



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, November 28, 2012

TIME: 7:00 p.m.

LOCATION: Zone 7 Administration Building

100 North Canyons Parkway, Livermore, California

Any member of the public 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 public 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 October 17, 2012
5. Consent Calendar
 - a. Amendment No. 1 to an Existing Operations Agreement Between California Department of Water Resources, Alameda County Water District and Zone 7
 - b. Easement Area Use Agreement for 7099 Amador Plaza, Line J-2, Dublin
 - c. Acceptance of Access and Pipeline Easements for Groundwater Demineralization Project from City of Pleasanton
 - d. Reject All Bids for the Destruction of the Former Camp Parks Well near Mocho Well N. 4 - Project No. 222-13
 - e. Contract with San Francisco Estuary Institute for Phase 2 of Sedimentation Study
6. Staffing Update:
 - a. New Employee Introductions
 - b. Employee of the Month Recognition
7. Committees – Finance Committee – November 26, 2012 – minutes pending
8. Reports – Directors
 - a. Verbal comments by President
 - b. Written report by Director Quigley
 - c. Other Directors' Verbal reports
9. Items for Future Agenda – Directors

10. Staff Reports (Information items. No action will be taken.)
 - a. General Manager's Report
 - b. Recent Outreach Activities
 - c. Legislative Update
 - d. Status Report on Separation Efforts and Financial Software Replacement Project
 - e. Report on Water Sales and Connection Fee Revenue
 - f. Capital Improvement Program Update
 - g. Deferral of Water Connection and Development Impact Fees
 - h. Update Related to the Bay Delta Conservation Plan
 - i. Verbal Reports
11. 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 – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 1 case
12. Open Session and Report Out of Closed Session
13. Adjournment
14. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, California, unless otherwise noted)
 - a) Finance Committee Meeting: November 26, 2012, 4:00 p.m.
 - b) Special Board Meeting: December 5, 2012 (if needed)
 - c) Regular Board Meeting: December 19, 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

October 17, 2012

President Palmer called the regular meeting to order at 7:00 p.m. with a salute to the flag. The following were present:

DIRECTORS: SANDS FIGUERS
JOHN GRECI
A J MACHAEVICH
SARAH PALMER
RICHARD QUIGLEY
ANGELA RAMIREZ HOLMES
BILL STEVENS

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
TAMARA BAPTISTA, FINANCE MANAGER
JAVIA GREEN, STAFF ANALYST
MIKE WALLACE, STAFF ANALYST
BRAD LEDESMA, ASSOCIATE CIVIL ENGINEER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 3 – Citizens Forum – None.

Item 4 - Minutes of the Regular Meeting of September 19, 2012

Director Ramirez Holmes noted two corrections to the minutes: (1) Page 1: She clarified that she pulled Item 5c because she wanted more information about Board policy and was uncomfortable approving a letter sight unseen; (2) Page 3, Item 10: Corrected the sentence to show that at the retreat the Board said they wanted to see the maps of the area before changing the wording of the Mission Statement.

Director Quigley added a correction to his comments on Page 3, Item 7. He wants to make sure the North Canyons lease money due in a few years is in the rate calculations and reflects reserves.

Director Quigley moved to approve the minutes as corrected and Director Ramirez Holmes seconded the motion. The corrected minutes were approved by a voice vote of 6-0-1 with Director Figueroa abstaining.

Item 5 - Consent Calendar

Director Ramirez Holmes pulled Consent Items (d) and (f). Director Figuers moved for approval of Consent Items (a), (b), (c) and (e) and Director Machaevich seconded the motion. President Palmer asked for public comments but there were none so those Consent Items were approved by a roll call vote of 7-0.

Resolution 13-4221 Approved the General Manager rescheduling the regular November Board meeting in 2012 for Wednesday, November 28, 2012. (Item 5a)

Resolution 13-4222 Authorized the General Manager to amend the contract with ESA PWA for \$60,000 for design services on the Arroyo Mocho - Stanley Reach Project. (Item 5b)

Resolution 13-4223 Authorized the General Manager to accept the quitclaim deed from PG&E and execute and record a certificate of acceptance at the Office of the Recorder of Alameda County. (Item 5c -1)

Resolution 13-4224 Authorized the General Manager to negotiate and finalize the Easement Deed and request that the Board of Supervisors approve granting the Easement Deed and authorized the President of the Board of Supervisors to execute it. (Item 5c - 2)

Director Ramirez Holmes pulled Consent Item 5 (d) and asked about past practice of sending two people to conferences. Ms. Duerig replied that past practice has been that if a Board or staff member wants to attend an out-of-state conference, it comes to the Board for approval.

Director Palmer asked if any staff members were interested in attending the ACWA Conference in Washington DC in addition to her and Director Quigley. When questioned if there is a benefit that would necessitate personal knowledge and conversations with Federal and/or California representatives, Director Quigley responded that because of our reliance on conveyance through the Delta and the Delta Fix, a partnership with the Federal agencies, Congress and Senate knowing Zone 7's point of view is extremely important. President Palmer concurred with Director Quigley's statement and said in the past both Director Quigley and Director Moore reported that this conference was extremely valuable, especially now that the Bay-Delta and Zone 7 issues are more in the national eye.

Director Ramirez Holmes clarified that her point was that the conference is very expensive and if it is prudent from a public policy standpoint. She is in favor of one board member attending but not two people at that cost.

Director Stevens moved and Director Greci seconded the motion to approve. Resolution 13-4225 approving President Palmer and Director Quigley's attendance at the ACWA Annual Washington DC Conference was approved by a roll call vote of 6-0-1 with Director Ramirez Holmes abstaining.

Item 5 (f): Director Ramirez Holmes expressed concern at the response to Supervisors Haggerty and Miley regarding why the letter was not included in the board packet and that the Board should have been able to review the letter before it was sent and have a public discussion. President Palmer noted that it was a courtesy to send them a letter that will have the same basic information in it as sent to the Grand Jury but would be a shorter letter.

Director Stevens moved and Director Greci seconded a motion to approve Resolution No. 13-4227 authorizing and directing the President of the Zone 7 Board to provide a written response to Supervisors Haggerty and Miley's June 22 letter. The motion was passed by a voice vote of 6-1 with Director Ramirez Holmes voting no.

Item 6 - Staffing Updates

Item 6a – Employee of the Month Recognition

Ms. Duerig introduced Linda Van Buskirk to the Board. Linda is the Administrative Assistant at the Del Valle Water Treatment Plant in addition to serving on the Staff Advisory Team (SAT) and the Blue Culture Committee. President Palmer remarked that she was glad Linda was present so the Board could place a face with the name.

Item 7 – Proposed Revisions to the Current Zone 7 Reserve Policy

President Palmer noted that the item had been pulled from this agenda and will be continued to a future Board meeting.

Item 8 - Treated Water/Recharge Rate Schedules for 2013

Ms. Duerig noted that revised resolutions were distributed to the Board and made available to the audience. The revisions provide a clearer explanation of the resolutions for different items.

Mike Wallace, Staff Analyst with the Finance and Communications Department, gave a brief presentation and noted letters had been received from Dublin San Ramon Services District and the Hacienda Owners' Association. The three proposals are:

- Proposal A - Two-year treated water rate: No increase for 2013 and 2.65% for 2014
- Proposal B - Two-year treated water rate with no increase for 2013 and no increase for 2014.
- Proposal C - One-year treated water rate with no increase for 2013.

The temporary rate and private fire standby rate are determined by the treated water rate and can be set for two years. The recharge fee and in-lieu rate are determined annually based on updated numbers similar to the untreated water rate.

Mr. Wallace added that staff had conducted a survey of four wholesale water providers and compared the rates. Zone 7 remains in the middle with a \$945 per acre foot price. Staff also conducted a survey of 11 retail water providers and compared their rates, including the four that Zone 7 serves directly, and Zone 7 retailers' average monthly charge is currently the second lowest of other Bay Area retailers surveyed.

President Palmer asked for public comments. Dan Martin, Utilities Superintendent for the City of Pleasanton, stated that Pleasanton's position is that, during these current economic times, we need to do everything we can to keep the rate increase as low as possible. He also complimented Zone 7 staff on working closely with the retailers and improved communication is appreciated. Director Figueroa asked which of the three proposals the City of Pleasanton would prefer and Mr. Martin answered Proposal A.

Dave Requa, Assistant General Manager, Dublin San Ramon Services District, said they also would prefer 0% and 0% but from a policy point of view, a multi-year setting of rates is important and if the Board decides it needs a 2.65% increase the second year, then they will agree with the two-year proposal. DSRSD evaluates the rate they need and adds an automatic inflation escalator for the next two years, allowing them to set rates for three years at a time. He also complimented Zone 7 on listening to the retailers even if they don't always agree.

Director Quigley asked if DSRSD does a straight pass through like the City of Pleasanton. Mr. Requa said their water bill shows a Zone 7 component. There have been small incremental increases and they are doing a water rate study now. A 0% increase from Zone 7 helps. DSRSD, the City of Dublin and the Dublin Unified School District would all prefer three-year planning and incremental baby steps.

Gerald Ledbetter, City of Livermore resident, attended the Board meeting and asked several questions, which were answered by Zone 7 and retailer staff.

Director Greci told Mr. Ledbetter that an important issue is where the water comes from and since 80% is from the Delta and Zone 7's reserve is the groundwater basin, it is imperative that we keep it as full as possible. We do not have a guarantee of how much water will be given to us each year and we have to plan on that variable and use water that we have stored with other districts that have storage. The Chain of Lakes will help because of the recharge and pumping capabilities. All things come together in forecasting the needs from our retailers to the customers and Zone 7 meeting all those demands. It is our mission to meet 100% reliability so it is imperative to understand where it comes from and how much we need to take out each year like a bank account.

Scott Hayes, a candidate for the DSRSD board, had a question about why it is necessary to increase rates in 2014 since there are such high reserves. He would favor a 0%-0% (Proposal B). Ms. Duerig explained that some of the one-time cost savings this year had to be paid back so Zone 7 will have increased costs. For the past three years there have been deferred contributions of \$400,000 from our building sinking fund and we have to make that up, too. While it was a one-time cost savings, we have to replenish what we borrowed.

Director Quigley added that the water that we didn't purchase has a cost component and the cost to make it up and artificially recharge the aquifer with imported water is missing out of the equation.

Director Ramirez Holmes noted that Zone 7 had a \$5.6 million surplus during FY 11-12 and she is in support of Proposal B because there is only a \$400,000 difference between Proposal A and Proposal B in terms of how much would be projected to be used from the reserve.

Director Figuers is in favor of Proposal A for several reasons because the economy is beginning to stabilize and, although he agrees in theory with Director Ramirez Holmes' comments, he feels the desire of the customers override it with the opinions expressed by the retailers.

Director Quigley expressed concern about either 0%-0% or 0%-2.65%. Due to uncontrollable costs and the need for reserve funds, he has difficulty supporting any 0% increase and would prefer small incremental increases every year.

Ms. Duerig said the first draft proposal for the Finance Committee was 2.65% and 2.65% before evaluations and analyses were completed. Staff revised their recommendation prior to the Finance Committee so the staff proposal was 0% in 2013 and 2.65% in 2014.

Director Machaevich noted that he is on the Finance Committee. After talking to the retailers and fellow water rate payers, he is supporting Proposal A, 0% and 2.65 for stability and the ability to keep a strong Zone 7.

Director Greci doesn't believe in giving money away just because you have high reserves. Nothing says the 2.65% for 2014 is locked in and it is better to look at it next year than make a false prediction now on the finances that will be needed in the future

Director Stevens said that since the Cities give us 5-year water demand projections, and our water rate is tied to the retailers' projections and actual usage, we should give them multi-year rates. Emergency situations can be handled on a year-by-year basis. He supports Proposal A and suggested a three-year rate increase based on appropriate inflationary adjustments like connection fees in the future.

President Palmer was in favor of Proposal A.

Director Stevens moved for approval of Proposal A for a 0% and a 2.65% and Director Figuers seconded the motion. The roll call vote was 6-0-1 with Director Ramirez Holmes voting no. Because Resolution 13-4228 passed, a vote on Proposals B and C was not needed.

Item 9 - Untreated Water Rates for 2013

JaVia Green, Staff Analyst in the Finance Department, introduced the Untreated Water Rate for 2013 item. She noted that the untreated cost is based on the cost of State Water Project water transportation variable charges, Byron-Bethany Irrigation District water, Del Valle Water Rights, Yuba Dry Year Water Purchase Program, Bay-Delta related costs and an administrative fee based on actual staff costs.

Staff recommended approval for 2013 of: an Untreated Water rate of \$110/AF, a Temporary Untreated Water rate of \$437/AF, a Non-Scheduled Untreated Water rate of \$437/AF, and a Surplus Untreated Water rate of \$232/AF.

President Palmer asked for public comment.

Dave Lunn, Livermore resident and untreated water contractor, sent an e-mail and asked staff for background but said he had not received an answer. The letter had been given to the Finance Committee to discuss his questions but he was not notified. He looked on the Zone 7 website for the FY 2012-2013 budget but could not find it. President Palmer recommended getting the budget on the website in a timely manner. Director Ramirez Holmes added that the letter was not discussed at the Finance Committee meeting due to a lack of a quorum. It was for information only and she apologized for the delay in getting the answers to him.

Mr. Ledbetter asked questions about the untreated water program which were answered by Director Greci and President Palmer.

Mr. Lunn stated that it was his understanding that the reason the rate dropped so much, \$70-\$80/AF, is because of the way it is charged and the delta charge for the State Water Project was shifted from water rates to property taxes. That took the water rates from \$170 down to \$90 and that was a savings although he saw a spike in his property taxes. President Palmer suggested he refer to the Finance Committee agenda packet for information regarding his questions.

Director Greci moved and Director Figuers seconded the motion to approve the untreated water rates. Resolution 13-4229 was approved by a roll call vote of 7-0.

Item 10 - Proposed 2013 Municipal & Industrial Water Connection Fee

JaVia Green explained that the Board previously resolved that connection fees be updated annually in keeping with the policy that new development pays for itself. The Hacienda Owners' Association sent a letter to Zone 7 recommending that we do a thorough review of the water connection fee. Ms. Green reminded the Board that in 2011 they did do a comprehensive re-evaluation of our water system expansion program looking at water expansion project needs as well as the associated funding through 2040. That study, available on the Zone 7 website, did recommend regular inflationary adjustments to the Zone 7 fee. Staff recommended increasing the rate by 2.47% which is the change in the Engineering News Record Construction Cost Index from September 2011 to September 2012. The fees will be \$23,500 for the Zone 7 service area and \$21,750 for Dougherty Valley.

Director Ramirez Holmes asked if Zone 7 responded to The Hacienda Owners' Association and provided them a copy of the study? Ms. Duerig replied that she had sent an e-mail to them explaining that the study was done last year, available on the website, and would be updated in a few more years as it is done about every five years.

Director Ramirez Holmes also asked if there other appropriate indexes and who looks at them and evaluates what is to be used in a given year? Ms. Green said they have been using the ENR Construction Cost Index because it does reflect the materials and supplies generally used in the construction of water system projects such as concrete and metal. Ms. Green said no other indexes have been identified but they have used the CCI for close to 30 years.

President Palmer asked Ms. Green to share information on why Dougherty Valley was less than the Zone 7 service area. Ms. Green said Dougherty Valley developers required their own water supplies and purchased water storage at Semi-Tropic so the water connection fee does not include the cost of reliability projects, conservation, or out-of-area storage.

Dave Requa from DSRSD encouraged Zone 7 to look at three years for the connection fee because it saves staff time on analyses and concerns about incorrect water supply estimates if something breaks.

Directors Machaevich and Greci said they could support that idea because it also helps the retailers and construction companies with long-term plans. President Palmer suggested that it be considered next time rates are set.

Tom Hughes, Assistant General Manager of Administration Services, said over the next two years, Zone 7 plans to meet with the retailers to talk about the rate structure and multiple-year setting.

Director Ramirez Holmes said that since Mr. Paxson from the Hacienda Owners' Association represents a large property owners association impacted by the connection fee, do we have to vote on it at this meeting? Their letter asked Zone 7 not to take immediate action because they would like to weigh in. Does it have to be done in October or can it wait until November? Ms. Green responded that in order for it to be effective in January 1, it needs to be set 60 days prior to that date.

Director Greci moved and Director Figuers seconded Resolution 13-4231 amending the basic fee which passed by a roll call vote of 7-0.

Item 11 – Consider Adopting Revised Reliability Policy for Municipal & Industrial Water Supplies

Brad Ledesma, Associate Civil Engineer in Integrated Planning, presented a revised Reliability Policy for Municipal & Industrial (M&I) Water Supplies. He discussed the collaboration between Zone 7 staff and the Retailers.

Only Zone 7 has a reliability policy of 100% of M&I water demands during prolonged droughts but changing the reliability policy to something less than 100% such as 85% would bring Zone 7's policy in-line with the policies of other water agencies in the area. He noted the revisions needed to reflect Level of Service Goal 1 and Goal 2. The Annual Sustainability Report meets the Retailers needs so there were no changes to that part of the policy. Director Quigley expressed a concern that annual reporting was too infrequent.

Dave Requa stated that the Annual Report is intended to be a summary to the public. He felt that because communication between Zone 7 and DSRSD staff is on a regular basis, a quarterly report to the Board is not worth staff time.

Director Machaevich asked how the Reliability Policy relates to the quality of water. Ms. Duerig explained that there are two separate policies: one for reliability and one for quality. There have been discussions with Retailers about amending the Water Quality Policy next.

Director Quigley moved and Director Stevens seconded Resolution 13-4231 to rescind Resolution 04-2662 and establish a new water supply reliability policy. The motion was approved by a roll call vote of 7-0.

Item 12 – Consider Amending Strategic Planning Priorities

President Palmer explained that a strategic plan is basically something which is dynamic and is revisited periodically and is a part of your priorities but it is not carved in stone. Kurt Arends, Assistant General Manager, Engineering, explained further that at the August Board Retreat, Board members discussed planning priorities and deliverables. He tried to capture the proposed revisions to the Strategic Planning Priorities.

