologize.

Please put your request in writing (e-mail is OK) with the following information:

Location of meters to be refunded (address, tract & lot, or, etc.) (Map attached showing location of meters)

Reason for refund (KB Home was able to re-route the non-potable water through the community eliminating the need for the 2 - 1-1/2" potable meters)

Date meters were paid for (if available) (Sorry I don't have that information but it was 2010)

Name to make the check out to and an address to send it (Please make check out to KB Home South Bay, Inc and send to 6700 Koll Center PKWY, Suite 200, Pleasanton, CA, 94566 Attention: Zach Gomes)

TIN (if corporation) or SSN (if individual) (TIN is 95-3992523)

We can only refund 99% of the fees paid, DSRSD withholds 1% for their time & effort for collecting the fees on our behalf. This refund is required to go before the Zone 7 Board for approval due to the amount of the refund. However, it is a routine approval and I have never had one declined (we have processed refunds for much larger amounts without a hitch). The reason for needing to go before the Board has to do with the maximum amount they have authorized the GM to refund on their behalf, and this exceeds that amount.

I have enough info now to start the process for getting the agenda item together for the January meeting.

Thank you,

Steven

From: Gomes, Zach [<mailto:ZGomes@kbhome.com>]
Sent: Monday, December 19, 2011 5:35 PM
To: Ellis, Steve
Cc: Pantoja, Leo; Bonifacio Duenas; Tay, Henryk
Subject: RE: Silvera Ranch Potable Water Meters (Dublin,Ca)

Mr. Ellis,

Could I please get an update on the below request? Thank you

Thank you
Zach Gomes
KB Home Norcal
510-714-3770
925-750-1807
zgomes@kbhome.com

From: Gomes, Zach
Sent: Friday, December 09, 2011 2:35 PM
To: 'sellis@zone7water.com'
Cc: Pantoja, Leo; Bonifacio Duenas; Tay, Henryk
Subject: Silvera Ranch Potable Water Meters (Dublin,Ca)

Hello Mr. Ellis –

KB Home paid water meter fees for 2 – 1-1/2” potable water meters that would have been installed on Cydonia Ct. Due to issue on site and not wanting to bore a line under already paved roads we were able to go back to the drawing board and reroute the water mains to come off two non-potable water sources on Fallon Rd.

KB is requesting that we get a refund on the fees we paid for the 1-1/2” water meters. Please let us know; what is the process to get the refund on the fees paid?

Thank you for your help,

Thank you
Zach Gomes
KB Home Norcal
510-714-3770
925-750-1807
zgomes@kbhome.com

Consider the environment before printing this email.
MY HOME. MY EARTH.®

DUBLIN SAN RAMON SERVICES DISTRICT

◁ 7051 Dublin Boulevard ▷ Dublin, CA 94568 ▷ Phone: (925) 828-0515 ▷ FAX: (925) 829-1180 ▷

ENGINEERING DEPARTMENT FEE INVOICE FOR CITY OF DUBLIN (water & sewer) & CITY OF SAN RAMON (sewer)

Customer Name: KB Homes

Address: 2535 Capitol Oaks Dr. Suite 340

Sacramento, CA 95833

Attn: Leo Pantoja

Phone: (916) 576-5861

FAX:

Permit Number:

Description/Location:

Silvera Ranch Phase 4, Tract 7540

Zone 7 fees for two(2) 1.5-inch potable irrigation meters

Description	Qty	Unit Cost	Total Amount	Code Section	For Accounting Use Only
PROJECT PLANNING AND REVIEW FEES					
Water		See page 2		3.70.070	620.1,320.00
Water and Sewer - Two Services (check below):		See page 2		3.70.070	220/ 620.1,320.00
☐ Recycled Water ☐ Potable Water ☐ Sewer					Split depends on ser-ice
Sewer - Other		See page 2		3.70.070 (B)	220.1,320.00
Water and Sewer - Three Services		See page 2		3.70.070	220 (25%)/ 620.1,320.00 (75%)
Recycled Water - Irrigation System		See page 2		3.70.070 (A)	620.1,320.00
INSPECTION FEES					
Sewer:					
Appurtenant structure installation		See page 2		3.70.070 (B)	220.1,310.10
New grease interceptor or grease/sand trap		\$305		3.70.070 (B)	220.1,310.10
Repairs or minor alterations		\$245		3.70.070 (B)	220.1,310.10
Saddle or manhole connection		\$365		3.70.070 (B)	220.1,310.10
Sewer, house installation		\$245		3.70.070 (B)	220.1,310.10
Sewer, lateral installation		\$245		3.70.070 (B)	220.1,310.10
Sewer main (Single or Multiple Reaches w/ TV Inspection)		See page 2		3.70.070 (B)	220.1,310.10
Sewer main (Single Reach w/o TV Inspection) - Installation or Repair		\$905		3.70.070 (B)	220.1,310.10
Sewer main air retest		\$245		3.70.070 (B)	220.1,310.10
Sewer MH vacuum retest		\$120		3.70.070 (B)	220.1,310.10
Water:					
Backflow device		\$245		3.70.070 (A)	620.1,310.10
Blow-off/air relief valve		\$245		3.70.070 (A)	620.1,310.10
Fire hydrant installation		\$365		3.70.070 (A)	620.1,310.10
Fire Service & Backflow Prevention Device		\$700		3.70.070 (A)	620.1,310.10
Recycled Water Irrigation		See page 2		3.70.070 (A)	620.1,310.10
Additional zero pressure test		\$540		3.70.070 (A)	620.1,310.10
Water line service installation		\$490		3.70.070 (A)	620.1,310.10
Water main (Bacteriological Testing Required)		See page 2		3.70.070 (A)	620.1,310.10
Water main (No Bacteriological Testing) - Installation or Repair		\$905		3.70.070 (A)	620.1,310.10
Water main bacil retest		\$610		3.70.070 (A)	620.1,310.10
Water main pressure retest		\$245		3.70.070 (A)	620.1,310.10
Water tap		\$490		3.70.070 (A)	620.1,310.10
CAPACITY RESERVE FEES					
Regional Sewer System:					
Single Family Residence		\$14,203		3.70.010	10 (13.38%)/ 320.2,220.10 (86.62%)
Condominium		\$10,653		3.70.010	10 (13.38%)/ 320.2,220.10 (86.62%)
Auxiliary Dwelling Unit		\$5,682		3.70.010	10 (13.38%)/ 320.2,220.10 (86.62%)
All others based on peak month flow, BOD & SS		See page 2		3.70.010	10 (13.38%)/ 320.2,220.10 (86.62%)
Local Sewer System:					
Single Family Residence		\$1,710		3.70.010	210 (50.7%)/ 220.2,220.10 (49.3%)
Condominium		\$1,293		3.70.010	210 (50.7%)/ 220.2,220.10 (49.3%)
Auxiliary Dwelling Unit		\$684		3.70.010	210 (50.7%)/ 220.2,220.10 (49.3%)
All others based on peak month flow		See page 2		3.70.010	210 (50.7%)/ 220.2,220.10 (49.3%)
Water System:					
DSRSD Water Connection Fees:					
Meter size: 5/8-Inch Equivalent:					
5/8-Inch	1.0		\$7,302	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
3/4-Inch	1.5		\$10,953	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
1-Inch	2.5		\$18,254	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
1-1/2-Inch	5.0		\$36,508	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
2-Inch	8.0		\$58,414	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
3-Inch	17.5		\$127,779	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
4-Inch	50.0		\$365,083	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
6-Inch	100.0		\$730,162	3.70.010	10 (23.38%)/ 620.2,210.00 (76.64%)
WATER METER ASSEMBLY:					
5/8-Inch water meter			\$338.00	4.40.050	600.1,360.00
3/4-Inch water meter			\$492.00	4.40.050	600.1,360.00
1-Inch water meter			\$534.00	4.40.050	600.1,360.00
1 1/2-Inch water meter - positive displacement			\$788.00	4.40.050	600.1,360.00
2-Inch water meter - positive displacement			\$880.00	4.40.050	600.1,360.00
1 1/2-Inch water meter - turbo			\$1,214.00	4.40.050	600.1,360.00
3-Inch water meter - Compound			\$2,120.00	4.40.050	600.1,360.00
ANNEXATION FEES:					
Water Annexation (per acre)			\$11.74	2.20.030	600.1,330.00
Sewer Annexation (per acre)			\$28.58	2.20.030	200.1,330.00
MISCELLANEOUS FEES					
Construction water per 1" residential service line			\$170	4.40.030	600.1,150.10
Irrigation System License Fee			\$1,005	4.40.030	600.1,370.00
Variance Review			\$1,270	3.70.070	200/600.1,420.00
Expiration Extension 5/8-inch equivalent (For Specific Projects Only)			\$1,000	3.70.010	620.2,210.80
Other Fees		See page 2		3.70.010	
ZONE 7 FEES					
Meter size: Capacity Factor:					
5/8-Inch displacement	1		\$22,230	3.70.010	600.207.25
3/4-Inch displacement	1.5		\$33,345	3.70.010	600.207.25
1-Inch displacement	2.5		\$55,575	3.70.010	600.207.25
1-1/2-Inch displacement	5	2	\$111,150	3.70.010	600.207.25
2-Inch displacement	8		\$177,840	3.70.010	600.207.25
3-Inch compound	17.5		\$389,025	3.70.010	600.207.25
1-1/2-Inch turbo	12		\$266,760	3.70.010	600.207.25
2-Inch turbo	16		\$355,680	3.70.010	600.207.25
3-Inch turbo	35		\$778,050	3.70.010	600.207.25
4-Inch turbo	100		\$2,223,000		