Director Stevens asked that the Livermore-Amador Valley be used as a general description instead of Eastern Alameda County. It was agreed to revisit the term next year for a possible change.

President Palmer moved that the revisions to the Strategic Planning Priorities be accepted and Director Stevens second the motion. Resolution No. 13-4232 was passed by a voice vote of 7-0.

Item 13 - Committees – Liaison Committee – September 11, 2012 and Finance Committee Notes – October 9, 2012

Director Ramirez Holmes corrected the Liaison Committee minutes which incorrectly identified Mayor Janet Hosterman as Mayor Jennifer Hosterman. President Palmer also asked about the Doodle Poll for scheduling the next Liaison Committee meeting.

Item 14 - Reports - Directors

- a. Verbal comments by President

President Palmer asked if a Board member is unable to attend a committee meeting, please contact her or Board Secretary Judy Rector who can notify the General Manager or the Board President and an alternate can be called to attend in their place.

- b. Written report by Director Quigley

Director Quigley noted that he had attended the Delta Science Center ribbon cutting in Oakley and noted the Alamo Trail opening.

Item 15 - Items for Future Agendas – Directors

Director Stevens reported that a year or two ago a developer asked about changing the connection fees. The developer said that when they pay the connection fees months in advance of selling the house, they have to finance that money in advance so he requested that the connection fees be requested later in the project. Director Stevens suggested that the fees be deferred. Mr. Arends noted that Zone 7 does not have any leverage and there was an issue that Zone 7 may need to provide improvements prior to the development going in. President Palmer asked that the issue be put on a future agenda.

Director Quigley commented on a production chart in the General Manager's status report. He requested a quarterly report that gives the real water throughput. Ms. Duerig agreed to include it in future status reports.

Item 16 - Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts and Financial Software Replacement Project
- e. Report on Water Sales and Connection Fee Revenue
- f. Quarterly Update of Expansion Fund
- g. Names Used to Collectively Describe Livermore, Pleasanton, Dublin, San Ramon and Surrounding Areas
- h. Verbal Reports

Ms. Duerig complimented Dennis Gambis on his staff report (16g) describing the history of naming local valleys and he was applauded for his effort

The Board went into Closed Session at 9:20 p.m.

Item 17 - 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 – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 1 case

Item 18 - Open Session and Report Out of Closed Session

At 9:55 p.m., the Board came out of closed session and President Palmer reported that the Board had voted for a 2.65% cost of living increase for all Zone 7 employees, adopting the following resolutions unanimously:

- Resolution 13-4233 Approved implementing a 2.65% cost-of-living increase beginning July 8, 2012, for employees represented by the Alameda County Management Employees Association.
- Resolution 13-4234 Approved implementing a 2.65% cost-of-living increase beginning July 8, 2012, for employees represented by the Alameda County Building and Construction Trades Council.
- Resolution 13-4235 Approved implementing a 2.65% cost-of-living increase beginning July 8, 2012, for employees represented by the International Federation of Professional and Technical Engineers, Local 21.
- Resolution 13-4236 Approved implementing a 2.65% cost-of-living increase beginning July 8, 2012, for employees represented by the Northern California Public Section Region, Local 1021 of the Service Employees International Union, CTW.
- Resolution 13-4237 Approved implementing a 2.65% cost-of-living increase beginning July 8, 2012, for unrepresented classifications in Zone 7.

Item 19 - Adjournment

The meeting was adjourned at 10 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: Facilities Engineering
CONTACT: Sal Segura/Rhett Alzona

AGENDA DATE: November 28, 2012

ITEM NO. 5a

SUBJECT: Amendment No.1 to an existing Operations Agreement between California Department of Water Resources, Alameda County Water District and Zone 7

SUMMARY:

- An existing operations agreement between California Department of Water Resources (DWR), Alameda County Water District (ACWD) and Zone 7 Water Agency executed in 1997 with a term of 15 years expires December 31, 2012.
- Staff is working with DWR and ACWD to negotiate an amendment to extend the term for another 15 years through December 31, 2027.
- This amendment needs to be executed by the end of 2012.
- Staff is recommending that the Board authorize the General Manager to negotiate and execute the amendment.

FUNDING:

The administration cost of the existing agreement is funded from Fund 52 – Water Enterprise. This amended agreement will have no additional funding impact.

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the General Manager to negotiate and execute the Amendment.

ATTACHMENTS:

Zone 7 Board Resolution

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

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**Amendment No. 1 to Agreement between California Department of Water Resources,
Alameda County Water District and Zone 7 (Zone 7 Agreement No. A97-39-CAL)**

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 Amendment No. 1 to the agreement between California Department of Water Resources, Alameda County Water District and Zone 7 (Zone 7 Agreement No. A97-39-CAL).

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 November 28, 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: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: November 28, 2012

ITEM NO. 5b

SUBJECT: Easement Area Use Agreement for 7099 Amador Plaza, Line J-2, Dublin

SUMMARY:

- Leslie K. Mills, et al., are the new owners of the property commonly known as 7099 Amador Plaza Road, Dublin, where an REI retail store is located.
- Alameda County Flood Control and Water Conservation District, Zone 7 holds a storm drain easement for Line J-2, a twin 72-inch diameter storm drain system, which is located on the Owners property.
- The previous owner installed parking and landscaping features over Zone 7's storm drain easement in connection with its tenant's (REI) store construction.
- The existing easement does not contain specific language addressing: a) Zone 7's maintenance responsibilities; b) restoring existing improvements over the easement area after maintenance activities; or c) improvements allowed over easement area.
- To help clarify and document the parties' understanding, the Owner and Zone 7 have negotiated a draft Easement Area Use Agreement. The Agreement would acknowledge certain improvements constructed within the easement area and clarify the respective parties' responsibilities.
- The Zone 7 board authorized the General Manager on June 20, 2012 to execute an Easement Area Use Agreement with the Owners of the property; however, the property was sold before an agreement was executed requiring another Board authorization for an agreement with the new owner.

FUNDING:

There is no funding impact.

RECOMMENDED ACTION:

Adopt attached resolution authorizing the General Manager to negotiate and execute the Easement Area Use Agreement and cause the same to be recorded.

ATTACHMENTS:

1. Memo providing additional background and discussion
2. Resolution
3. Location Map
4. Draft Easement Area Use Agreement

INTEROFFICE MEMO

Date: November 28, 2012
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer
Subject: Easement Area Use Agreement for 7099 Amador Plaza, Line J-2, Dublin

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

BACKGROUND:

Leslie K. Mills, et al., are the owners (Owner) of the property commonly known as 7099 Amador Plaza Road, Dublin, where an REI retail store is located. The previous owner/developer had installed parking and landscape improvements at this property in connection with development for its tenant, REI. Some of these improvements are located within the storm drain easement area for Line J-2. Line J-2 is a twin 72-inch diameter storm drain system which is owned and maintained by Zone 7.

DISCUSSION:

To help assure that the improvements by the property owner do not interfere with Zone 7's future access to and maintenance of the storm drain, the Owner has agreed to enter into an Easement Area Use Agreement (Agreement).

Major provisions of the draft Agreement (attached) include:

- Zone 7's unrestricted access to the easement area at all times.
- Zone 7 providing the Owner with advance notice of any scheduled maintenance or repair operations it may undertake.
- Zone 7 responsible for restoring the ground surface to the condition prior to the owner's installation of improvements (i.e., bare ground surface) and Zone 7 not responsible for restoring/replacing any improvement features.
- Owner will obtain written approval from Zone 7 prior to making any additional improvements within the easement area.

The Zone 7 board previously authorized the General Manager on June 20, 2012 to execute an Easement Area Use Agreement with the Owners of the property; however, the property was sold before an agreement was executed. Thus, another Board authorization for an agreement with the new owner is required.

There is no funding impact from the Agreement and staff recommends authorizing the General Manager to negotiate and execute the Agreement with the new Owner.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO

INTRODUCED BY
SECONDED BY

Easement Area Use Agreement with the Owners of 7099 Amador Plaza, Dublin

WHEREAS, Leslie K. Mills, as Trustee of the Leslie K. Mills Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; and Rodney S. Mills, as Trustee of the Rodney S. Mills Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; and Susan Mills Diggle, Trustee of the Susan Mills Diggle Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; as Tenants in Common are the “Owner” of the property commonly known as 7099 Amador Plaza Road, Dublin, California; and

WHEREAS, Alameda County Flood Control and Water Conservation District, Zone 7 is the owner of a storm drain easement which contains Line J-2, a twin 72-inch diameter storm drain system located on Owner’s property at 7099 Amador Plaza Road; and

WHEREAS, in connection with the tenant improvements to 7099 Amador Plaza, parking improvements and landscaping over Zone 7’s storm drain easement, a draft Easement Area Use Agreement has been prepared with the Owner, retroactively allowing certain improvements within said storm drain easement area and clarifying restoration responsibilities after flood control maintenance activities.

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 an Easement Area Use Agreement with the Owner; and

BE IT FURTHER RESOLVED, that the General Manager be authorized to execute a certificate of acceptance causing the Easement Area Use Agreement to be recorded at the Office of the Recorder of Alameda County.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

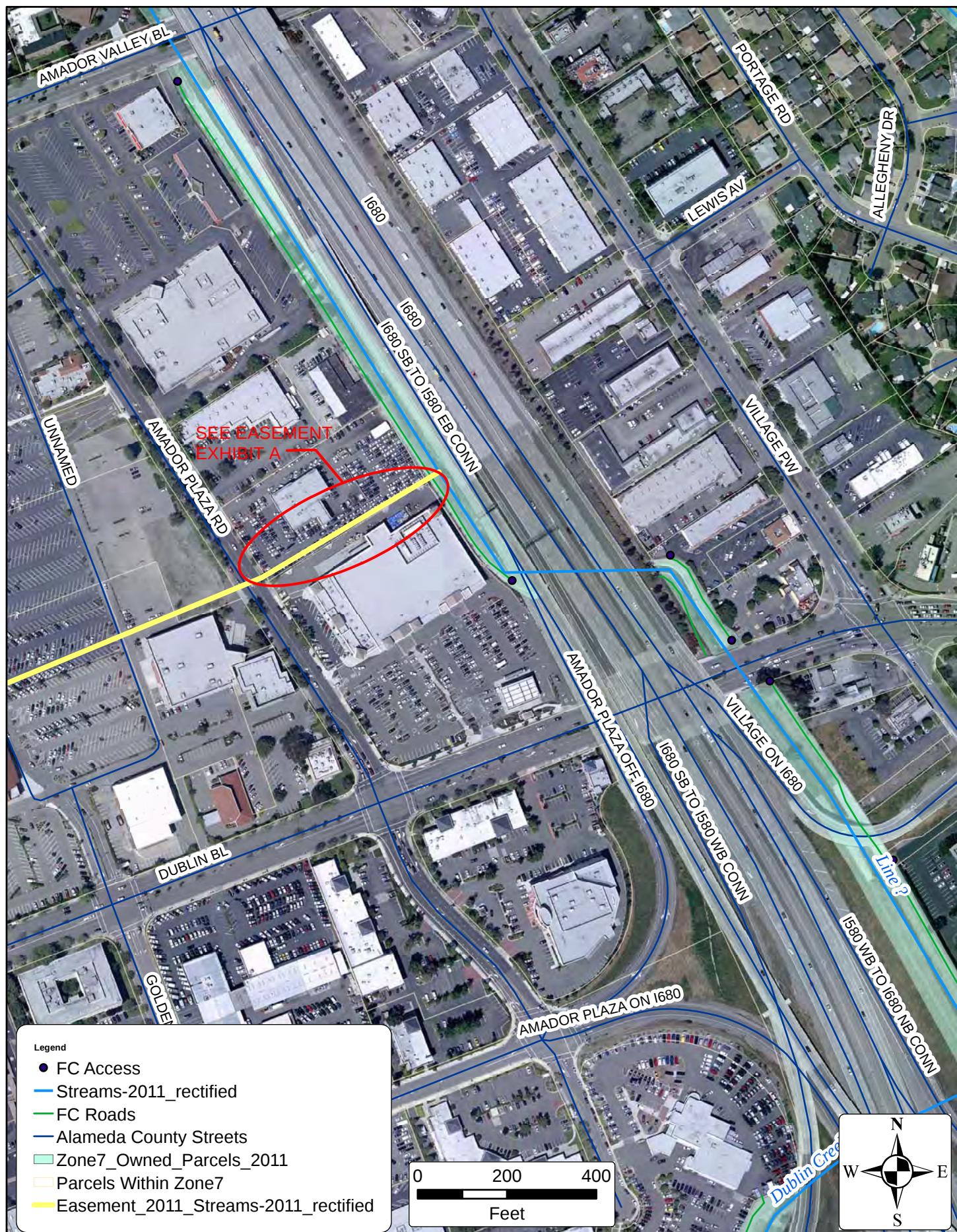
NOES:

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 November 28, 2012.

By _____
President, Board of Directors



ZONE 7 WATER AGENCY
100 North Canyons Parkway
Livermore, CA

DRAWN: BW

REVIEWED: DG

File:

SCALE: AS SHOWN

DATE: 5/3/2012

FIGURE #

Zone 7
Line J-2 Easement
Location Map

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO

Alameda County Flood Control and
Water Conservation District, Zone 7
100 N. Canyons Parkway
Livermore, CA 94551
Attention: Real Property Services

NO RECORDING FEE REQUIRED (GOVT. CODE §27383)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN 941-305-10-26 (Por)

EASEMENT AREA USE AGREEMENT

THIS EASEMENT AREA USE AGREEMENT ("AGREEMENT") is made and entered into: this ____ day of _____, 2012 by and between the Alameda County Flood Control and Water Conservation District, Zone 7 ("ZONE 7") and Leslie K. Mills, as Trustee of the Leslie K. Mills Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; and Rodney S. Mills, as Trustee of the Rodney S. Mills Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; and Susan Mills Diggle, Trustee of the Susan Mills Diggle Generation Skipping Trust dated December 22, 2008, as to an undivided 1/3 interest; as Tenants in Common ("OWNER"). ZONE 7 and OWNER are collectively referred to herein as the "PARTIES."

RECITALS

- A. ZONE 7 is the owner of a storm drainage easement through an Easement Grant Deed (EASEMENT DEED") from the partnership of Harvey & Madding to the Alameda County Flood Control and Water Conservation District, recorded on November 1, 1985 as Series Number 85-235999, Official Records of Alameda County, conveying to ZONE 7, a non-exclusive easement for the purpose of construction and maintenance of Storm Drainage facilities (Line J-2) and incidents thereto, upon, over, and across that certain real property in the City of Dublin, County of Alameda as shown on Exhibit A attached hereto and made a part hereof, with the easement area delineated thereupon ("EASEMENT AREA");
- B. OWNER is the current owner, in fee, of that certain parcel of land commonly known as 7099 Amador Plaza, City of Dublin, Alameda County, State of California, more particularly described as Parcel A, Parcel Map 2102, filed May 10, 1977, in Book 97, Page 20 of Maps, Alameda County Records ("PROPERTY");
- C. ZONE 7 currently owns, operates and maintains a certain underground storm water drainage facility, Line J-2, ("FACILITY"), within the EASEMENT AREA;
- D. OWNER has a tenant, ("TENANT"), that will conduct retail business at the property;

- E. OWNER's predecessor in interest has in the past installed, operated and maintained certain improvements within the EASEMENT AREA, such as a driveway, customer/employee parking lot, concrete curb and gutter, on site drain pipes and manhole, landscaping and irrigation system (collectively, "IMPROVEMENTS")
- F. ZONE 7 and OWNER desire to establish the terms for use of the EASEMENT AREA by OWNER, its heirs, successors, and assigns.

THE PARTIES AGREE AS FOLLOWS:

1. PERMITTED USE: Subject to the terms of this AGREEMENT:

- a. ZONE 7 shall have non-exclusive access to its EASEMENT AREA at all times, subject to OWNER'S rights to use and improve the EASEMENT AREA pursuant to this Agreement. ZONE 7 hereby confirms that as of the date hereof, the IMPROVEMENTS do not unreasonably hinder ZONE 7's access for routine visual inspection of the EASEMENT AREA.
- b. ZONE 7 shall provide OWNER with ten (10) days advance written notice of any scheduled maintenance or repair operations it may undertake. Routine visual inspections, which will typically occur once a month, will not require advanced notice provided that such inspections do not unreasonably obstruct OWNER'S driveway or otherwise interfere with IMPROVEMENTS or OWNER'S use of the PROPERTY. In the event of an emergency that requires immediate access to ZONE 7's FACILITY, ZONE 7 shall notify OWNER as soon as reasonably possible by phone at the phone number provided in Paragraph 8 and/or based on other contact information provided by the OWNER.
- c. OWNER agrees that in the event that ZONE 7 performs either scheduled or emergency work to maintain or repair their FACILITY, ZONE 7 is only responsible for restoring the EASEMENT AREA's ground surface with properly compacted earthen material. ZONE 7 is not responsible for restoring/replacing any IMPROVEMENTS or features that existed on site prior to the work. OWNER agrees that it will communicate this provision to TENANT.
- d. OWNER agrees that it will obtain written approval from ZONE 7 in advance, prior to making any additional improvements within the EASEMENT AREA. OWNER will submit plans for additional improvements for review and approval by ZONE 7. No additional improvements may be installed unless and until, the plans and specifications for the additional improvements are reviewed and expressly approved by ZONE 7, which approval shall not be unreasonably delayed, withheld or conditioned. OWNER shall use due care in the installation and maintenance of the additional improvements and shall be responsible for any damages to ZONE 7's facilities caused by the negligent or willful misconduct of OWNER, its employees, agents, and contractors. Any additional improvements or facilities installed in violation of the terms of this AGREEMENT, or in violation of any of the approvals granted hereunder, shall be

removed by OWNER forthwith, at ZONE 7's reasonable discretion, and at OWNER's sole cost and expense. Upon completion of the installation of any additional improvements, said improvements shall become part of the IMPROVEMENTS and all of the terms of this Agreement applicable to the IMPROVEMENTS shall apply.

- e. No approval shall be required for OWNER'S maintenance, repair or replacement of IMPROVEMENTS installed within the EASEMENT AREA as of the date hereof, provided that replacement of IMPROVEMENTS is consistent with those which were originally constructed.
2. PERMITS: Any IMPROVEMENTS on the EASEMENT AREA by OWNER shall only be installed after obtaining all required construction, building or use permits, for compliance with any applicable federal, state, or local government requirements as well as an encroachment permit from ZONE 7.
3. ZONE 7's RIGHTS: In no event shall OWNER's installation, use, maintenance or removal of its IMPROVEMENTS unreasonably interfere with any of ZONE 7's activities or operations within the EASEMENT AREA or impair the rights granted to ZONE 7 under the EASEMENT DEED.
4. REMOVAL OF IMPROVEMENTS: ZONE 7 shall provide written notice to OWNER not less than ten (10) business days prior to the commencement of any non-Emergency work in the Easement Area. Such notice shall include a description of the work to be performed by ZONE 7 which necessitates OWNER's removal and/or relocation of any of its IMPROVEMENTS, the expected duration of same, a description of that portion of the IMPROVEMENT(S) which must be removed, and a reasonable time period for OWNER to complete such removal and/or relocation. If ZONE 7's IMPROVEMENT removal requirements are not complied with by OWNER in a timely manner, ZONE 7 may remove such IMPROVEMENT, or in the event of an emergency, ZONE 7 may remove that portion of the IMPROVEMENTS necessary to effectuate reparation of the emergency situation. OWNER shall provide ZONE 7 the name and telephone number of OWNER's representative designated to receive notice of emergencies 24 hours a day, seven days a week. In both a non-emergency and an emergency removal by ZONE 7 of the IMPROVEMENTS, ZONE 7 shall effectuate such removal only as shall be reasonable and necessary to conduct ZONE 7's work. In such removal, ZONE 7 shall use all appropriate and diligent care to work in a minimally invasive manner and, to the greatest extent possible, to preserve that portion of the IMPROVEMENTS not being removed by ZONE 7.
5. REMOVED OR RELOCATED IMPROVEMENTS: When OWNER's IMPROVEMENT(S) are removed or relocated pursuant to a request by ZONE 7 pursuant to Paragraph 4 of this AGREEMENT, OWNER shall be responsible for replacing any removed and/or relocated IMPROVEMENTS at its sole cost, and ZONE 7's restoration obligations in connection therewith shall be limited to cooperation with OWNER in its efforts to replace the IMPROVEMENTS, by filling in any excavated areas with properly compacted earthen material and leaving the affected area in a safe and clean condition.
6. MAINTENANCE & REPAIR: OWNER shall be solely responsible for the maintenance and repair of the IMPROVEMENTS. ZONE 7 shall have no responsibility for damage or loss to OWNER's IMPROVEMENTS resulting from theft or vandalism or resulting from any cause other than ZONE 7's negligence or willful misconduct.

7. **HOLD HARMLESS & INDEMNIFICATION:** This AGREEMENT is made upon the express condition that ZONE 7 and OWNER, and their respective officers, employees, principals, trustees, and agents, shall each be free from any and all liabilities and claims for loss or damages, for or by reason of any injury or injuries to any person(s) or property of any kind whatsoever, occasioned by use of the EASEMENT AREA by the other party hereto, or any activity thereupon by such other party, and shall be indemnified against all such claims and liabilities. OWNER and ZONE 7 each hereby covenant and agree to defend, indemnify and to save harmless one another and their respective directors, officers, employees, principals, trustees, and agents from and against any and all liabilities, claims, damages, expenses (including reasonable attorney's and experts' fees) and costs incurred in the defense thereof, asserted against any indemnitee as a result of or in connection with the foregoing indemnity and hold harmless. The indemnity and hold harmless set forth in this provision shall not apply to any liabilities, claims, damages, expenses, or costs to the extent arising or claimed to arise due to the negligence or willful misconduct of the indemnified party. This provision shall survive termination of this AGREEMENT.
8. **NOTICE:** Any demand or notice which either party shall be required, or may desire to make upon or give to the other, shall be in writing and shall be delivered personally upon the other or be sent by first class mail to the respective PARTIES as follows:

ZONE 7: General Manager
 Zone 7 Water Agency
 100 North Canyons Parkway
 Livermore, CA 94551
 925-454-5000

OWNER: Casa Mills Property Management
 c/o Mills Florist
 235 University Avenue
 Palo Alto, CA 94301
 650-326-3443
 Casamills200@aol.com

TENANT
(Emergency Contact): REI (or current TENANT)
 7099 Amador Plaza
 Dublin, CA 94568
 925-828-9826

Either party may, from time to time, designate any other address for this purpose by written notice to the other party, given with ten (10) business days' notice.

9. **INTEGRATION & MODIFICATION:** This AGREEMENT constitutes the complete expression of the agreement between the PARTIES. Any modification of or addition to this Agreement must be in writing signed by both PARTIES.

OWNER:

By: Rodney Steven Mills Date: 11-13-12
Rodney Steven Mills,
as Trustee of the Rodney S. Mills Generation
Skipping Trust dated December 22, 2008,

By: Susan Mills Diggle Date: 11-14-12
Susan Mills Diggle,
as Trustee for the Susan Mills Diggle
Generation Skipping Trust dated December
22, 2008,

By: Leslie K. Mills Date: 11-14-12
Leslie K. Mills,
as Trustee for the Leslie K. Mills Generation
Skipping Trust dated December 22, 2008.

PLEASE SEE
NOTARY ATTACHMENT

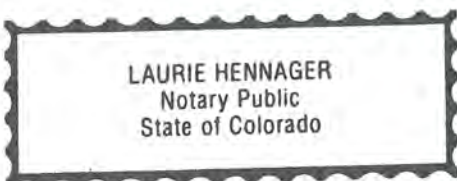
ALAMEDA COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT, ZONE 7

By: _____
G. F. Duerig
General Manager, Zone 7

By: _____

Date: _____, 2012

Line J-2
No. 7520
Map: RF 1895



Laurie Hennager 11/13/12
Notary expires: 4/20/15
EL PASO County
State of Colorado

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Santa Clara

On 11-14-2012 before me, Mahdee Shehadeh, Notary Public
(Here insert name and title of the officer)

personally appeared Susan Diggle and Leslie Mills -

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

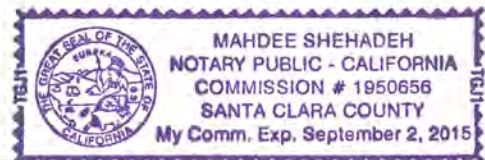
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

Mahdee Shehadeh

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Easement Area use Agreement
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
☐ Corporate Officer

(Title)

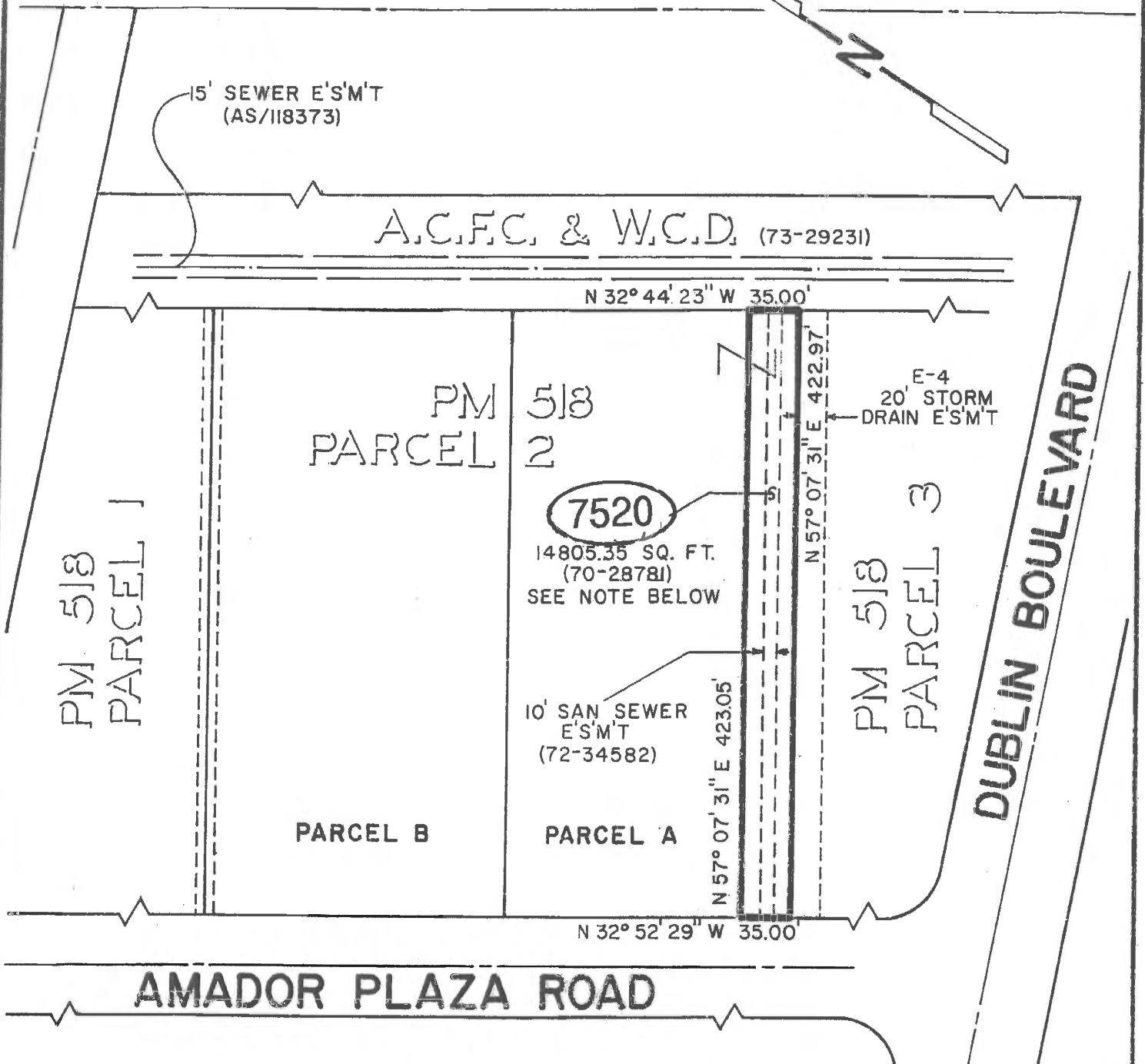
- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - Indicate title or type of attached document, number of pages and date.
 - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

EXHIBIT A



NOTE: EXISTING 35' AFC & WCD STORM DRAIN E'S'M'T (E-3) TO BE QUITCLAIMED BY SEPARATE DOCUMENT.

R/W NO. 7520

LEGEND:

- BOUNDARY LINES OF LANDS TO BE ACQUIRED.
- PROPERTY AND R/W LINES OTHER THAN THOSE FOR PROJECT.
- - - - EXISTING EASEMENT LINES.



ZONE 7

ALAMEDA COUNTY FLOOD CONTROL
AND
WATER CONSERVATION DISTRICT

LINE J-2

EASEMENT TO BE ACQUIRED FROM
HARVEY & MADDING

DRAWN <i>JR</i>	TRACED	DATE	OCTOBER 1985
CHECKED <i>W</i>		SCALE	1" = 100'
APVL. REC. <i>W</i>		FILE NO.	RF 1895
APPROVED <i>W. J. ...</i>		SHEET NO.	1
		OF	1



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: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: November 28, 2012

ITEM NO. 5c

SUBJECT: Acceptance of Access and Pipeline Easements for Groundwater Demineralization Project from City of Pleasanton

SUMMARY:

- Zone 7 completed construction of the Mocho Groundwater Demineralization Plant on the vacant portion of the Mocho Well No. 4 site, located at the northwest corner of Santa Rita Road and Stoneridge Drive in Pleasanton, in December of 2009.
- The project included the construction of a second access to the site and the installation of a 28-inch diameter waterline both on land owned by the City of Pleasanton.
- The access easement is for the driveway from the Mocho Groundwater Demineralization site to Stoneridge Drive and the pipeline easement is for the waterline connecting Zone 7's Mocho Wells No. 1, 2 and 3 with the Mocho Groundwater Demineralization Plant. The access easement and pipeline easement are 0.018 acres and 0.076 acres respectively.
- The City of Pleasanton has approved granting the access easement and the pipeline easement.
- The easements are being granted to Zone 7 in exchange for Zone 7's installation of landscaping along portions of the perimeter of the Mocho Well No. 3 site at a cost of approximately \$40,000. The landscaping was completed before starting construction of the Mocho Demineralization Plant and will be maintained by the City of Pleasanton.

FUNDING:

There is no funding impact other than the cost already incurred for the landscaping which was incorporated into the plant construction costs.

RECOMMENDED ACTION:

Adopt attached resolution authorizing the General Manager to negotiate, execute, accept and record the grant of easement from the City of Pleasanton.

ATTACHMENTS:

1. Memo providing additional background and discussion
2. Resolution
3. Location Map
4. Easement and Quitclaim Deeds

INTEROFFICE MEMO

Date: November 28, 2012
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer
Subject: Acceptance of Access and Pipeline Easements from City of Pleasanton for Groundwater Demineralization Project

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

BACKGROUND

Zone 7 completed construction of the Mocho Groundwater Demineralization Plant on the vacant portion of the Mocho Well No. 4 site, at the northwest corner of Santa Rita Road and Stoneridge Drive in Pleasanton, in December of 2009.

The project included construction of a second access driveway from the Mocho Demineralization Plant site to Stoneridge Drive and construction of a 28-inch diameter pipe to connect Mocho Well No.1, 2 and 3 to the plant, both of which are located on property owned in fee by the City of Pleasanton (see attached Location Map).

DISCUSSION:

The City of Pleasanton has approved granting an access easement and pipeline easement to Zone 7 in connection with the Mocho Groundwater Demineralization project. The access easement allows for ingress and egress to Stoneridge Drive from the Mocho Groundwater Demineralization Plant site. The pipeline easement is for the waterline connecting Zone 7's Mocho Wells No. 1, 2 and 3 to the Mocho Groundwater Demineralization Plant. The access easement and pipeline easement are 0.018 acres and 0.076 acres respectively.

In exchange for the City granting Zone 7 these two easements, Zone 7 installed additional landscaping along portions of the perimeter of the Mocho Well No. 3 site which is also the site of the City's Sutter Gate Park. The cost for the landscaping was approximately \$40,000. Zone 7 will not be responsible for maintaining this landscaping, which is on City-owned property.

Staff recommends adopting the attached resolution authorizing the General Manager to negotiate and execute the grant of easements from the City of Pleasanton and causing the same to be recorded at the Office of the Recorder of Alameda County.

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

RESOLUTION NO

INTRODUCED BY
SECONDED BY

**Acceptance of Access and Pipeline Easements from the City of Pleasanton for the
Mocho Groundwater Demineralization Project**

WHEREAS, the City of Pleasanton has approved granting easements for access and a pipeline to Alameda County Flood Control and Water Conservation District, Zone 7 for the Mocho Demineralization Project on the lands designated and described in the Exhibit A's (Nos. 70019 & 70020).

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 Grant of Easements from City of Pleasanton and execute a certificate of acceptance causing the same to be recorded at the Office of the Recorder of Alameda County.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

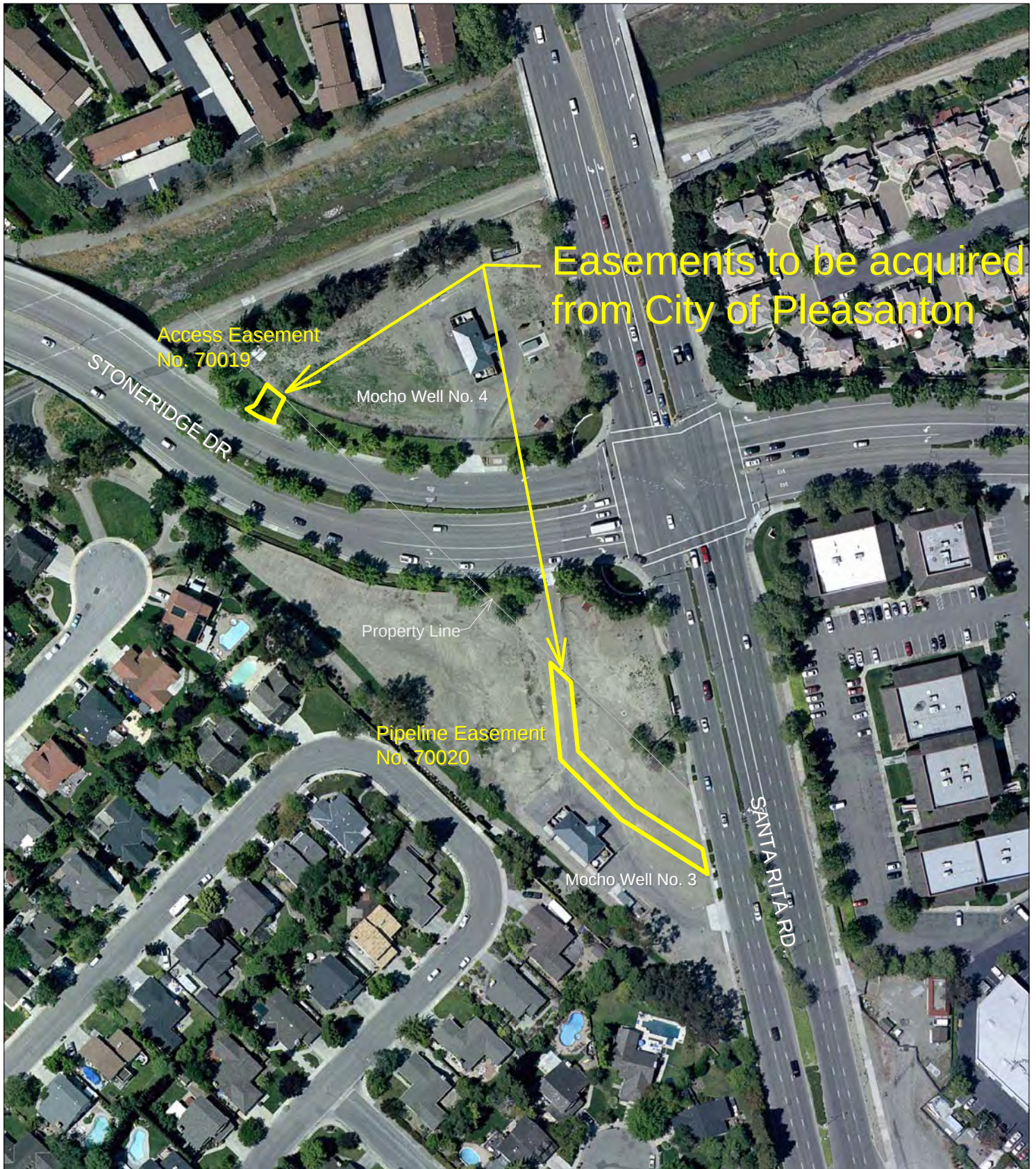
ABSENT:

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 November 28, 2012.