Other Fees Subtotal

Date: 09/20/11

Prepared by: J. Duenas

File: DP 05-242

TOTAL CHARGES

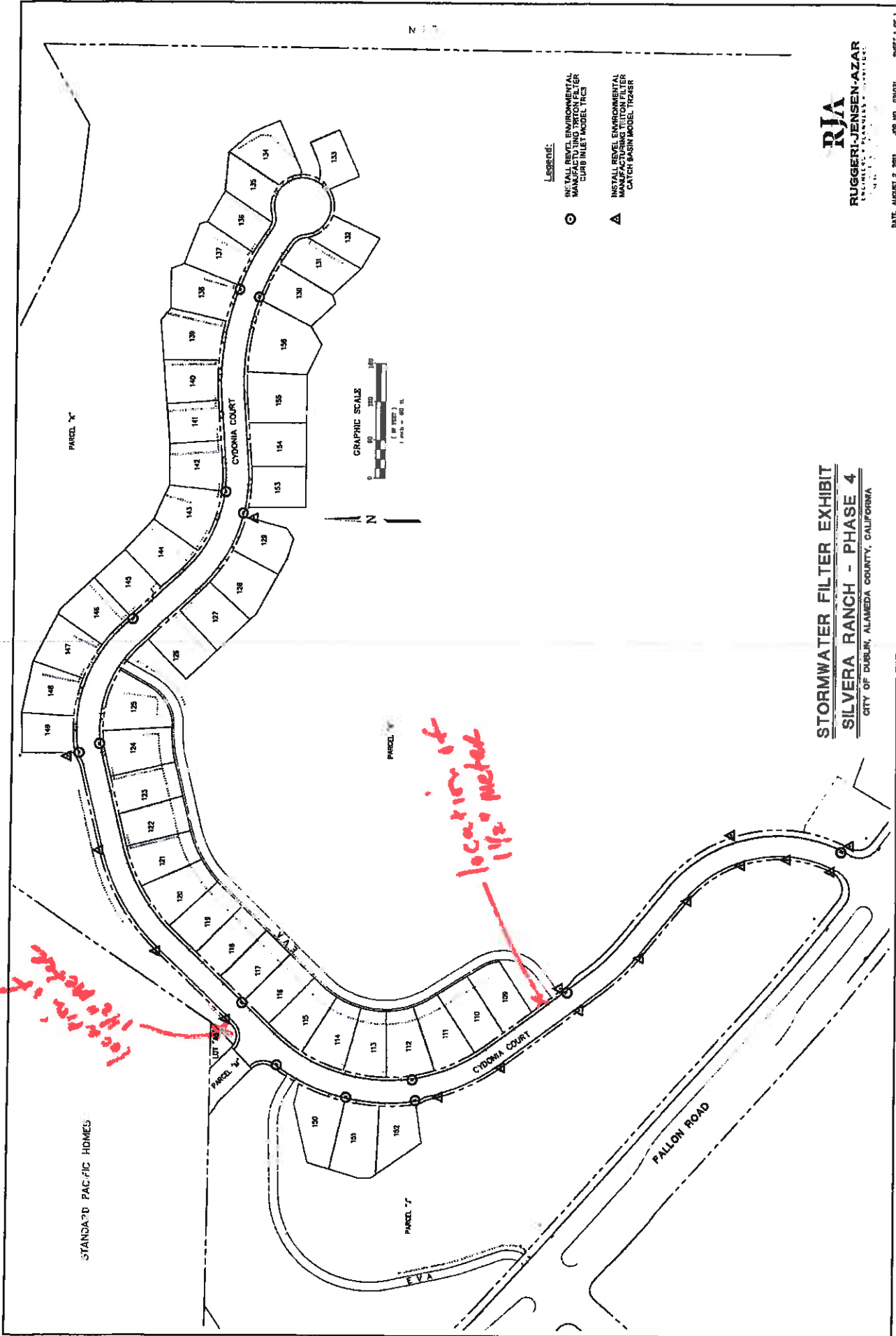
\$222,300.00

FORM: PPD 2

PAY WITHIN 30 DAYS OF DATE OF INVOICE.

SUBJECT TO FEE INCREASE WITHOUT NOTICE AFTER 30 DAYS OF DATE OF INVOICE

Tract 7540 - Silvera Ranch (Phase 4)



RJA
RUGGERI-JENSEN-AZAR
ENGINEERS & PLANNERS

STORMWATER FILTER EXHIBIT
SILVERA RANCH - PHASE 4
CITY OF DUBLIN, ALAMEDA COUNTY, CALIFORNIA

DATE: AUGUST 2, 2011 JOB NO. 20103 SHEET 1 OF 1

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Refund of Water Connection Fees to KB Homes

BE IT RESOLVED that the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District does hereby approve a refund of Zone 7 water connection fees to KB Homes in the amount of \$220,077 in accordance with District Ordinance FC 72-1, as amended by Ordinances FC 77-2, FC 86-136, and FC 0-91-68;

BE IT FURTHER RESOLVED that the Auditor Controller is hereby authorized and directed to draw a warrant in the amount of \$220,077 on the Zone 7 Fund 73 - Expansion.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on January 18, 2012

By _____
President, Board of Directors

SUMMARY MINUTES

ZONE 7 BOARD OF DIRECTORS LIAISON COMMITTEE JOINT MEETING WITH LIAISON COMMITTEE OF DUBLIN SAN RAMON SERVICES DISTRICT

December 13, 2011
4:30 p.m.

Zone 7 Directors: John Greci
Sarah Palmer
Dick Quigley

Zone 7 staff: Jill Duerig, General Manager
Kurt Arends, Asst. General Manager
Robyn Navarra, Water Conservation
Coordinator
Judy Rector, Board Secretary

DSRSD Directors: Pat Howard
Daniel J. Scannell

DSRSD staff: Bert Michalczyk, General Manager
Dan Gallagher, Operations Manager
Rhodora Biagtan
Sue Stephenson

The purpose of this meeting was for the two Liaison Committees to share information related to water supply, current projects and Valley-wide recycling efforts.

1. Director Greci called the meeting to order at 4:32 p.m.

2. There was no public comment.

3. Status of Water Supply and Bay-Delta Efforts (Zone 7)

Kurt Arends provided a brief summary of Zone 7's water supply stating that over 80% of the supply is conveyed through the Sacramento-San Joaquin Delta. Since 2017, the reliability of the State Water Project has reduced from 75% to 60 % in the 2009 Department of Water Resources (DWR) Reliability Report. While 2011 was a relatively wet year, Zone 7 received only 80% of its Table A amount. Going into 2012, the State's reservoir levels are well above average but the initial water allocation projection for DWR is only 60%. While this is likely to increase, it will likely not exceed 70 to 80%.

A question was asked about the Status of Zone 7's storage facilities. Mr. Arends reported that the Semi-Tropic water bank is full while Zone 7 has just began sending water to Cawello and therefor only has about 10,000 acre-feet in storage. Ms. Duerig also reported that the Cawello water bank is still building its capital facilities and was limited in its ability to take and store water. The valley's groundwater basin is estimated to be approximately 70 to 80% full (note that the actual number is approximately 60 to 65%), however it was pointed out that Zone 7 cannot "fill" the basin without impacting the operation of the gravel quarries. If groundwater levels get too high, the quarries are forced to pump the water out to allow quarrying and much of the pumped water leaves the valley.

4. Recycled Water Delivery and Planning (DSRSD)

Ms. Rhodora Biagtan provided a verbal report as well as handouts summarizing DSRSD's recycled water facilities. She summarized the capacity of the recycled water

plant and the distribution facilities. The goal is to reduce demand by expanding service to schools, parks and other large landscaped area. DSRSD recently received a grant to study a further expansion of the system. In addition, they are looking at serving the Staples Ranch development.

There were several questions and discussions related to the reliability of recycled water it its ability to take demand off of the potable water system. Questions were raised about salt loading and the importance of the Salt Management Plan to support the Master Recycled Water Permit. Potential rebated or incentives were discussed related to converting existing potable water meters over to recycled water as was the need for wet weather storage and the potential of using an area of the chain of lakes. The value of the Bay Area Recycled Water Coalition in getting grant money was discussed and the importance out outreach to the community.

5. Public Outreach and Water Conservation Issues (Both DSRSD and Zone 7)

Ms. Robyn Navarra and Sue Stephenson described the current water conservation programs and the successes they have had. This includes the conversion of high efficiency washers and toilets, the classroom program and Green Plumbers program. Overall the conservation program has seen a 460 acre-foot reduction within the valley. Ms. Navarra described the outreach and schools program then Ms. Stephenson described the “Eco-blue cube” technology and a project to implement in institutions including the Valley Christian School.

6. Delivered Water Quality Update (Zone 7)

Mr. Arends gave a short overview of Zone 7’s delivered water quality monitoring program and distributed copies of the 2010 Water Quality report. The report shows that in 2010, Zone 7 met all primary health-related water quality targets which are typically more stringent than the regulations. Some secondary, or aesthetic, targets were not met including hardness and TDS. Operation of the Mocho Demineralization Plant reduced TDS from a range of 600-1,150 down to about 300 mg/l and reduced hardness from a range of 400-650 down to 230 mg/l. There were no taste and odor events in 2010. The next report, for 2011, will be prepared in April of next year.

For 2012, there have been no significant changes. For the past several weeks, Zone 7 has been treating 100% Lake Del Valle water as a result of DWR construction on the South Bay Aqueduct. As a result of the source change, there have been six customer complaints over the past few weeks related to earthy-musty odors from algae. Mr. Michalczyk described a taste and odor test that DSRSD completed confirming concerns with surface water odors.

There were no further comments and the meeting adjourned at 5:55 p.m.

January 18, 2012, Board written/narrative comments by Dick Quigley

I am requesting approval to attend the ACWA annual DC conference. ACWA's 2012 Washington, D.C. Conference will be February 28 thru March 1, 2012.

Thursday, January 3rd - Participated in a creek clean up planning meeting at Granada High School lead by Lynna Allen, Water Resources Coordinator - Source Control Water Resources/Public Works Department, City of Livermore. The group is planning an April 14, 2012, Earth Day Arroyo educational clean up event.

Thursday January 5th - Participated in an ACWA teleconference board meeting. The purpose was to ratify and approve committee chair & vice chair assignments and committee participants. ACWA's newly elected President, Randy Record, is submitting the following names for ratification by the Board of Directors for committee chairs and vice chairs for the 2012-2013 terms.

BOARD OF DIRECTORS**STANDING COMMITTEES****Committee**

Communications Committee
Energy Committee
Federal Affairs Committee
Finance Committee
Groundwater Committee
Insurance & Personal Committee
Legal Affairs Committee
Local Government Committee
State Legislative Committee
Water Management Committee
Water Quality Committee

Chair

Gary Arant
Martha Davis
Linda Ackerman
Joe Parker
Greg Zlotnick
Shauna Lorance
Scott Shapiro
Marion Ashley
Paul Bartkiewicz
Thad Bettner
Pankaj Parekh

Vice Chair

Sue Stephenson
Grant Davis
Kathleen Tiegs
Tom Scaglione
Kirby Brill
Steven Ruetters
Daniel Hentschke
Gary Skrel
Kathy Cole
Paul Shoenberger
Jill Duerig

Region 5**Communications Committee**

Ms. Teresa Alvarado SCVWD Member
Mrs. Bette J. Boatman CCWD Member
Ms. Sue Stephenson DSRSD Vice Chairperson
Mr. Mike Wallace Zone 7 Water Agency Member

Energy Committee

Mr. Dave Beyer EBMUD Member
Mr. Bruce Daniels Soquel Creek Water District Member
Mr. D.L (Pat) Howard DSRSD Member
Mr. Frank Maitski SCVWD Member
Mr. Dick Quigley Zone 7 Water Agency Member

Federal Affairs Committee

Mr. Andrew F. De Graca SFPUC Member
Ms. Marlaigne Dumaine EBMUD Member

Mr. Kurt Ladensack CCWD Member
Mr. Scott M. Wilson SCVWD Member

Finance Committee

Mr. David T. Hodgins Scotts Valley Water District Member
Mr. Todd Rydstrom SFPUC Member

Groundwater Committee

Mr. Greg Bartow SFPUC Member
Ms. Jill Duerig Zone 7 Water Agency Member
Mr. Sandy Figuers Zone 7 Water Agency Member
Mr. Clemens Heldmaier Montara Water & Sanitary District Member
Ms. Joan Maher SCVWD Member
Ms. Iris Priestaf San Benito County Water District Member
Mr. Bob Ptacek Montara Water & Sanitary District Member
Ms. Phyllis Stanin San Benito County Water District Member
Mr. Michael Tognolini EBMUD Member
Mr. Derrik Williams Soquel Creek Water District Member

Insurance and Personnel Committee

Mr. Rick Gilmore Byron Bethany Irrigation District Member
Ms. Tamara Wickland EBMUD Member

Legal Affairs Committee

Mr. Robert E. Bosso Aromas Water District Member
Mr. Douglas Coty CCWD Member
Ms. Karen L. Donovan EBMUD Member
Mr. Michael Fife Santa Ynez River WCD Impr. Dist. No. 1 Member
Mr. Anthony Fulcher SCVWD Member
Mr. Donn Furman SFPUC Member
Mr. Patrick T. Miyaki ACWD Member
Mr. David E. Schricker Montara Water & Sanitary District Member

Handouts and pictures are available.

Wednesday, January 11th - Attended Alameda County Special Districts Association Chapter meeting hosted by Hayward Area Park and Recreation District. Quest speaker spoke on "Regional Growth Opportunities in the Current Economy". Annual Dinner meeting will be held March 29, 2012, at the Pleasanton Marriott. Zone 7 was thanked by CSDA for providing training space at Parkside for educational modules needed by board and staff.

Wednesday, January 11th - Met with John Pringle, President of E & S Ring, and Kathy Thibodeaux interested in developing a piece of Pleasanton property involved in, Pleasanton City Council rezoning 73 acres in various parts of the city to accommodate high-density housing that will be more affordable for those in the city's workforce and others who want to live here. Real estate is located at Stanley Blvd. and Valley/Bernal intersection and is in close proximity to Arroyo DelValle. They may be calling Zone 7 with questions.

Let me know if you have any questions.

Thanks! Dick Quigley



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATION

CONTACT: Jill Duerig

AGENDA DATE: January 18, 2012

ITEM NO. 13a

SUBJECT: GENERAL MANAGER'S REPORT

SUMMARY: The following highlights a few of the key activities which occurred during December. Also attached is a list of the General Manager (GM) contract(s) executed during the month.