By _____
President, Board of Directors

Mocho Demineralization Plant
Nos. 70019 & 70020
Maps: RF-10009 & RF-10010



MOCHO GROUNDWATER DEMINERALIZATION PLANT
Easements to be acquired from City of Pleasanton

Recording requested by
and after recording return to:

Zone 7 Water Agency
100 North Canyons Parkway
Livermore, CA 94551
Attn: Real Property Services Manager

Recording Fee \$0.00 Govt. Code 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 946-3325-95-02 (Portion)

GRANT OF ACCESS EASEMENT

For valuable consideration, the receipt of which is hereby acknowledged, the City of Pleasanton, a municipal corporation ("Grantor"), hereby grants to the Alameda County Flood Control and Water Conservation District, Zone 7, a body corporate and politic ("Grantee"), its successor and assigns, the non-exclusive easement and right of way for ingress, egress and general access over and across the real property described in Exhibit A, (No. 70019), attached hereto and incorporated herein by reference ("Property"), subject to the following limitations:

A. Grantee may construct and maintain a driveway on the Property to provide access for Grantee's employees and agents to Grantee's facilities.

B. Prior to modification of such driveway or other improvements on the Property, Grantee shall:

(i) submit improvement plans to the City of Pleasanton's Community Development Department for review and comments; and

(ii) obtain an encroachment permit from Grantor. The Grantor must grant the encroachment permits at no cost to Grantee for all work whose purpose is to install, maintain, repair or replace the driveway within the Property and all conditions imposed by the Grantor must be consistent with the provisions of this Grant of Access Easement. In the event of an emergency Grantee shall apply for

an encroachment permit within one (1) working day of commencement of any work.

C. Grantee further agrees that if future public improvements by Grantor require the relocation of this access easement, Grantee shall cooperate with Grantor regarding such relocation, and any such relocation shall be at Grantee's sole cost and expense.

D. Grantee also agrees that it shall remove or relocate without expense to the Grantor any driveway improvements installed, used, and maintained on the Property if and when made necessary by any change of grade, alignment, or width of any public street by the Grantor.

Executed this _____ day of _____ 2012.

GRANTOR

City of Pleasanton

By: _____
Nelson Fialho, City Manager

{attach notary acknowledgement}

GRANTEE

Alameda County Flood Control and Water
Conservation District - Zone 7

By: _____

Its: _____

{attach notary acknowledgement}

ATTEST:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Jonathan Lowell, City Attorney

Mocho Demineralization Facility
No. 70019
Map RF - 10009

EXHIBIT "A"
DESCRIPTION FOR ALAMEDA COUNTY FLOOD CONTROL AND WATER
CONSERVATION DISTRICT, ZONE 7 WATER AGENCY

MOCHO GROUNDWATER DEMINERALIZATION PLANT – CONTRACT NO. 158-05

LEGAL DESCRIPTION OF
ACCESS EASEMENT AREA TO BE ACQUIRED FROM
THE CITY OF PLEASANTON

MAP – RF10009
APN:946-3325-95-02

NO.70019
APRIL 2005

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF PLEASANTON, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL I AS SAID PARCEL IS SHOWN ON PARCEL MAP 3863 FILED MAY 22, 1986 IN BOOK 161 OF PARCEL MAPS AT PAGES 15 THROUGH 30, ALAMEDA COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING ALSO A PORTION OF PARCEL B AS SAID PARCEL IS DESCRIBED IN THE GRANT DEED TO THE CITY OF PLEASANTON RECORDED APRIL 19, 2000 AS INSTRUMENT NUMBER 2000116491, ALAMEDA COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID PARCEL 1, SAID CORNER BEING ALSO THE NORTHERLY CORNER OF SAID PARCEL B;

THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL B, (SAID NORTHEASTERLY LINE BEING TAKEN AS SOUTH 47°18'25" EAST FOR THE PURPOSES OF THIS DESCRIPTION), SOUTH 47°18'25" EAST, 77.87 FEET TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION;

THENCE CONTINUING ALONG SAID NORTHEASTERLY LINE, SOUTH 47°18'25" EAST, 22.95 FEET;

THENCE LEAVING SAID NORTHEASTERLY LINE, SOUTH 26°08'25" WEST, 13.43 FEET;

THENCE SOUTHWESTERLY ALONG THE ARC OF A 15.00-FOOT RADIUS, TANGENT CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 71°22'52", AN ARC DISTANCE OF 18.69 FEET TO A POINT OF CUSP, SAID POINT OF CUSP BEING A POINT IN THE NORTHEASTERLY RIGHT OF WAY LINE OF STONERIDGE DRIVE AS SAID DRIVE IS DESCRIBED IN THE GRANT DEED TO THE CITY OF PLEASANTON RECORDED JULY 11, 1989 AS INSTRUMENT NUMBER 89-184708, ALAMEDA COUNTY RECORDS;

THENCE ALONG SAID NORTHEASTERLY RIGHT OF WAY LINE, NORTHWESTERLY ALONG THE ARC OF A 499.50-FOOT RADIUS, NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH CURVE BEARS NORTH 23°35'36" EAST, THROUGH A CENTRAL ANGLE OF 4°53'37", AN ARC DISTANCE OF 42.66 FEET TO A POINT OF CUSP;

THENCE LEAVING SAID NORTHEASTERLY RIGHT OF WAY LINE, EASTERLY AND NORTHEASTERLY ALONG THE ARC OF A 15.00-FOOT RADIUS, NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH CURVE BEARS NORTH 8°26'04" EAST, THROUGH A CENTRAL ANGLE OF 72°17'39", AN ARC DISTANCE OF 18.93 FEET;

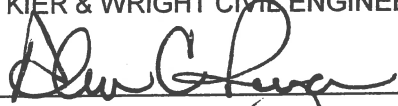
THENCE NORTH 26°08'25" EAST, 19.97 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 773 SQUARE FEET, MORE OR LESS.

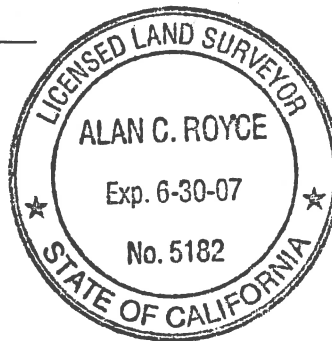
A PLAT OF THE ABOVE DESCRIBED PARCELS OF LAND IS ATTACHED HERETO AS EXHIBIT "B", AND MADE A PART HEREOF.

----- END OF DESCRIPTION -----

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.



ALAN C. ROYCE, L.S. 5182
LICENSE EXPIRES 6-30-07



6-10-05

DATE

LEGEND

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING
(R) RADIAL BEARING
R RADIUS
D DELTA
L LENGTH

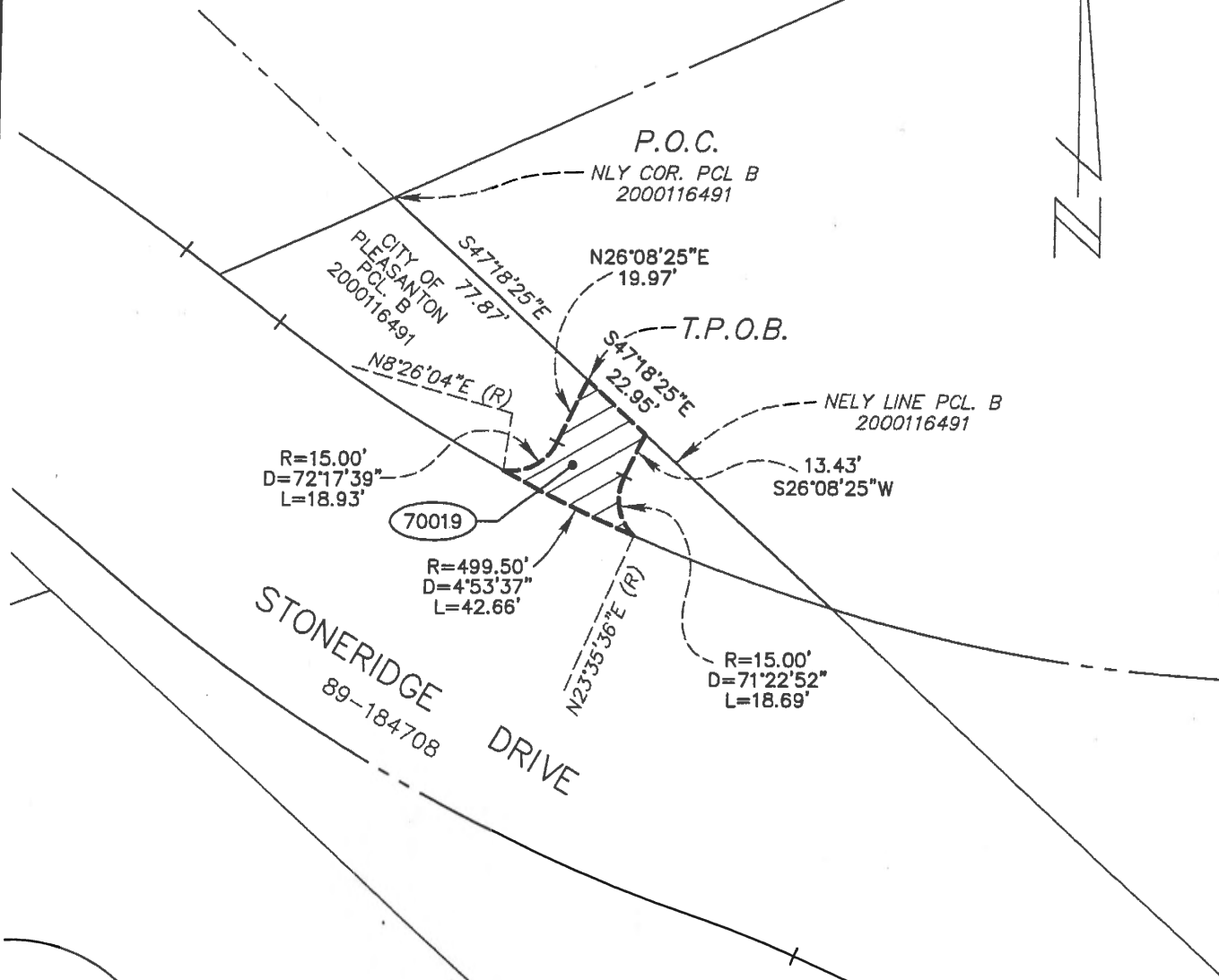


EXHIBIT "B"

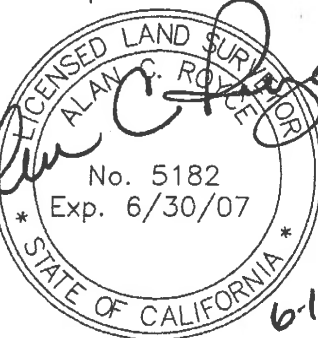


ZONE 7

ALMEDA COUNTY FLOOD CONTROL
AND
WATER CONSERVATION DISTRICT

MOCHO GROUNDWATER DEMINERALIZATION PLANT
ACCESS EASEMENT AREA TO BE ACQUIRED FROM
THE CITY OF PLEASANTON

DRAWN A.C.R.	TRACED	DATE	APRIL 2005
CHECKED		SCALE	1"=50'
APVL. REC.		FILE NO.	RF-10009
APPROVED		SHEET NO.	1
		OF	1



6-10-05

Recording requested by
and after recording return to:

Zone 7 Water Agency
100 North Canyons Parkway
Livermore, CA 94551
Attn: Real Property Services Manager

Recording Fee \$0.00 Govt. Code 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 946-3325-95-03 (Portion)

GRANT OF PIPELINE EASEMENT

For valuable consideration, the receipt of which is hereby acknowledged, the City of Pleasanton, a municipal corporation ("Grantor"), hereby grants to the Alameda County Flood Control and Water Conservation District, Zone 7, a body corporate and politic ("Grantee"), its successor and assigns, an easement and right-of-way, for the purpose of laying down, constructing, reconstructing, removing, replacing, repairing, maintaining, operating, and using for the transmission of water, a pipe or pipelines and all necessary appurtenances, appliances, backfill materials, and fixtures for use in connection therewith or appurtenant thereto, in, under, along and across the real property described in Exhibit A, (No. 70020), attached hereto and incorporated herein by reference ("Property"), subject to the following provisions and limitations:

A. Grantee may maintain an underground pipeline on the Property to serve Grantee's demineralization facility. Prior to subsequent modification of such pipeline, Grantee shall:

(i) submit the pipeline improvement plans to the City of Pleasanton's Community Development Department for review and approval;

(ii) obtain an encroachment permit from Grantor. The Grantor must grant the encroachment permits at no cost to Grantee for all work whose purpose is to install, maintain, repair or replace the pipeline within the Property and all conditions imposed by the Grantor must be consistent with the provisions of this Grant of Pipeline Easement. In the event of an emergency Grantee shall apply for an encroachment permit within one (1) working day of commencement of any work.

Grantee agrees that a portion of construction and maintenance of its pipeline improvements are located within Grantor's street right-of-way, and that Grantee shall repair any damage to the street pavement resulting from Grantee's use of the Property to a condition reasonably required by Grantor.

Grantor reserves the right to use the entire Property for purposes that will not interfere with Grantee's full enjoyment of the rights granted by this instrument subject to the relocation requirement discussed in Subsections B and C below.

B. Grantee agrees that if future public improvements by Grantor require the relocation of this pipeline easement, or if the location of the pipeline easement interferes with Grantor's public improvements, then Grantee shall cooperate with Grantor regarding the relocation of this pipeline easement or the pipeline improvements, and any such relocation shall be at Grantee's sole cost and expense.

C. Grantee also agrees that it shall remove or relocate without expense to the Grantor any pipeline improvements installed, used, and maintained on the Property if and when made necessary by any change of grade, alignment, or width of any public street by the Grantor.

Executed this _____ day of _____ 2012.

GRANTOR

City of Pleasanton

By: _____
Nelson Fialho, City Manager

{attach notary acknowledgement}

GRANTEE

Alameda County Flood Control and Water
Conservation District, Zone 7

By: _____

Its: _____

{attach notary acknowledgement}

ATTEST:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Jonathan Lowell, City Attorney

Mocho Demineralization Facility
No. 700020
Map RF - 10010

EXHIBIT "A"
DESCRIPTION FOR ALAMEDA COUNTY FLOOD CONTROL AND WATER
CONSERVATION DISTRICT, ZONE 7 WATER AGENCY

MOCHO GROUNDWATER DEMINERALIZATION PLANT – CONTRACT NO. 158-05

LEGAL DESCRIPTION OF
PIPE LINE EASEMENT AREA TO BE ACQUIRED FROM
THE CITY OF PLEASANTON

MAP RF-10010
APN:946-3325-95-03

NO. 70020
APRIL 2005

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF PLEASANTON, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL I AS SAID PARCEL IS SHOWN ON PARCEL MAP 3863 FILED MAY 22, 1986 IN BOOK 161 OF PARCEL MAPS AT PAGES 15 THROUGH 30, ALAMEDA COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING ALSO A PORTION OF PARCEL A AS SAID PARCEL IS DESCRIBED IN THE GRANT DEED TO THE CITY OF PLEASANTON RECORDED APRIL 19, 2000 AS INSTRUMENT NUMBER 2000116491, ALAMEDA COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEASTERLY CORNER OF SAID PARCEL 1, SAID CORNER BEING ALSO THE NORTHEASTERLY CORNER OF SAID PARCEL A, SAID CORNER BEING A POINT ON THE WESTERLY RIGHT OF WAY LINE OF SANTA RITA ROAD;

THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE OF SANTA RITA ROAD, SAID LINE BEING ALSO THE EASTERLY LINE OF SAID PARCEL 1, (SAID EASTERLY LINE OF PARCEL 1 BEING TAKEN AS SOUTH 15°20'25" EAST FOR THE PURPOSES OF THIS DESCRIPTION), SOUTH 15°20'25" EAST, 70.35 FEET TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION;

THENCE CONTINUING ALONG SAID WESTERLY RIGHT OF WAY LINE, SOUTH 15°20'25" EAST, 28.18 FEET;

THENCE LEAVING SAID WESTERLY RIGHT OF WAY LINE, NORTH 60°32'34" WEST, 119.45 FEET;

THENCE NORTH 46°43'33" WEST, 121.19 FEET;

THENCE NORTH 8°13'48" WEST, 124.20 FEET TO A POINT ON THE NORTHEASTERLY LINE OF SAID PARCEL 1, SAID LINE BEING ALSO THE NORTHEASTERLY LINE OF SAID PARCEL A;

THENCE ALONG SAID NORTHEASTERLY LINE, SOUTH 47°18'25" EAST, 31.73 FEET;

THENCE LEAVING SAID NORTHEASTERLY LINE, SOUTH 8°13'48" EAST, 92.58 FEET;

THENCE SOUTH 46°43'33" EAST, 111.79 FEET;

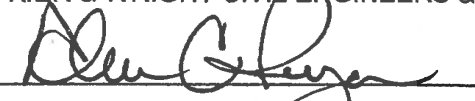
THENCE SOUTH 60°32'34" EAST, 97.17 FEET TO THE TRUE POINT OF BEGINNING.