Finance & Administration

- Staff are working with the other six members of the chemical buying consortium to determine respective QA/QC practices that each uses upon chemical delivery. This will allow the team to evaluate the current chemical specifications that are being used and develop recommendations for next year's bidding.
- Staff are participating in a California Urban Water Agencies (CUWA) study of water affordability (and the development of a "Water Affordability Index") which will compare average monthly water use, monthly billing information and median household incomes.

Operations and Maintenance:

- At Patterson Pass Water Treatment Plant (PPWTP), Zone 7 staff dewatered the Wash Water Tank and pipeline for the Department of Water Resources' (DWR) contractor. This is part of the South Bay Aqueduct (SBA) enlargement project. DWR will be raising and replacing the 20-inch wash water line that crosses over the SBA. Demolition of the pipeline began later in the month.
- With the DWR's work on the SBA and Zone 7's work on the PPWTP clarifier, PPWTP remained offline for the month. Del Valle Water Treatment Plant (DVWTP) was online producing 17-28 million gallons a day (MGD) using 100% lake water. The Mocho Groundwater Demineralization Plant (MGDP) operated at about 5 MGD to supply the remainder of the system demand.

Environmental & External Affairs:

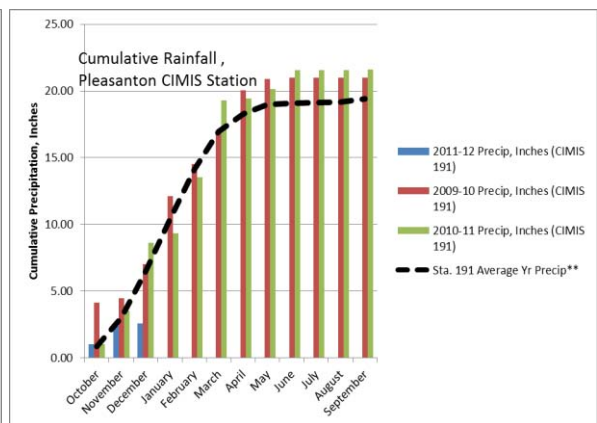
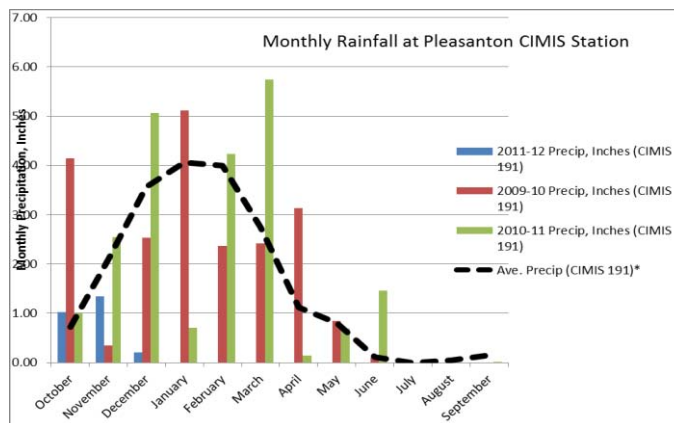
- On December 19th, the federal and state agencies released a new Memorandum of Agreement for completing the BDCP, the preliminary design work for the DHCCP and the associated environmental impact studies. As Terry Erlewine, General Manager of the State Water Contractors, said, "This has been a long debate about process precisely when we should be focusing on the substance of how to resolve the Delta ecosystem and water system crisis. The prompt release of draft BDCP documents to the public and the monthly check-up on the planning schedule, among other new compromises, will leave no rational reason to further dwell on matters of process. We expect that expanding the already unprecedented level of public

involvement will result in new constructive engagement by many stakeholders and a final project with widespread support. BDCP's comprehensive approach is California's best shot at reviving the Delta environment and restoring lost water supplies. It's time to move forward, not backward. It's time to focus on the very real challenges of resolving the Delta crisis."

- On December 14th, Zone 7 hosted a workshop for signatories of the Statement of Understanding (SOU) related to the National Marine Fisheries Service drafting of the Central California Coast Steelhead Recovery Plan. The workshop provided SOU signatories an opportunity to meet with NMFS staff and provide early comments on the developing draft before the draft is circulated among other resource agencies such as the Department of Fish and Game and the Regional Boards.
- Staff met with the Alameda County Resource Conservation District (RCD) and the National Resources Conservation Service (NRCS) to discuss potential partnering opportunities for projects on Zone 7 channels showcasing biotechnical engineering techniques. Two potential project sites have been identified where federal earmark funds would be used to demonstrate the usefulness of bank stabilization through biotechnical methods. The available earmark funds allocated to project implementation are around \$160,000. Details of such a partnership are still under development.
- Zone 7 staff are working with staff from the water retailers and Zone 7's website consultant on a Garden Website upgrade. The proposed changes include updating the plant list to remove invasive plants, installing full screen format technology, addition of garden images to private files, improving navigation tools, etc.

Engineering and Flood Control:

- Typical La Niña weather continues pushing precipitation north of the Sierra watersheds critical for the State Water Project. While DWR will not conduct this winter's first snow survey until early in January, electronic readings indicate that the snowpack water content at the end of an unusually dry December was only around 20% of normal for the date, one of the driest December measurements on record. At the same approximate time last year (December 27th), the statewide snowpack water content was 202 percent of average. A dry December also brought cumulative local rainfall well below average for this time of year (40% of average year-to-date based on recordings at CIMIS Station 191 in Pleasanton).



Monthly List of GM Contracts

December 2011

Contracts:

Mary Miller	\$50,000	Support Services in Purchasing
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Total December 2011	\$50,000	
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ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Administration
CONTACT: Boni Brewer

AGENDA DATE: January 18, 2012

ITEM NO. 13b

SUBJECT: Recent & Upcoming Public Outreach Activities

Recent Public Outreach Activities

Christmas Bird Count, December 16

Zone 7 again provided access to its Chain of Lakes property as part of the third annual Eastern Alameda County Christmas Bird Count, hosted by the Ohlone Audubon Society and the Alameda Creek Alliance. A total of more than 2,000 birds representing 75 bird species were identified in the Chain of Lakes area during this event. Among notable sightings was a Red-necked Grebe, an Arctic breeder not commonly found in our area; and a merlin, “significant not because they’re rare but because they show the health of the area’s ecosystem,” said Rich Cimino of the Ohlone Audubon. “The Chain of Lakes is an excellent place for birding.” Birds also were counted at several of the area’s regional parks, SFPUC watershed lands, and birding hotspots including lower Mines Road, Sunol Wilderness and Springtown Preserve. A total of 94 birders in a 15-mile diameter circle (including the Chain of Lakes) tallied 154 species, including Golden Eagles, Great Blue Herons and several types of blackbirds, woodpeckers and hawks. Although the Valley is relatively new to the Christmas Bird Count, this marked the 112th year of the annual nationwide volunteer-based survey effort coordinated by the Audubon Society to promote bird conservation and assess long-term trends in winter bird populations.

Upcoming Public Outreach Activities

Spring Home & Garden Show, February 18-20

Zone 7, along with some of its water retailers and the Alameda County Flood Control and Water Conservation District’s Clean Water Program, will share a booth with messages focused primarily on stormwater pollution prevention during the Home & Garden Show at the Alameda County Fairgrounds in Pleasanton. Hours are: February 18, 10 a.m. to 6 p.m.; February 19, 10 a.m. to 6 p.m.; and February 20, 10 a.m. to 5 p.m.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Office of the General Manager - Communications & Public Affairs

CONTACT: Jill Duerig/Tim Hunt

AGENDA DATE: Jan. 18, 2012

ITEM NO. 13c

SUBJECT: Legislative Update

SUMMARY:

- Zone 7 staff, with the support of the agency's lobbying firm, The Gualco Group, Inc., and the agency's legislative support consultant, Tim Hunt, monitors legislation that is being considered in Sacramento, as well as other political activities of interest to the Agency.
- The Legislature started the second year of its two-year session on January 4th.
- The governor released his proposed budget January 5th after it was inadvertently posted on a Dept. of Finance web site. The governor estimates a \$9.2 billion shortfall - a substantially better start than the \$26 billion gap in 2011. His plan assumes voter approval of his 5-year, \$7 billion annual tax increases, which mean reductions of about \$2.2 billion. The tax package includes a half-cent sales tax increase and a 2 percent surcharge on high-income earners.
- AB 550 (Huber), which would have required legislative approval to build a new Delta conveyance, failed to pass the Assembly Water Parks and Wildlife Committee by a 7-5 vote on January 10th. Zone 7 was one of 61 agencies and organizations signing a letter in opposition. AB 157, which would cut the 2012 water bond by 25% across the board, also failed in committee. SB 200, amended to extend the sunset on current Delta levee maintenance and improvement projects, passed out of committee. The state pays 75% of the costs for these projects.
- Leaders of both houses expressed their openness to reducing the size of the \$11.2 billion water bond on the November ballot. Assembly Speaker John Perez said the bond was too large, while Senate leader Darrell Steinberg also said he wants to reduce it to \$7 billion. Connie Conway, the Republican Assembly leader, also said she was willing to look at it reductions. Any changes will take a two-thirds majority.
- ACWA conducted a "Field Poll" and released results in December showing 75 percent of Californians were concerned about the state's water supply and 62 percent believed investing billions to improve it would be worthwhile.
- Assemblyman Bob Wiecewski (D-Fremont) was among 21 legislators signing a letter in support of the BDCP and the process. Most of the other representatives of Zone 7's territory signed a letter critical of the process in November (17 signers).
- Sen. Michael Rubio (D-East Bakersfield) will introduce legislation to establish the timeline for approval of the BDCP in law. The revised Memorandum of Agreement between the feds, the state and the water contractors calls for the draft plan and the draft EIS/EIR to be ready mid-summer 2012 with final approval scheduled for the first quarter of 2013.

RECOMMENDED ACTION: Information only.

ATTACHMENT: Executive Summary



EXECUTIVE SUMMARY State Legislation



Prepared for the Zone 7 Water Agency, Eastern Alameda County, Board of Directors
by The Gualco Group, Inc.

January 6, 2012

Bill	TOPIC	SYNOPSIS	STAFF'S RECOMMENDED POSITION	STATUS OF THE BILL / COMMENTS
Delta Stewardship Council				
AB 576 (Dickinson)	Fees	AB 576 would require the Delta Stewardship Council to develop a long-term plan to pay for the costs of implementing the Delta Plan.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
Peripheral Canal				
AB 550 (Huber)	Peripheral Canal	This bill would prohibit the construction of a peripheral canal, as defined, unless expressly authorized by the Legislature.	OPPOSE.	Failed to pass the Assembly Water Parks and Wildlife Committee by a 7-5 vote on January 10.
AB 627 (B. Berryhill)	"Delta Corridors Plan"	AB 627 directs the Department of Water Resources to expedite their evaluation of the feasibility for a through-Delta conveyance plan known as the "Delta Corridors Plan".	OPPOSE.	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 200 (Wolk)	Delta levee maintenance	This bill would declare legislative intent to reimburse up to 75% of those described costs until July 1, 2020 (existing law established only until July 1, 2013), and on and after that date, to reimburse up to 50% of those described costs.	Watch	Passed out of committee on January 10.

Public Employment

AB 1184 (Gatto)	Public employees' retirement benefits	This bill would state that a PERS agency not experience a significant increase in actuarial liability due to increased compensation paid by another contracting agency to a non-represented employee.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
AB 1320 (Allen)	Public employees' retirement: employer contribution rates	This bill would establish for each PERS employer a Rate Stabilization Account in the Employer Rate Stabilization Fund.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year

Water Conservation, Supply & Delivery

AB 779 (Fletcher)	Municipal water districts: oversight	This bill would authorize a municipal water district to establish an independent oversight committee to assist in tracking and reviewing revenues of the district.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 571 (Wolk)	Master Plan for Financing/Developing Water Resources	SB 571 would establish the California Water Commission as an independent agency, revise the requirements of the California Water Plan, and create a new division in the Water Code titled "Water Resources Investment Planning".	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 710 (La Malfa)	Project: County Services State Water Project	This bill would authorize a county to prepare and adopt a county services impact report containing, among other things, a description of the costs of county services related to the operation of specified dams and reservoirs as State Water Project facilities within the county.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year