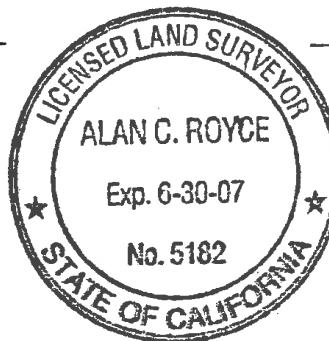
CONTAINING 3332 SQUARE FEET, MORE OR LESS.

A PLAT OF THE ABOVE DESCRIBED PARCELS OF LAND IS ATTACHED HERETO AS EXHIBIT "B", AND MADE A PART HEREOF.

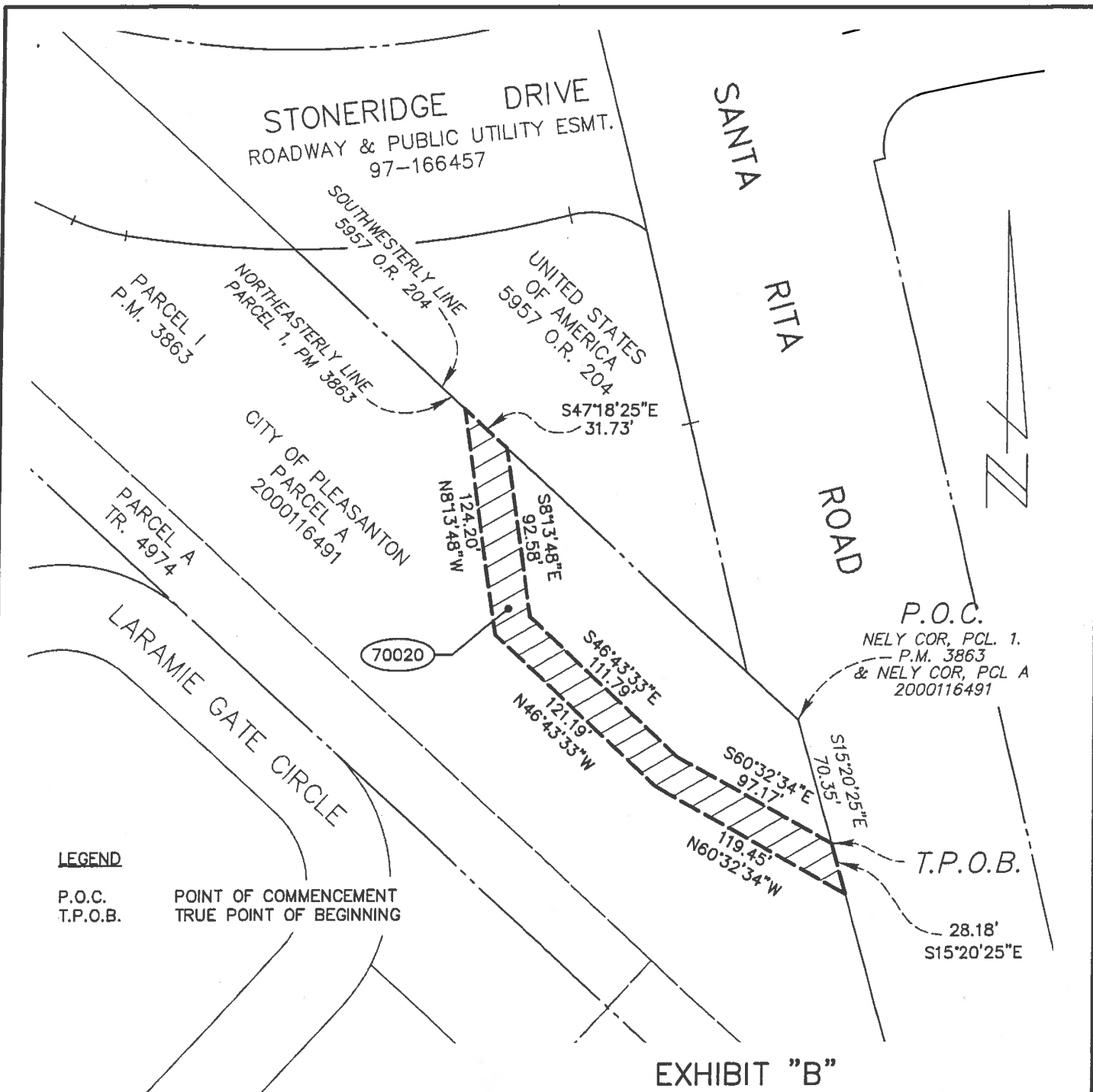
————— END OF DESCRIPTION —————

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.


ALAN C. ROYCE, L.S. 5182
LICENSE EXPIRES 6-30-07



6-10-05
DATE



		ZONE 7 ALMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT			
		MOCHO GROUNDWATER DEMINERALIZATION PLANT PIPELINE EASEMENT AREA TO BE ACQUIRED FROM THE CITY OF PLEASANTON			
DRAWN	A.C.R.	TRACED	DATE	APRIL 2005	
CHECKED			SCALE	1"=80'	
APVL. REC.			FILE NO.	RF-10010	SHEET NO. 1 OF 1
APPROVED					



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: Water Facility Engineering
CONTACT: Steven Ellis/Rhett Alzona

AGENDA DATE: November 28, 2012

ITEM NO. **5d**

SUBJECT: Reject all Bids for the Destruction of the Former Camp Parks Well near Mocho Well No. 4 - Project No. 222-13

SUMMARY:

- The project scope includes the destruction of the former Camp Parks well (Well 3S/1E 8H3) located on the site of the Mocho Groundwater Demineralization Plant (MGDP) and the Mocho 4 well.
- The Engineer's estimate for the project scope under this contract is \$44,100.
- On November 1st, in accordance with established procedures, bids were received, opened, and publicly read. Three bids ranging from \$39,140 to \$78,100 were received.
- As indicated by the range of the bids and from communication with the bidders, staff determined that there was a confusion regarding the acceptable well destruction method for the project.
- The recommended action is to reject all bids, re-evaluate acceptable destruction methods, and rebid the project.

FUNDING:

The project is funded 70% from Fund 72 - Renewal and Replacement / System-wide Improvements and 30% from Fund 73 – Expansion. Funds are available in FY 2012/13 budget.

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the General Manager to reject all bids.

ATTACHMENTS:

1. Memo providing additional background and discussion of agenda item
2. Zone 7 Board Resolution

Interoffice Memo

Date: November 28, 2012
To: Jill Duerig, General Manager
From: Steven Ellis, Associate Civil Engineer
Subject: Reject all Bids for the Destruction of the Former Camp Parks Well near Mocho
Well No. 4 - Project No. 222-13

The following provides additional background and discussion on the above-referenced agenda item:

BACKGROUND:

In order to construct the Mocho Groundwater Demineralization Plant Project (MGDP) on the Dublin San Ramon Services District (DSRSD) property, located adjacent to the Mocho 4 well, one of the conditions of the easement agreement was the destruction of the existing Camp Parks well (Well 3S/1E 8H3) located near the Mocho 4 well.

DISCUSSION:

This project was advertised on October 19, 2012 and October 26, 2012 in two local newspapers. On November 1, 2012, in accordance with established procedures, the following bids were received:

<u>Name of Firm</u>	<u>Total Bid Amount</u>
Nor-Cal Pump and Well Drilling, Inc.	\$39,140
Maggiora Brothers Drilling, Inc.	\$74,900
Zim Industries, Inc.	\$78,100

The well to be destroyed under this project has a 14-inch outer casing and a 12-inch insert or inner casing. The project manual allowed only a couple of well destruction methods to be used for destruction of this well to assure proper destruction. As indicated by the range of the bids and from communication with the bidders after bid opening, staff determined that there was confusion regarding the acceptable well destruction methods for the project.

Staff recommends rejecting all bids so that staff can re-evaluate and clarify the acceptable methods, revise the project manual and then rebid the project in December or January.

SCHEDULE:

The contract is anticipated to be awarded at the February Board meeting with project completion by the middle of April 2013.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**Resolution Rejecting All Bids for Project 222-13, Destruction of Former Camp Parks Well
(Well 3S/1E 8H 3)**

WHEREAS, Zone 7 of the Alameda County Flood Control and Water Conservation District has a project for the destruction of Well 3S/1E 8H 3, a former Camp Park well; and

WHEREAS, a Notice of Exemption per the California Environmental Quality Act (CEQA) guidelines was prepared for the project and was filed with Alameda County on June 2, 2011; and

WHEREAS, the Project plans, specifications and addenda were developed and advertised for bids in accordance with the California Public Contract Code; and

WHEREAS, bids were received and publicly read by the Zone 7 General Manager's authorized representatives at the Zone 7 Administration Office, 100 North Canyons Parkway, Livermore, California 94551 on November 1, 2012 at 3:00 pm; and

WHEREAS, three bids were received ranging from \$39,140 to \$78,100; and

WHEREAS, staff determined that there was confusion among the bidders regarding the acceptable well destruction methods for the project; and

WHEREAS, Zone 7 reserves the right to reject all bids per the contract documents.

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 reject all bids and return the bid and bid bonds submitted by the bidders.

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 November 28, 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: Flood Control

CONTACT: Joe Seto

AGENDA DATE: November 28, 2012

ITEM NO. 5e

SUBJECT: Contract with San Francisco Estuary Institute for Phase 2 of Sedimentation Study

SUMMARY:

- In 2010, Zone 7 initiated a comprehensive sediment study in those portions of northern Alameda Creek Watershed that are within Zone 7's service area, with a focus on the Arroyo Mocho and Arroyo las Positas. This multi-year study was divided into two phases.
- The knowledge gained from the study regarding sediment transport mechanisms within the major stream reaches in the valley will be beneficial for planning efforts such as implementation of the Stream Management Master Plan (SMMP). The sediment study will also be useful for Zone 7's maintenance programs and may, in fact, be required in order to obtain regulatory permits for activities such as major de-silting efforts.
- In September 2010, the Zone 7 Board of Directors authorized a contract with the San Francisco Estuary Institute (SFEI) for Phase 1 for a total not-to-exceed amount \$244,000.
- SFEI, with assistance from Zone 7 staff, conducted sediment sampling during the last two rainy seasons, along with GIS-based terrain mapping of the northern Alameda Creek Watershed. Due to the lack of large storms, the data collection was limited to smaller sized storm events.
- Phase 2 of the study will include continued collection of both sediment concentrations and bed load data for up to five larger-sized storm events over the next two seasons to produce a statistically defensible sedimentation study, complete a historical ecology study for the area and prepare a final report integrating all the sedimentation study findings.
- Staff is satisfied with SFEI's work during Phase 1 and contracting with SFEI for Phase 2 will be more efficient than contracting with another firm.
- Phase 2 work will be a joint effort utilizing Zone 7 and SFEI staff. The cost estimate for SFEI's scope of work to complete Phase 2 of the study is \$154,000.
- Staff recommends contracting with SFEI to perform Phase 2 work to complete the sediment study.

FUNDING:

Funding for this study is budgeted from Fund 50 – Flood Protection (59%) and Fund 76 – Development Impact Fee (41%).

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the General Manager to negotiate and execute a contract with the San Francisco Estuary Institute for a not-to-exceed amount of \$154,000 for Phase 2 of the sedimentation study.

ATTACHMENTS:

- Memo Providing Additional Background and Discussion of Agenda Item
- Board Resolution

Interoffice Memo

DATE: November 28, 2012
TO: Jill Duerig, General Manager
FROM: Joe Seto, Principal Engineer
SUBJECT: Contract with San Francisco Estuary Institute for Phase 2 of Sedimentation Study

BACKGROUND:

The Alameda Creek Watershed covers an area of approximately 642 square miles. Most of Zone 7's service area is within the northern portion of the Alameda Creek Watershed. The stream system in Zone 7's area generally flows from east to west and north to south, with all streams in the Livermore-Amador Valley becoming tributaries to the Arroyo de la Laguna (ADLL). The ADLL then flows south and exits the area near Sunol and into Niles Canyon where it becomes a tributary to Alameda Creek. Alameda Creek ultimately empties into the San Francisco Bay. Zone 7 owns and maintains approximately one third of the stream corridors within its area and much of the flood protection improvements were constructed prior to 1990.

Beginning in the mid-1980s, the understanding of sediment transport as it relates to channel form has been rapidly evolving. Researchers and scientists began to suggest alternative configurations to the standard trapezoidal channel; and Federal and State regulatory agencies started to request alternative channel configurations be implemented. In the late 1990s, Zone 7 embarked on an update of our 1960 Flood Control Master Plan. Ultimately this effort resulted in the Stream Management Master Plan (SMMP), which was adopted by the Zone 7 Board in 2006. The SMMP contained much of the present day thinking of how flood protection can be accomplished while maintaining a more natural stream corridor and sediment regime. Rough estimates for sediment transport in our local streams were completed in 2004 during the SMMP development. The effort provided data to characterize project needs at the master planning level.

As Zone 7 updates the SMMP and later develops project level designs, a better understanding of the sediment transport of specific reaches of streams will help identify location, size, and maintenance frequency of future sedimentation basins, stream corridors and, ultimately, the Chain of Lakes facilities, which will be used for regional storm water detention. Specifically, Zone 7 needs technical data to answer questions such as: What are the physical characteristics of sediment that will likely deposit on floodplains or inner channel benches under different flow regimes? What size material will be caught in or potentially scour from sediment basins under different flows? What is the predicted clean-out frequency of sediment basins? What does the historical function of the valley floor indicate about the opportunity for modified facility management, possible channel reconfiguration, or locations for on- or off-site mitigation? In order to provide the necessary data to answer these questions and support the SMMP and its project level design effort, a comprehensive sediment study is needed. This technical data will also be used to improve Zone 7's management strategies for our ongoing maintenance activities such as major de-silting of existing facilities.

Specifically, the study includes the following:

- 1) Determine the flow of water and sediment into and out of the main stem of the Arroyo Mocho and Arroyo las Positas;
- 2) Determine characteristics, rates and causes of sedimentation in Zone 7's channel facilities;

- 3) Develop a sediment budget for the study reaches as a tool for clearly communicating the main sources augmented by GIS terrain mapping and processes affecting the function of Zone 7's channels within the study area; and
- 4) Map and characterize channel modification and mitigation opportunities based on a comparison of historic and modern channel function.

Zone 7 selected SFEI for the contract because SFEI has done extensive sedimentation study work in the lower Alameda Creek watershed for our sister zones of Alameda County Flood Control and Water Conservation District and has in-house expertise on the subject. It was determined to be a cost benefit to Zone 7 to contract with SFEI for a comprehensive sedimentation study in northern Alameda Creek within the Zone 7 area, focusing particularly on the main stem of the Arroyo Mocho and Arroyo las Positas.

The multi-year project, estimated to cost \$450,000, was divided into two phases. The Phase 1 contract was authorized by the Zone 7 Board in September 2010 for a not-to-exceed amount of \$244,000. The contract period extended from September 2010 to July 2011. It was anticipated that Phase 2 would be brought before the Board in July 2011 for the remaining amount, but a drier than expected winter resulted in fewer samplings than anticipated allowing the budget to extend the work for a longer period of time.

DISCUSSION:

The overall Scope of Work for the entire study is as follows:

Task 1: Project Management and Communication

Task 2: Quantify Sediment Loads at Key Locations

Task 2A: Stream Sediment Gaging (budgeted for 10 events per season)

Task 2B: Review Existing Data and Literature

Task 2C: GIS-based Terrain Mapping (estimate sediment loads from ungauged streams)

Task 3: Geomorphic Channel Assessment

Task 3A: Channel Condition and Assessment

Task 3B: Quantify Grainsize Distribution

Task 4: Focused Historical Ecology Study

Task 5: Synthesis and Recommendations

Task 6: External Peer Review

Phase 1 Summary of Work Completed

Under Phase 1, after completing two seasons of sediment sampling with most of the contract funds expended, tasks 2B and 2C of Phase 1 have been completed but, due to the lack of major storms during these seasons, tasks 1, 2A and 4 are still underway. The resulting technical memos completed to date include:

1. Wet Weather Field Sampling Manual for Suspended and Bedload Sediment Transport in Zone 7 Facilities: Water Year 2012.

2. Suspended and bed sediment transport in Arroyo Mocho and Arroyo Las Positas during Water Year 2011.
3. Sediment sources and sediment transport through Zone 7 Channel Facilities: Task 2B: Zone 7 Water Agency literature and data review.
4. Geospatial Terrain Mapping of Sediment Sources within the Arroyo Mocho Watershed.

Three recording stations have been established to collect sediment samples during storm events. They are located at Arroyo Mocho at Pleasanton (AMP), Arroyo Mocho at Hagemann (AMH) and Arroyo las Positas at Livermore (ALPL). Intended to reduce SFEI staff and the overall contract costs, Zone 7 adopted a new Voluntary Project Work Pilot Program to have Zone 7 staff be augmented to SFEI staff to collect sediment samples in the field during storm events. Typically, during storm events, two Zone 7 staff members are paired with two SFEI staff members to allow our internal staff to become familiar with the use of sediment sampling equipment and standard procedures for both the bed load and suspended sediment data collection.