California Regional Water Quality Control Boards

SB 900 (Steinberg)	Regional Water Quality Control Boards	SB 900 would provide that a person would not be disqualified from being a member of a regional water quality control board because that person receives, or has received during the previous two years, a significant portion of his/her income directly or indirectly from a person subject to waste discharge requirements, or an applicant for waste discharge requirements.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
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Special Districts

AB 59 (Swanson)	Family and medical leave	This bill would increase the circumstances under which an employee is entitled to protected leave pursuant to the Family Rights Act by (1) eliminating the age and dependency elements from the definition of "child," thereby permitting an employee to take protected leave to care for his or her independent adult child suffering from a serious health condition, (2) expanding the definition of "parent" to include an employee's parent-in-law, and (3) permitting an employee to also take leave to care for a seriously ill grandparent, sibling, grandchild, or domestic partner, as defined.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
ACA 4 (Blumenfield)	Local government financing: voter approval	This measure would lower to 55% the voter-approval threshold for a city, county, or city and county to incur bonded indebtedness.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 31 (Correa)	Post-government employment: restrictions	This bill would apply the prohibitions of the Political Reform Act of 1974, in addition, to local appointed officials.	Watch	Hearing on January 10, 2012

CEQA - Infrastructure Projects

SB 52 (Steinberg)	Environmental quality: jobs and economic improvement	This bill would require that a project result in a minimum investment of \$100,000,000 spent on planning, design, and construction of the project. The bill would require a lead agency to place the highest priority on feasible measures that will reduce greenhouse gas emissions on the project site and in the neighboring communities of the project site.	Watch	Hearing on January 11, 2012
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Financing

AB 157 (Jeffries)	Water Bond	This bill would reduce by 25% the total amount of bonds authorized to be issued pursuant to the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, and would make conforming reductions to amounts specified to be allocated from these bond funds for certain purposes.	Watch	Failed in committee on January 10.
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SB 34 (Simitian)	California Water Resources Investment Act of 2011	SB 34 would establish a sustainable revenue source to fund the public benefits of water related projects and programs by levying a charge on all retail water suppliers.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 475 (Wright et al.)	Infrastructure Financing	AB 475 would establish statutory authorization for local governmental agencies to utilize private sector financing alone or in concert with public financing, to study, plan, design, construct, develop, finance, maintain, rebuild, improve, repair, or operate, or any combination thereof, fee-producing infrastructure facilities.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
SB 907 (Evans et al.)	Infrastructure Financing	This bill would create an 11-member Master Plan for Infrastructure Financing and Development Commission to develop a long-term plan and strategy for the state's infrastructure needs and a prioritized plan to meet those needs.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year

Natural Resources/Environment

AB 591 (Wieckowski)	Oil and gas production: hydraulic fracturing	This bill would define "hydraulic fracturing" and require a person carrying out hydraulic fracturing on behalf of an owner or operator at a well to provide to the owner or operator a list of the chemical constituents used.	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
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****ACWA TRACKED LEGISLATION HIGHLIGHTED IN BLUE****

****NEW LEGISLATION HIGHLIGHTED IN ORANGE****



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATION

CONTACT: Tom Hughes

AGENDA DATE: January 18, 2012

ITEM NO. 13d

SUBJECT: STATUS REPORT ON SEPARATION EFFORTS

SUMMARY:

Employee Services:

- Staff continues to meet with the County Administrator and various County departments. Further discussions are anticipated.
- Staff contacted each of the labor unions to set up meetings to discuss the status of the transition process.

Business Administration:

- The Financial Software agreement with New World Systems was executed earlier this month. The one-time costs are \$197,400, \$86,000 less than the original proposal. The total for 5 years of annual maintenance fees is \$78,400, which is \$74,200 less than the original proposal. The total savings for the software is \$160,200. There was a kick-off conference call on January 4, 2012. The hardware/software installation is tentatively scheduled for the week of January 16, 2012. The project team has been formed and the target date for implementation is July 1, 2012.
- A walkthrough of our facilities with the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) is scheduled for January 12, 2012.
- The new target date for outsourcing payroll to ADP is July 1, 2012.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

100 NORTH CANYONS PARKWAY LIVERMORE, CA 94551 PHONE (925) 454-5000 FAX (925) 454-5727

ORIGINATING DIVISION: Administrative Services

CONTACT PERSON: JaVia Green

AGENDA DATE: January 18, 2012

ITEM NO: 13e

SUBJECT: Quarterly Update of Expansion Fund

SUMMARY:

- A \$60 million (M) Installment Sale Agreement (ISA) was established with Wells Fargo Bank in January 2008, to fill a funding shortfall for the Altamont Water Treatment Plant and Pipeline Project. A portion of the project, the Altamont Pipeline - Livermore Reach, has been constructed. On February 17, 2010, Zone 7 drew \$30.5M from the ISA and payback is required by January 1, 2014.
- Projected sources and uses of funds and year-end available funding through Fiscal Year 15/16 is as follows:

Fiscal Year	Projected Equivalent Connections	Projected Revenue ¹	ISA Draw/Payback	Projected Expenses	Projected End of Year Available Funding ²
10/11	435	\$11,860,555		\$16,172,443	\$46,800,014
11/12	392	\$10,737,140		\$20,560,496	\$36,976,658
12/13 ³	940	\$25,117,092		\$21,523,051	\$40,570,700
13/14 ³	730	\$25,139,162	-\$30,503,481	\$23,531,943	\$11,674,412
14/15 ³	840	\$24,321,390		\$25,056,002	\$10,939,800
15/16 ³	1930	\$52,789,087		\$30,967,000	\$32,761,887

1. Projected Revenue includes connection fee revenue and other revenue such as interest income and refunds from the Department of Water Resources.
2. Represents the sum of net available funds from cash and ISA after expenses, excluding designated reserves.
3. Projected number of connections, revenue and expenses are based on the FY 12/13 Ten-Year Water System CIP and the 2011 Municipal and Industrial Water Connection Fee Report adopted by the Zone 7 Board on October 19, 2011.

- Based on these revenue and expenditure projections, staff anticipates sufficient funding to pay off the ISA by January 1, 2014.