To date, sediment loads for Water Year 2011 were calculated following the USGS protocol at the AMP gauge and the ALPL gauge. As an example, at ALPL, the total calculated suspended sediment load was 542 tons while the calculated bedload was 43 tons. The average D50 (median grain size) of the ALPL bed load samples was 2.77 mm (sand). At AMP, a total of 5,265 tons of suspended sediment load and 1,470 tons of bed loads were calculated. The average D50 sampled was 2.62 mm (sand), which went up as high as 5.9 mm (small gravel) during a particular December 2010 storm. Due to stream gauge equipment malfunction at AMH, no sediment loads were calculated at that location for 2011. AMH has since been repaired/upgraded and better maintained, which has led to a good 2012 discharge record. Currently, sediment loads computations for Water Year 2012 are underway.

Furthermore, while the study area focuses on the Arroyo Mocho and Arroyo las Positas, general quantification of sediment yield from other areas, including tributaries from the north, was estimated using GIS-based terrain mapping. By using the GIS program NetMap in conjunction with a high resolution Digital Elevation Model, an attributed stream layer and erosion potential grid was developed. The result indicates that the most erosive areas are concentrated in the northern watershed areas where steep topographies along with sparse vegetation are observed, such as the northern Arroyo Mocho, Arroyo Seco and Altamont Creek watersheds. A rough estimate is that two-thirds of the total sediment supplies in the study watershed come from these sub-watersheds.

Phase 2 Scope

Based on lessons learned from the Phase 1 effort, Zone 7 staff negotiated a Phase 2 scope that is consistent with the intent of the original scope but with slight modifications. The new scope reflects the needs and elements that are necessary in order to complete the study and identifies the cost reduction efforts and measures Zone 7 takes to reduce the overall project costs. In essence, this includes stream sediment gauging of selected storm events, data analysis to determine their sediment loads, and finishing the historical ecology study.

The tasks and budget breakdown outlined in the Scope of Work for Phase 2 (attached) are as follows:

Task	Description	2012/13		2013/14		SFEI Budget
		SFEI	Zone 7	SFEI	Zone 7	
1	Project Management and Communication	X		X		\$14,200
2	Stream Sediment Gauging to Quantify Sediment Loads at Key Locations					
	• Field Sampling, Setup and Training	X	X	X	X	\$36,000
	• Lab Analysis of Samples	External	External	External	External	\$22,300
	• Data Interpretation and Management	X		Training	X	\$39,000
3	Focused Historical Ecology Study	X				\$30,000
4	Synthesis and Recommendations			X		\$12,500
5	External Peer Review	X		X		\$0
Total						\$154,000

Specifically, under Task 2, while two seasons of sediment sampling and GIS-based terrain mapping of the northern Alameda Creek Watershed have been completed, there is not yet enough data collected during higher flow events because of a lack of large storms during the winters of 2010-2011 and 2011-2012. Since the sedimentation study requires roughly three to four successful seasons of data collection that include at least one five-year storm even to produce a statistically defensible sedimentation study, additional sediment sampling data collection is needed.

In consideration of lessons learned from 2010-2012 and data collected to date, the sediment sampling data collection under Phase 2 shall focus on sampling larger-sized storm events (five year storms or greater) with the objective of sampling progressively larger and larger storms. Phase 2 budgets for sampling of up to five storm events over the next two seasons with Zone 7's staff continuing to participate with the sample collection effort. Utilizing Zone 7 staff serves two purposes, reducing overall costs and providing training and experience in sediment monitoring techniques. This is less than the ten storm events per season in Phase 1. Since this contract will be a time-and-material contract with a cap, if sufficient data is obtained from less than five storm events, less money will be spent.

Under the sediment sampling task, there are other subtasks for which Zone 7 does not yet have in-house expertise and must rely on SFEI and their subcontractors, such as laboratory analysis of samples (114 samples are collected in a typical storm event for three stations) to determine suspended sediment concentration as well as bed load analysis. Using results from the lab analysis, SFEI will perform turbidity-suspended sediment concentration relation analysis, develop correlation between continuous flow and turbidity, and perform sediment loads computations and reporting for each sampled event as well as annual totals. It is stipulated in the Phase 2 contract that SFEI will train Zone 7 staff to learn to perform the analysis of suspended loads in WY 2013/14. This would ultimately allow the sediment sampling program to continue using in-house staff and contract with an external laboratory if additional data is deemed necessary.

Further, the currently underway and partially-funded Focused Historical Ecology Study will be completed under Phase 2. In this task, alternative management strategies, including opportunities for environmental enhancement, channel modification and mitigation, will be identified in the Arroyo

Mochó and Arroyo las Positas channel reaches. This information would be beneficial in defining and developing future SMMP projects along these two reaches of channels. The Geomorphic Channel Assessment task listed under Phase 1 as task 3 has been taken out of Phase 2 as Zone 7 staff will be carrying out this work as part of the SMMP updating effort at a later time. In regards to external peer reviews, Zone 7 will work with SFEI to recruit and establish two or three outside reviewers to review the draft final sedimentation study report before its finalization. Attempt will be made to recruit other governmental employees (e.g., staff from Department of Fish and Game, Natural Resources Conservation Services, etc.) for the review to keep the cost of this task to a minimum.

In summary, Phase 2 study will include:

- Continue monitoring sediment concentrations and bed load for another two seasons as additional field data on sediment concentrations and bed load is required to compute sediment loads, sedimentation rates, locations and causes of sedimentation.
- An historical ecology study will be completed to identify opportunities for enhanced channel function or off-site mitigation as data on historic channel and riparian function are currently lacking.
- A final synthesis report will put together a sediment budget for integrating and clearly communicating the sedimentation study findings.

In conclusion, the location, size, and maintenance frequency of future sedimentation basins, stream corridors and, ultimately, the Chain of Lakes facilities, which will be used for regional storm water detention, is heavily dependent on sediment transport mechanisms within specific stream reaches; therefore, understanding sediment transport is advantageous to the Stream Management Master Plan (SMMP) project level design effort. The sediment study will be useful for Zone 7's maintenance programs as well, and may, in fact, be required in order to obtain regulatory permits for activities such as major de-silting efforts. Staff, therefore, recommends continuing with Phase 2 of the study.

BUDGET AND SCHEDULE:

SFEI's cost estimate to complete Phase 2 scope is \$154,000. The Phase 2 effort will extend from November 2012 to October 2014.

RECOMMENDATION:

Staff recommends the adoption of the attached resolution authorizing the General Manager to negotiate and execute a contract with the San Francisco Estuary Institute for a not-to-exceed amount of \$154,000 for Phase 2 of the sedimentation study.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Contract with SFEI for Phase 2 of Sedimentation Study

WHEREAS, Zone 7 contracted with San Francisco Estuary Institute (SFEI) for a comprehensive sediment study in northern Alameda Creek watershed within the Zone 7 area, focusing particularly on the main stem of the Arroyo Mocho and Arroyo las Positas in 2010; and

WHEREAS, the multi-year study was broken up into two phases to provide Zone 7 staff with flexibility; and

WHEREAS, the contract for Phase 1 for a not-to-exceed amount of \$244,000 was authorized by the Zone 7 Board in 2010 and certain scope of work tasks under Phase 1 have been completed; and

WHEREAS, Phase 2 of the study will include continued collection of sediment concentrations and bed load data for up to five larger sized storm events over the next two seasons to produce a statistically defensible sedimentation study, completion of historical ecology study for the area, and a final synthesis report integrating and clearly communicating the sedimentation study findings; and

WHEREAS, staff is satisfied with SFEI's work during Phase 1 and contracting with SFEI for Phase 2 will be more efficient than contracting with another firm.

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 the San Francisco Estuary Institute for a not-to-exceed amount of \$154,000 for Phase 2 of the sedimentation study.

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 November 28, 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: Tom Hughes

AGENDA DATE: November 28, 2012

ITEM NO. 6a

SUBJECT: New Employee Introductions

SUMMARY:

We are introducing two new employees to the Board of Directors who joined the Zone 7 team since our last Board meeting.

Barrie Lindsay, Water Plant Operator III

Barrie Lindsay joined Zone 7 on Monday, October 15 as a Water Plant Operator III in the Operations Section. Barrie comes to Zone 7 with over 20 years of waste water treatment operations and supervision experience at South Tahoe Public Utility District. Most recently he was in charge of operating, maintaining and upgrading a small water system for a retreat facility in Northern California. He has also recently completed several years of substitute teaching at all grade levels for the Lake Tahoe Unified School District. Barrie received his Bachelor's degree in Sociology from Sheffield University in England and holds both a Grade 4 water treatment license from the California Department of Public Health and a Grade 5 wastewater treatment certificate from the State Water Resources Control Board.

Zeljka Bozic, Office Assistant

Zeljka Bozic was appointed to the position of Office Assistant in the Finance Section effective October 29, 2012. Zeljka has been with Zone 7 since September of 2011 when she started as a Human Resources Assistant in Employee Services working through the TAP program. Prior to joining Zone 7, Zeljka worked as an HR Assistant at Macy's and a Claims Adjuster at Farmers Insurance. Zeljka earned her Bachelor's Degree in International Business from San Francisco State University.

Please join me in welcoming Barrie and Zeljka to the Zone 7 team!

RECOMMENDED ACTION:

Information only.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: Administrative Services
CONTACT: Tom Hughes

AGENDA DATE: November 28, 2012

ITEM NO. 6b

SUBJECT: Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in October and selected the Employee of the Month for September 2012 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.

Kevin Hulme, Plant Maintenance Laborer, who has worked in the Maintenance Department for over 22 years has been chosen from among those nominated as the September 2012 Employee of the Month. Kevin has been involved in virtually every activity Maintenance has undertaken during those years. In particular, Kevin has spent countless hours performing the unglamorous job of processing and turning sludge to promote quicker drying and removal to the landfill. In the past, prior to the use of centrifuges onsite, this was a critical role for operations to be able to maintain available drying beds and keep up production rates. Kevin still performs this task as well as many other handyman jobs that folks may not see as important in the overall scope of things. For example, he reconfigures office spaces, repairs doors and windows and unclogs drains that allow others to be more comfortable at work so that they can perform their jobs more effectively.

Kevin is very good-natured and easygoing with a positive attitude. He is credited with fostering the idea that all departments get together once in a while for an informal gathering to improve communications and boost morale – thanks to him we just celebrated our 2nd annual BBQ Pitmasters competition and potluck. In fact, Kevin and his team were selected as this year's Pit Masters! Kevin also has an outstanding memory and an uncanny ability to remember details about jobs that were done 20 years ago that proves invaluable when troubleshooting maintenance problems today. According to the recommendation the committee received, Kevin's contribution to the success of Zone 7 has been underrated and he should be recognized as one of the unsung contributors that make Zone 7 a great place to work.

The committee seconded the recommendation and recognized Kevin as a valuable employee and an asset to Zone 7, with management approving the selection.

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate Kevin Hulme as September 2012 Employee of the Month.

11/21/12 Board written/narrative comments by Dick Quigley

10/25/12 Attended the Alameda Creek Watershed Council conference at the Dublin Library. A highlight after lunch was a walk on the new trail under the I-580/I-680 flyover between Dublin and Pleasanton. Glad to see and visit Zone 7 and many other agency staff and community folks in attendance.

10/27/12 Participated in the Dublin/Pleasanton ribbon cutting grand opening of the new trail under the I-580/I-680 fly over. An amazing crowd with many elected officials and staff from a variety of public agencies including Zone 7. What a great partnership showcasing the recreational partnering attributes of the SSMP. I have personally been involved in this trail gap closure for over 20 years! Could not have been done without Zone 7 participation. Thanks and hats off to a great success. Thanks, Joe, for your pictures.

10/30/12 Attended a Pleasanton Chamber Luncheon with Sunne McPeak, President of the Delta Vision Foundation and CEO of the California Emerging Technology Fund. She gave an interesting presentation and could be helpful with California Forward movement. Sunne is slated to provide keynote remarks at a luncheon program December 5th at ACWA's 2012 Fall Conference & Exhibition in San Diego.

11/14/12 Attended the Alameda County CSDA (California Special Districts') chapter meeting at Oro Loma Sanitary, San Lorenzo. Guest speaker was State Senator Ellen Corbett, 10th District and majority leader of the Senate. She gave a report on the recent election and offered her thoughts for the future with the first super majority in both houses since the '30s. On Cap And Trade – get the money, must be advocates and compete as Special Districts are players. Reflections on water bond were interesting and advocates must step forward with clear messages and be aggressive.

Let me know if you have any questions or suggestions.

Thanks,

DQ



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: ADMINISTRATION
CONTACT: Jill Duerig

AGENDA DATE: November 28, 2012

ITEM NO. 10a

SUBJECT: GENERAL MANAGER'S REPORT

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

Operations and Maintenance:

- Indian Summer hot weather early in the month brought a couple PG&E Peak Day Pricing (PDP) events so, to take advantage of the money-saving opportunities, both the Ultra Filtration (UF) water treatment plant and the Mocho Groundwater Demineralization Facility were shut down, with production capacity made up by DVWTP.
- As the weather cooled later in the month, water treatment generally improved at both Del Valle and Patterson Pass, but some challenges maintaining distribution system chlorine residuals from Patterson Pass Water Treatment Plant have been experienced. These might be related to lower flows with the cooler weather (chlorine residuals can drop as residence time increases).
- By the end of the month, algal levels were low enough that Powdered Activated Carbon feed was no longer needed for interim taste and odor control at Del Valle and Patterson Pass.
- On October 24th, staff responded to a diesel spill from an accident along I-680. Approximately 50 gallons was released and a portion of it reached Zone 7's Line J-1 channel, threatening water quality and habitat locally and downstream. First responders placed booms and absorbent pads to minimize the pollutant spread (pictured below). Cleanup was completed the same day.

Environmental & External Affairs:

- Operations staff from Zone 7 and the four retail water agencies participated in an October 3rd table top exercise based on a theoretical loss of the South Bay Aqueduct. Agencies were asked to develop action plans to deal with a significant reduction in potable water. The exercise was considered a success with staff taking away a better understanding of one another's facilities, flexibility and limitations and the overall benefits of improving communications.
- Staff have been participating in the Coalition to Support Near Term Delta Projects for the last six months. The three dozen participating entities cover a range of stakeholder interests, from environmentalists and levee managers to Delta farmers and public water agencies. In October, the participants agreed to support 43 projects, including levee upgrades, habitat improvements, wildlife research and a proposal to recycle the Sacramento region's sewage and submitted a

letter to the governor seeking state financial support for these projects.

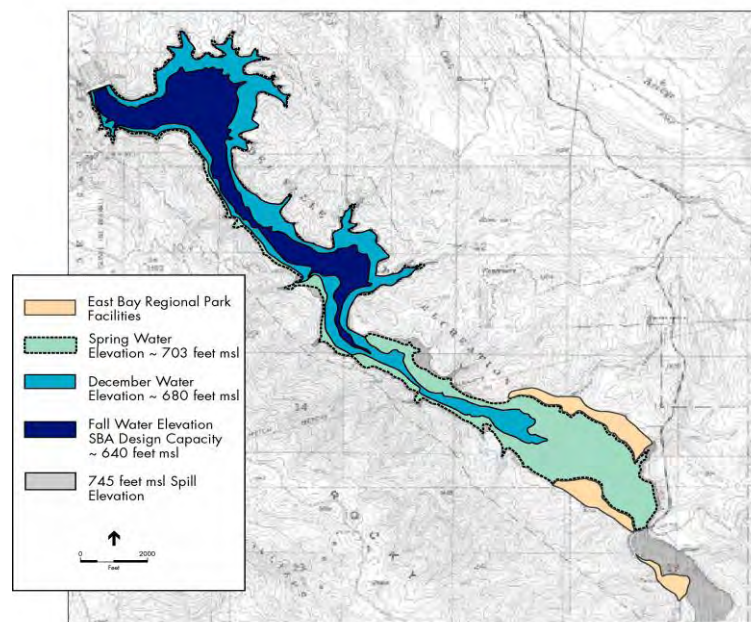
- The California Urban Water Agencies (CUWA) has formed a new Climate Change Work Group in which Zone 7 is participating. The group's purpose is to "collect information on strategies for climate change adaptation and implications for long-term water planning. This effort will begin with an exploratory phase, including building a library of information and holding learning sessions. After the exploratory phase is completed, the Work Group will reassess the areas of value to CUWA members."

Finance & Administration

- Implementation of the New World financial management software (to replace Fundware) is still requiring a large effort on the part of staff. Start-up in early 2013 is still planned.
- A press release and e-newsletter were prepared and distributed announcing water rate decisions.

Engineering and Flood Control:

- The fiber optic communications (for SCADA) upgrade project to the Del Valle plant has been delayed. AT&T originally planned to string the fiber optic line from telephone poles but there were some issues with one of the neighbors. AT&T's negotiations to hang the line from PG&E poles are progressing as an alternative but this probably would not occur before early in 2013
- The California Department of Water Resources (DWR) continued to release water from Lake Del Valle. As of the end of the month, storage in Lake Del Valle had reached 32,812 acre feet/AF (690.7 feet elevation) and continued dropping at 120-200 AF per day. At this pace, it will be difficult for DWR to reach the typical pre-wet weather target level of 25,000 AF by late November (see map, below):



Monthly List of GM Contracts

October 2012

Contracts:

Viking Safety Consultants, Inc.	\$ 5,000	Support Relating to the Agency's RMP and HMBP Programs
Parsons Environment and Infrastructure Group, Inc.	10,000	Coaching and Mentoring Services
ESA	44,496	Biological assessment and wetland delineation for inclusion with Zone 7's permit applications for the Arroyo Mocho - Stanley Reach Pilot Project
JDH Corrosion Consultants, Inc.	12,000	Corrosion Inspection of Two Filters at Del Valle WTP
Total October 2012	\$71,496	



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: Administrative Services
CONTACT: Boni Brewer/Mike Wallace

AGENDA DATE: November 28, 2012

ITEM NO. 10b

SUBJECT: Recent Outreach Activities

Home & Garden Show, October 5-7

This event was held at the Alameda County Fairgrounds in Pleasanton. Zone 7 again shared an informational booth at this annual event with the Alameda County Flood Control and Water Conservation District's Clean Water Program. The focus was on stormwater pollution prevention to keep our creeks and bay clean and healthy. Zone 7 also provided water conservation tips.

Pleasanton "Bag It" Event, October 23

Zone 7 provided information on stormwater pollution prevention during this city-sponsored screening of the documentary film, "Bag It." The event was held in preparation for Alameda County's new single-use plastic bag ordinance that goes into effect on January 1, 2013.

Alamo Canal Undercrossing Trail Grand Opening Celebration

Zone 7 was among several partnering agencies to participate in the opening of the Alamo Canal Trail I-580/BART Undercrossing. An e-newsletter with more information was distributed to subscribers and is available on Zone 7's website.

September website activity

During the month of October, Zone 7's website had 2,344 visits.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: Administration

CONTACT: Tom Pico/Tim Hunt

AGENDA DATE: November 28, 2012

ITEM NO. 10c

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.
- Once the new Legislature is seated in December, Zone 7 will have two legislators covering its service area, Assemblywoman Joan Buchanan and Senator Mark DeSaulnier, both of whom were re-elected November 6. The Valley was previously divided between three Assembly districts and three Senate districts. The districts were redrawn by a citizen's commission after the 2010 census.
- In the Congressional race, Dublin City Councilman Eric Swalwell defeated 20-term incumbent Pete Stark. Congressman Jerry McNerney, who represented much of the Zone 7 service area previously, was re-elected in a new San Joaquin County-based district.
- It appears that the Democrats will hold a supermajority of two-thirds in both houses of the state legislature. This could allow Democrats to pass constitutional amendments, urgency legislation and tax increases (if the governor agrees) without any Republican support.
- Voters also approved Proposition 30, the temporary tax increase plan devised by Governor Brown. The governor campaigned aggressively for the measure, which passed comfortably 54-46 percent in the unofficial results. The governor's political standing was increased by this success. He continues to list water solutions envisioned in the Bay Delta Conservation Plan as a high priority over the next two years.
- Two water-related measures were on Bay Area ballots. San Francisco voters overwhelming rejected a measure to design a plan to demolish O'Shaughnessy Dam and restore the Hetch-Hetchy Valley. The Santa Clara Valley Water District's 15-year extension of a parcel tax for the Safe, Clean Water and Natural Flood Protection Program passed with a 73 percent majority (it required two-thirds approval).

RECOMMENDED ACTION: Information only

ATTACHMENT: none



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: Administrative Services

CONTACT: Tom Hughes

AGENDA DATE: November 28, 2012

ITEM NO. 10d

SUBJECT: Status Report on Separation Efforts and Financial Software Replacement Project

SUMMARY:

Business Administration:

- The financial software vendor was on-site the week of October 22, 2012 to continue the configuration and testing of the software. Staff continues system set-up, testing, data conversion tasks and preparation on agency training schedule. Next vendor on-site is scheduled for the week of November 26, 2012.
- Testing of the cost accounting system continues.

Employee Services:

- Staff continues to assess all separation-related activities and to reach out to Alameda County staff to address any remaining concerns and to keep moving the transition forward.
- Staff also continues to collaborate with Pleasanton, Livermore, Dublin, San Ramon, and Dublin-San Ramon Services District to identify opportunities to share services.

Separation:

- Zone 7 forwarded a response to Supervisors Haggerty and Miley.
- Discussions between the supervisors and Zone 7's directors continue.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: ADMINISTRATIVE SERVICES

CONTACT: JAVIA GREEN

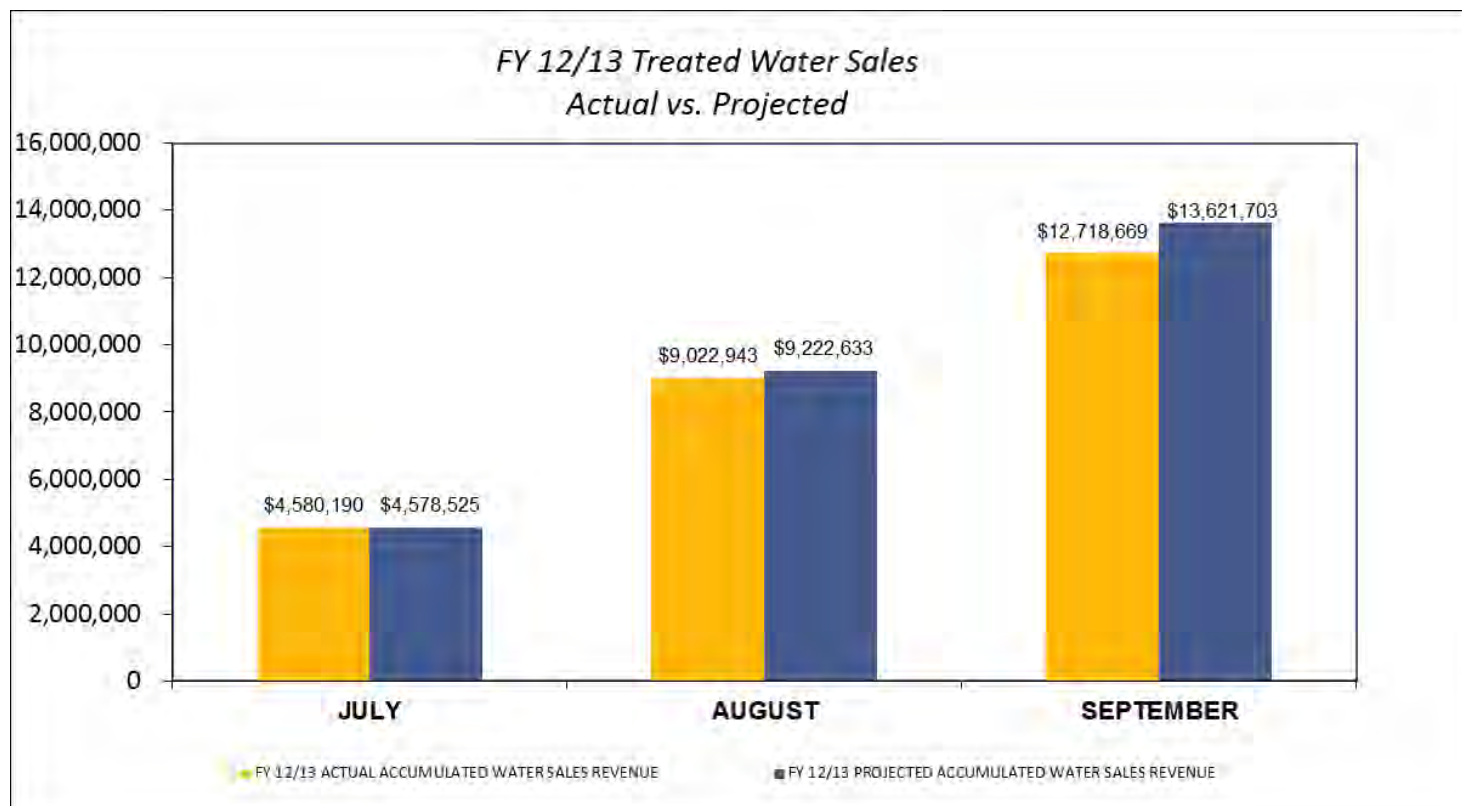
AGENDA DATE: November 28, 2012

ITEM NO. 10e

SUBJECT: Report on Water Sales and Connection Fee Revenue

Treated Water Sales

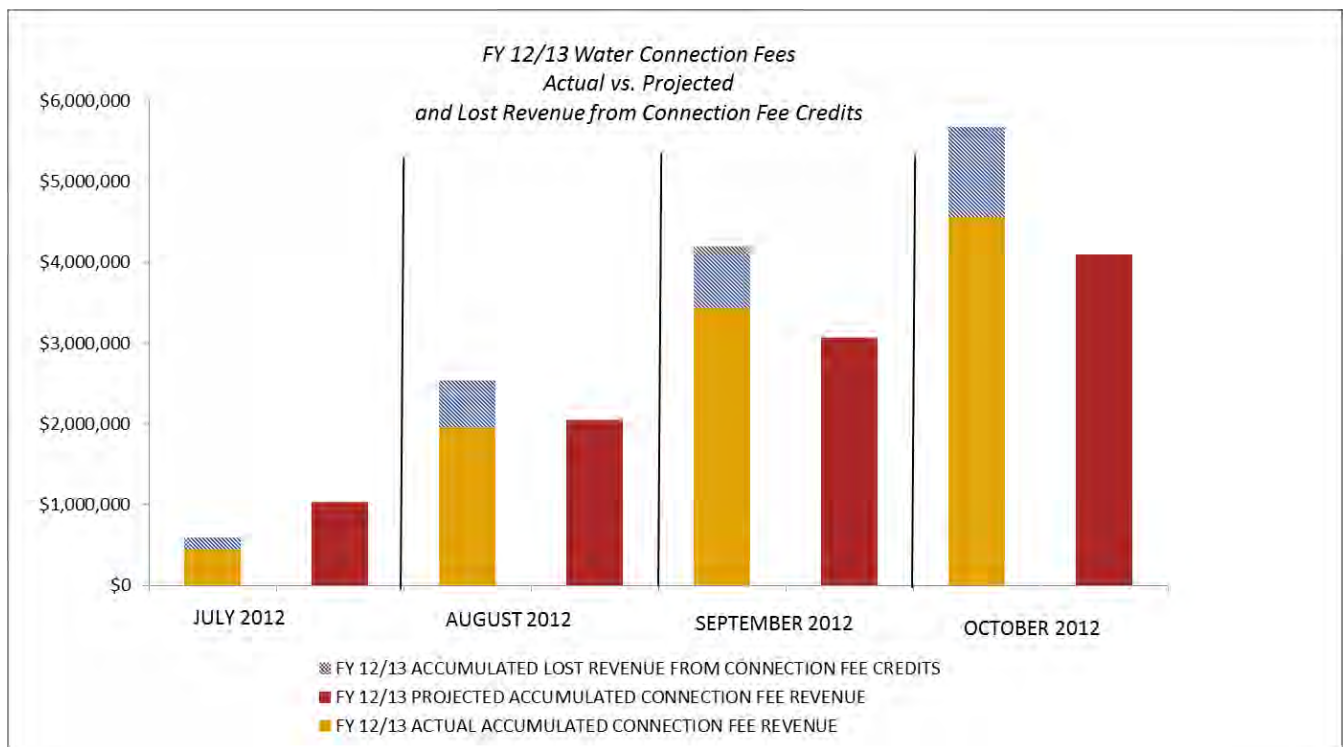
Treated water sales revenue funds the Water Enterprise (Fund 52). Through the end of September 2012, 13,562 acre-feet of water was sold, resulting in actual sales of \$12.7M. This is 7% less than the projection of \$13.6M (or 14,415 acre-feet). Actual water sales compared to projected sales through September 2012 is shown in the graph below:



Connection Fees

Non-discretionary expenditures (fixed costs) for Fund 73 are close to \$20M annually. The expenditures include debt payments for the South Bay Aqueduct (SBA) Enlargement Project, Fourth Contractor's Share of the SBA and the Cawelo Groundwater Banking Program. While development activity is picking up, Staff continues to closely monitor cash flow and prepares quarterly updates of this fund to assure cash availability.

For 12/13, year-to-date (July 1, 2012 - October 31, 2012) connection fee revenue totals \$4.5M, about 10% higher than the projection of \$4.1M. A total of forty-nine connection fee credits were used totaling \$1.2M, while 858.5 credits remain outstanding (\$19.7M at the 2012 connection fee level). Actual connection fee revenue plus lost revenue from credits used for FY 12/13 compared to projected revenue is shown in the graph below:



RECOMMENDED ACTION:

Information only.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT: JAVIA GREEN

AGENDA DATE: November 28, 2012

ITEM NO. 10f

SUBJECT: CAPITAL IMPROVEMENT PROGRAM UPDATE

SUMMARY:

- With the adoption of the FY 10/11 Ten-Year Capital Improvement Program (CIP) in October 2009, the Board resolved that the CIP shall be updated and adopted on a biannual basis, rather than annually, to improve staff work efficiency.
- Staff noted that in the second of the biannual years, an annual Executive Summary will be completed to include project updates and adjustments as necessary along with a financial summary of capital funds.
- Staff has prepared the attached summary report, which includes a list of major projects completed in FY 11/12, projects underway in FY 12/13 and five-year cash flow projections for the Renewal/Replacement and System-Wide Improvements Fund (72), Expansion Fund (73) – Flood Protection and Storm Water Development Impact Fee Fund (Fund 76).

FUNDING:

The Water System CIP is funded by Fund 72 – Renewal/Replacement and System-Wide Improvements (Water Rates), and Fund 73 – Expansion (Connection Fees). The Flood Protection CIP is funded by Fund 76 – Flood Protection and Storm Water Drainage Fund (Development Impact Fees).

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

Memo Providing Additional Background and Discussion on Agenda Item.

Interoffice Memo

Date: November 28, 2012
To: Jill Duerig, General Manager
From: JaVia Green, Staff Analyst
Subject: Memo Providing Additional Background and Discussion on Agenda Item

DISCUSSION

With the adoption of the CIP in October 2009, the Board resolved that the CIP shall be updated and adopted on a biannual basis, rather than annually, primarily to save staff time and resources associated with developing the document. Staff noted that in the second of the biannual years, an annual Executive Summary will be completed to include project updates and adjustments as necessary along with a financial summary of capital funds. Accordingly staff has prepared this summary report, which includes a list of major projects completed in FY 11/12, projects underway in FY 12/13 and cash flow projections for the Renewal/Replacement and System-Wide Improvements Fund (72), Expansion Fund (73) – Flood Protection and Storm Water Development Impact Fee Fund (Fund 76) through FY 15/16.

FUND 72 - RENEWAL/REPLACEMENT, SYSTEM-WIDE IMPROVEMENTS

In FY 11/12, major projects within the Renewal/Replacement, System-Wide Improvements Fund included:

- Relocation of the Santa Rita Pipeline
- Construction of a new clarifier at PPWTP
- Design of chemical system improvements at DVWTP
- Installation of new membrane modules at the PPWTP UF Plant
- Relocation of the Airway Pump Station
- Commenced construction of a new sewer line at PPWTP
- Various small improvement projects at PPWTP and DVWTP

Shown below is a table detailing all FY 11/12 expenditures in Fund 72:

FUND 72 - RENEWAL/REPLACEMENT, SYSTEM-WIDE IMPROVEMENTS

FUND 72 CAPITAL IMPROVEMENT/REPLACEMENT FUND FY 11/ 12 BUDGET SUMMARY REPORT

	Fiscal Year Adjusted Budget	Fiscal Year Total*	Budget Remaining
53040 NEW SMP MONITORING WELLS	\$3,500.00	\$2,866.89	\$633.11
53069 WTR QUAL MGMT IP(75%-52917)	18,532.00	18,531.07	0.93
53088 2009 DWWTP IMPROVEMENTS	100,000.00	45,450.15	54,549.85
53090 PPWTP SEWER LINE PROJECT	1,325,737.00	1,325,736.52	0.48
53092 PORT PILOT SCALE FILTER CONSTR	1,500.00	1,434.41	65.59
53093 B A DESAL PRJ FSBLTY (35% F529	69,979.00	0.00	69,979.00
53094 MGD P SURGE TANK MODIFICATIONS	29,209.00	1,113.19	28,095.81
53095 AIRWAY PUMP STATION RELOCATION	185,000.00	183,778.26	1,221.74
53096 SANTA RITA PIPELINE RELOCATION	750,000.00	523,378.95	226,621.05
53097 WELLFIELD AMMONIA IMPROVEMENTS	1,234.00	1,233.48	0.52
53098 DV CHEMICAL SYS/ PARK LOT IMPV	288,000.00	287,999.89	0.11
53099 CAMP PARK/TEST WELL (FR52924)	140,230.00	100,857.63	39,372.37
53100 GRDWTR/SALT/NUTR (70%FR52925)	280,000.00	238,975.59	41,025.00
53101 DWWTP SLUDGE HANDLING IMPRVMNT	200,000.00	2,047.83	197,953.00
53102 RECYCLED WTR FEAS STY 70%	109,201.00	109,200.55	1.00
53103 COPE LAKE SLOPE REPAIR (15%)	16,226.00	16,225.26	1.00
53104 PWRPA DISTRIBUTION FACILITIES	750,000.00	750,000.00	0.00
54022 MONITORING WELL REPLACEMENTS	500.00	479.78	21.00
54042 LABORATORY EQUIPMENT REPLACMNT	120,000.00	120,000.00	0.00
54048 SCADA ENHANCEMENTS PROJECT	225,000.00	99,882.69	125,118.00
54053 NORTH CANYON'S BUILDING LEASE	520,000.00	519,593.08	407.00
54059 PPWTP UF MEMBRANE MODULE REPLC	772,808.00	736,152.57	36,656.00
54069 DV ELECTRICAL POWER SYS UPGRAD	84,241.00	70,459.25	13,782.00
54071 ASSET MGMT PROGRAM MGMT	40,001.00	40,000.73	1.00
54072 PPWTP CLARIFIER REHAB PROJECT	979,974.00	978,187.71	1,787.00
54077 PPWTP ELECTRIC PWR SYS UPGRADE	40,321.00	12,672.90	27,649.00
54081 PPWTP SODIUM HYPOCHLORITE MOD	11,000.00	10,955.54	45.00
54083 MINOR RENEW/REPLACMT PROJECT	250,000.00	150,177.80	99,823.00
54084 DWWTP TRAVELLING SCREEN RPLCMT	76,000.00	53,434.91	22,566.00
54085 PLS 3 REPLACE/MODIFICATION	55,500.00	55,500.00	0.00
54501 WATER CONSRV PLN(75% fr 52905)	75,000.00	44,439.86	30,561.00
54504 WASHER REBATE PG(75% fr 52908)	150,000.00	97,083.11	52,917.00
54505 TOILET REBATE PG(75% fr 52909)	86,762.00	32,618.02	54,144.00
54507 IMPROVE/RENEW-REPLACE PROJ-GEN	50,000.00	10,317.70	39,683.00
54508 CIP MGMT (20% FR 52916)	17,700.00	17,354.72	346.00
54509 E ALA CO CONSERV STRATEGY	1,500.00	401.81	1,099.00
54510 COMMERCIAL LANDSCAPE CONSER PG	55,000.00	48,220.37	6,780.00
54511 2010 WTR SYSTM PLNG-35% F52922	7,464.00	2,765.82	4,699.00
54512 COMMERCIAL HI EFF TOILET REBAT	50,000.00	596.00	49,404.00
54513 COMMERCIAL HI EFF URINAL REBAT	122,168.00	7,059.13	115,109.00
54514 SCHOOLS IN/OUT SRVY & HRDWR RP	72,168.00	50,000.00	22,168.00
54515 GREENPLUMBERS TRAINING	10,000.00	0.00	10,000.00
54516 AV WATER RIGHT PERMIT EXTEN	500,001.00	500,000.33	1.00
96072 UNASSIGNED BUDGETED PROJ FD 72	1,236,835.00	124,384.02	1,112,451.00
96172 CONTINGENCY FUNDS FOR FD 72	0.00	0.00	0.00
Total Expenditure	\$9,878,291.00	\$7,391,567.52	\$2,486,737.56
*Fiscal Year Total includes Actuals, Encumbrances and Commitments.			