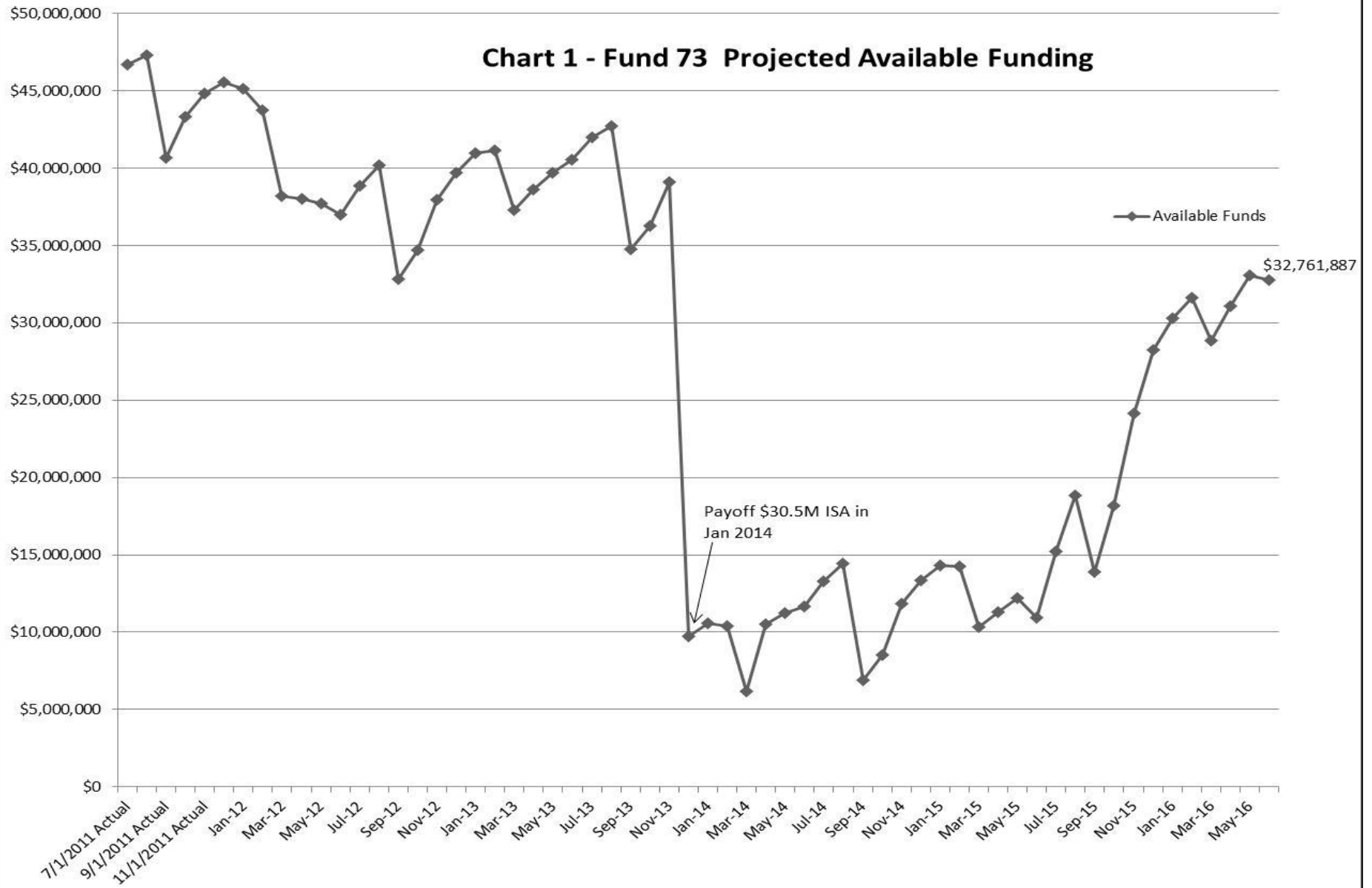
RECOMMENDED ACTION:

Information only.

ATTACHMENT:

Chart 1 – Fund 73 Projected Available Funding
Fund 73 Five-year Cash Flow Tables

Chart 1 - Fund 73 Projected Available Funding



Fund 73 Cash Flow Tables

	FY 11/12											
	7/1/2011 Actual	8/1/2011 Actual	9/1/2011 Actual	10/1/2011 Actual	11/1/2011 Actual	12/1/2011 Actual	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Beginning Fund Balance - Projected	46,800,014	46,724,612	47,322,004	40,667,364	43,360,857	44,820,172	45,561,984	45,139,936	43,758,906	38,233,352	38,042,832	37,715,245
Source of Funds - Projected												
Z7 Connection Fee Revenue	0	0	233,267	539,189	759,266	847,627	327,088	327,088	327,088	327,088	327,088	327,088
DV Connection Fee Revenue	0	699,720	0	2,356,410	0	0	183,993	183,993	183,993	183,993	183,993	183,993
DWR Refunds					884,703				969,646			
Interest Revenue/Prepaid Connections/Other	-	1,025		-	10,651	-	107,374	-	-	112,051	-	149,724
ISA												
Total Sources of Funds	0	700,745	233,267	2,895,599	1,654,620	847,627	618,455	511,081	1,480,727	623,132	511,081	660,805
Available Funds - Projected	46,800,014	47,425,357	47,555,271	43,562,963	45,015,476	45,667,799	46,180,439	45,651,018	45,239,634	38,856,484	38,553,913	38,376,050
Projected Expenditures	75,402	103,353	6,887,907	202,106	195,304	105,815	1,040,503	1,892,111	7,006,282	813,652	838,669	1,213,320
Sinking Fund Contribution												186,072
Net Available Funds and ISA - Projected	46,724,612	47,322,004	40,667,364	43,360,857	44,820,172	45,561,984	45,139,936	43,758,906	38,233,352	38,042,832	37,715,245	36,976,658
Designated Reserves												8,994,748
Fund Balance and ISA												45,971,406

FY 11/12 Key Data:

Projected Connection Fee Revenue: \$ 8,501,965

Actually Received \$ 5,435,478

% of Actual to Projected 64%

Projected Expenditures \$ 20,560,496

Actually Spent \$ 7,569,888

% of Actual to Projected 37%