FUND 72 - RENEWAL/REPLACEMENT, SYSTEM-WIDE IMPROVEMENTS

In the FY 12/13 budget, the following major projects are planned (not an exhaustive list):

- DVWTP Chemical Systems Project - \$2,000,000
- DVWTP Sludge Handling Improvements - \$1,850,000
- DVWTP Interior Improvements to the 3MG Clearwell - \$1,630,000
- PPWTP Ammonia Facility Replacement - \$800,000
- Groundwater Management Plan/SNMP Update - \$539,000

Below is the projected five-year cash flow for Fund 72:

Fund 72 PRELIMINARY NEAR-TERM FUNDING OUTLOOK (\$Millions)					
Fiscal year (FY)	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Beginning Available Fund Balance	\$18.70	\$19.04	\$13.54	\$13.90	\$16.12
Revenue					
Water Rate Contribution	5.04	6.60	8.50	9.50	10.50
Facility Use Fees	0.55	0.03	0.03	0.00	1.05
Interest Income	0.09	0.28	0.41	0.42	0.64
Other Income	0.03				0.86
Total Revenue	5.71	6.91	8.93	9.92	13.05
Expenditures					
R&R Expenditures	4.35	7.47	6.20	5.72	6.25
SWI Expenditures	0.63	3.81	1.24	0.82	2.03
Carryovers/Encumbrances		2.40			
Contingency		0.75	0.75	0.75	0.75
Total Expenditures	4.99	14.43	8.18	7.29	9.03
Fund Balance with Reserves	19.42	13.93	14.29	16.52	20.14
Reserved Funds					
Annual Building Sinking Fund Contribution	0.38	0.39	0.40	0.41	0.42
75% of Following Years' Contribution	4.95	6.38	7.13	7.88	9.85
Net Estimated Available Fund Balance	\$14.09	\$7.17	\$6.77	\$8.24	\$9.88

FUND 73 – EXPANSION

The Expansion fund is funded by connection fee revenue from new development. Within this fund there are ongoing obligations totaling about \$20M annually that Zone 7 is contractually committed to pay. This includes debt service for the SBA Enlargement Project, Cawelo Groundwater Banking Program, Fourth Contractor Share of the SBA, and debt service on the Installment Sale Agreement (ISA) with Wells Fargo. In February 2010, Zone 7 drew \$30.5M from the \$60M ISA with Wells Fargo to fund the Altamont Pipeline, Livermore Reach. The principal amount will be due at the end of December 2013. However, staff has begun evaluating other sources of income in the event that connection fee revenue does not materialize as projected. Staff's preliminary analysis includes inter-fund borrowing and exploring additional financing options with Wells Fargo. Shown below is a table detailing all FY 11/12 expenditures in Fund 73:

FUND 73 EXPANSION FUND FY 11/ 12 BUDGET SUMMARY REPORT

	Fiscal Year Adjusted Budget	Fiscal Year Total*	Budget Remaining
51401 DWR -STATE WATER PROJ (160160)	3,545,179.00	3,354,763.41	190,416.00
51408 LHWD - WATER AGREEMENTS	331,276.00	0.00	331,276.00
51410 SWSD -WATER STORAGE AGREEMENTS	49,178.00	49,178.00	0.00
55000 CONNECTION FEE REFUNDS	340.00	339.63	1.00
55001 WATER CONNECTION FEE ADMIN	98,744.00	98,742.10	2.00
55003 TOILET REBATE PG(25% f52909)	29,254.00	10,872.65	18,382.00
55010 GENERAL PLANNING	185,970.00	143,881.55	42,089.00
55037 SO BAY AQUEDCT ENLRGMNT PH II	11,698,075.00	11,698,074.81	1.00
55043 CUWA MEMBERSHIP & TECH STUDIES	69,988.00	69,987.10	1.00
55048 NORTH CANYON'S BUILDING LEASE	404,129.00	404,128.03	1.00
55050 CIP MGMT (75% FR 52916)	66,149.00	65,080.20	1,069.00
55052 HABITAT CON-DELTA (25%-55504)	54,505.00	22,699.46	31,806.00
55053 DELTA OUTREACH (25% FR 55505)	31,972.00	13,260.13	18,712.00
55054 WTR QUAL MGMT IP (25%-52917)	10,000.00	6,177.02	3,823.00
55056 E ALACO CNSRVTN (80% fr 61904)	12,000.00	3,214.50	8,786.00
55060 2010 WTR SYSTM PLNG-65% F52922	13,862.00	5,136.46	8,726.00
55061 GRDWTR/SALT/NUTR (30%FR52925)	120,000.00	102,418.11	17,582.00
55106 CAWELO GRNDWATER BANKING PROJ	1,293,056.00	1,292,818.69	238.00
55207 RECYCLED WTR FEAS STY 30%	46,801.00	46,800.37	1.00
55300 WATER CONSRV PLN(25% fr 52905)	25,000.00	14,813.28	10,187.00
55303 WASHER REBATE PG(25% fr 52908)	50,000.00	32,361.04	17,639.00
55426 CHAIN OF LAKES WELLS 1 & 2	11,007.00	3,339.29	7,668.00
55430 B A DESAL FSBLTY (65%F52923)	279,945.00	279,944.48	1.00
55431 CAMP PARK/TEST WELL (FR52924)	113,670.00	43,224.69	70,446.00
55504 HABITAT CON-DELTA (52/73)	10,000.00	0.00	10,000.00
55505 DELTA OUTREACH (75% 52/25% 73)	1,000.00	0.00	1,000.00
55603 AWTP SITE ACQUISITN/RAW H2O TO	138,570.00	87,335.09	51,235.00
55613 ALTAMONT WTP	304.00	303.85	1.00
55614 ALTAMONT PIPELINE - LIV REACH	253,695.00	253,692.96	3.00
55617 PPWTP EXPANSION FEASIBILITY	90,288.00	90,287.57	1.00
57101 ARROYO MOCHO/LAKE H DIVERSION	84,973.00	84,972.64	1.00
57102 CHAIN OF LAKES FACILITIES & IM	706,648.00	110,609.27	596,039.00
57104 CHAIN OF LAKES MASTER PLAN	61,374.00	13,970.92	47,404.00
57106 COPE LAKE FACILITIES PROJECT	506,648.00	91,666.31	414,982.00
57107 COPE LAKE SLOPE REPAIR (35%)	37,860.00	37,858.90	2.00
95073 PROJECT CLEARING FOR FUND 73	681,352.00	681,351.88	1.00
96073 UNASSIGNED BUDGETED PROJ FD 73	50,000.00	50,000.00	0.00
96173 CONTINGENCY FUNDS FOR FD 73	51,379.00	0.00	51,379.00
Total Expenditure	21,214,191.00	19,263,304.39	1,950,901.00
*Fiscal Year Total includes Actuals, Encumbrances and Commitments.			

FUND 73 – EXPANSION

Expansion projects primarily consists of the fixed-cost expenditures mentioned above; however there are some smaller projects that were initiated in FY 11/12 and will continue in FY 12/13 (not an exhaustive list):

- Cope Lake Repairs - \$525,000
- Vulcan Discharge Capture – \$350,000
- Bay Area Regional Desalination Project Planning - \$210,000
- Arroyo Mocho Diversion Facility Coordination and Implementation - \$134,272

Below is the projected five-year cash flow for Fund 73:

Fund 73					
PRELIMINARY NEAR-TERM FUNDING OUTLOOK					
(\$Millions)					
Fiscal year (FY)	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Beginning Available Fund Balance	\$46.80	\$42.79	\$35.68	\$10.03	\$9.24
Revenue					
Connection Fees	10.80	12.55	18.40	20.96	49.20
Other	2.18	3.01	7.40	3.31	3.54
Total Revenue	12.98	15.56	25.80	24.27	52.74
Expenditures					
Expenditures	16.80	20.74	20.72	22.89	28.72
Carryovers/Encumbrances		1.70			
ISA Payoff			30.50		
Total Expenditures	16.80	22.44	51.22	22.89	28.72
Annual Sinking Fund Contributions	0.19	0.23	0.23	2.17	2.24
Net Available Funds and ISA	42.79	35.68	10.03	9.24	31.01
Designated Reserves	8.99	9.22	9.46	11.62	13.86
Fund Balance and ISA	\$51.78	\$44.90	\$19.49	\$20.86	\$44.88

FUND 76 - FLOOD PROTECTION AND STORM WATER DRAINAGE DEVELOPMENT IMPACT FEE FUND

The Zone 7 Board approved the Stream Management Master Plan (SMMP) in August 2006. Subsequently, Zone 7 adopted Ordinance 2009-01 to establish the new development impact fee (DIF) necessary to support SMMP projects within the Alameda Creek Watershed. This study recommended a fee of \$1.423 per square-foot of impervious area created by new development. The calculation included \$11,981,769 as the starting balance (to be transferred from existing SDA funds). This fee was subsequently capped at \$1.10. A collaborative SMMP and DIF update involving local stakeholders is currently underway. This update will reassess the projects and costs proposed in SMMP and also reevaluate the current fee structure.

Shown below is a table detailing all FY 11/12 expenditures in Fund 76.

FUND 76 FLOOD PROTECTION/DRAINAGE DIF FY 11/ 12 BUDGET SUMMARY REPORT

	Fiscal Year	Transaction	Budget
Description	Adj. Budget	Total	Remaining
61000 FLOOD PROTECTION/DIF GEN ADMIN	9,500.00	2,999.98	6,501.00
61145 STREAMWISE (41% fr 61902)	251,327.00	251,326.54	1.00
61154 NORTH CANYONS ADMIN/ENG BUILDI	115,500.00	115,465.09	35.00
61156 CIP MGMT (5% FR 52916)	4,410.00	4,338.67	72.00
61157 FLOW STUDIES-STEELHEAD RESTOR	50,932.00	46,636.02	4,296.00
61158 E. ALACO CNSRVTN (10% fr 61904	1,500.00	401.81	1,099.00
61160 FC HYDRO STUDY (41% FR 61905)	340,481.00	340,480.58	1.00
61161 SEDIMENT STUDY (17% FR 61906)	133,290.00	129,818.27	3,472.00
61162 EL CHARRO PLAN (57% FR 61907)	5,703,000.00	5,703,000.00	0.00
61163 ARROYO DE LA LAG (17%FR61908)	590,023.00	3,254.73	586,769.00
61164 ARROYO MOCHO-STANLEY RCH(17%)	101,819.00	101,818.46	1.00
61165 COPE LAKE SLOPE REPAIR (28%)	30,500.00	30,287.11	213.00
95076 PROJECT CLEARING FOR FUND 76	1,000.00	850.00	150.00
96076 UNASSIGNED BUDGETED PROJ FD 76	697,947.00	204,622.00	493,325.00
96176 ADMINISTRATIVE COSTS	200,087.00	0.00	200,087.00
Total Expenditure	8,231,316.00	6,935,299.26	1,296,022.00
*Fiscal Year Total includes Actuals, Encumbrances and Commitments.			

FUND 76 - FLOOD PROTECTION AND STORM WATER DRAINAGE DEVELOPMENT IMPACT FEE FUND

The following projects are planned in the FY 12/13 Fund 76 budget (not an exhaustive list):

- Arroyo las Positas at N. Vasco Improvements Laguna Improvements - \$1,598,437
- Cope Lake Repairs - \$420,000
- SMMP and DIF Update - \$309,374

Below is the projected five-year cash flow for Fund 76:

Fund 76 NEAR-TERM FUNDING OUTLOOK (\$Millions)

Fiscal year (FY)	11/12	12/13	13/14	14/15	15/16
Beg. Available Fund Balance	\$36.81	\$35.96	\$32.60	\$33.40	\$35.71
Revenue					
Development Impact Fees	5.46	1.87	3.06	3.25	3.38
Other Revenue	0.14	0.15	0.65	1.00	1.43
Total Revenue	5.61	2.03	3.71	4.26	4.81
Expenditures					
Capital Expenditures	5.73	3.35	1.99	0.93	4.58
Carryovers/Encumbrances		1.21			
Total Expenditures	5.73	4.56	1.99	0.93	4.58
Annual Building Sinking Fund Contribution	0.084	0.086	0.091	0.093	0.095
Building Sinking Fund Reserve Balance	0.74	0.83	0.92	1.01	1.10
Fund Balance	\$35.96	\$32.60	\$33.40	\$35.71	\$34.84

NEXT STEPS:

Projects planned for FY 13/14 (the second year of the biannual CIP adoption period) will be formally presented, approved and appropriated during the FY 13/14 budget process in early 2013. In summer 2013, the FY 14/15 CIP will be presented to the Board for adoption.



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: Engineering
CONTACT: Kurt Arends\Jarnail Chahal

AGENDA DATE: November 28, 2012

ITEM NO. 10g

SUBJECT: Deferral of Water Connection and Development Impact Fees

SUMMARY:

- At the October 2012 meeting, the Board asked staff to provide a status update regarding the feasibility of deferring the collection of development fees.
- This idea was investigated and considered during 2009 and the following provides brief background:
 - At the May 20, 2009 meeting, in response to requests from the development community, the Board directed staff to call a meeting of the Finance Committee to hear the matter of deferring development fee.
 - On July 2, 2009, staff presented its findings to the Finance Committee on a program to defer the collection of water connection fees only. When compared to drainage development impact fee, water connection fees were the more significant number.
 - At the time, staff concluded that a fee deferral program may provide a stimulus to the development community and benefit the local economy, however, a fee deferral program may allow the bank to assert violation of Zone 7's Install Sales Agreement (ISA) hereby nullifying the loan agreement.
 - After discussion, the Finance Committee members concurred with staff's recommendation that due to the importance of a valid ISA for the agency to meet funding needs, staff recommended not to adopt a fee deferral program. The Committee directed staff to make the recommendation to the Board.
 - At the July 15, 2009 meeting, the full Board considered the matter and voted not to adopt a fee deferral program.
- In 2010, Zone 7 drew \$30,000,000 from the ISA to supplement the water connection fee revenue to pay for Expansion Fund expenditures. Zone 7 is due a balloon payment of \$30,000,000 at the end of 2013 to payback the ISA.
- The adoption of a fee deferral program at this time would reduce cash flow in the short-term for the Expansion Fund and may impact our ability to make the balloon payment. The fee deferral program could still be considered as violating the terms of ISA and may impact our ability to extend the ISA if the need arises.
- In 2011, Zone 7 and City of Dublin staff discussed the availability of a Statewide Community Infrastructure Program (SCIP) available to most cities in California. The program funds development fees through bond sales and allows the developer to establish an assessment district on the property to pay the debt service. The program is not available to Zone 7.

FUNDING: No direct funding impact on total revenue.

RECOMMENDED ACTION: Information Only



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: Engineering
CONTACT: Kurt Arends

AGENDA DATE: November 28, 2012

ITEM NO. 10h

SUBJECT: Update Related to the Bay Delta Conservation Plan

BACKGROUND:

The Bay Delta Conservation Plan (BDCP), which has the co-equal goals of achieving water supply reliability while improving the ecosystem, is a voluntary effort to obtain long-term, incidental take permits for the operations of the State Water Project (SWP) and the Central Valley Project (CVP) through development of a comprehensive Habitat Conservation Plan (HCP) under the federal Endangered Species Act, and a Natural Community Conservation Plan (NCCP) under the California Natural Community Conservation Planning Act. The BDCP is a mechanism for improving the ecological conditions to provide multi-species regulatory protection in the Delta. Zone 7's interest is securing the regulatory protection for SWP operations and restoring water supply lost to recent regulation and court action through a long-term multi-species habitat conservation agreement.

The Delta Habitat Conservation and Conveyance Program (DHCCP) is the associated effort to do enough preliminary engineering to analyze the proposed actions in the BDCP under the federal National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) and to prepare the related environmental impact documents (a federal Environmental Impact Statement or a state Environmental Impact Report, known as an EIR/EIS, collectively). This effort also includes development of preliminary engineering designs, geotechnical field studies and analysis, and other necessary feasibility information for Delta water conveyance improvement projects and related habitat conservation measures under the BDCP.

DISCUSSION:

The Public Draft of the BDCP which had been expected in September 2012 has experienced additional delays and is now expected to be released in early 2013. There is expected to be a similar delay in the completion of the Draft Environmental Impact Report which, depending on federal agency review, is now scheduled for release by mid-2013. These two documents should lead to a Record of Decision/Notice of Determination (ROD/NOD) by the end of 2013.

Outstanding issues include defining the value of habitat to both the BDCP and any permitting for Delta conveyance improvements. In-Delta interests are concerned that conversion of farm land to restoration projects will have negative short- and long-term economic impacts. In fact, Yolo County is currently proposing a new county ordinance that would result in requiring "mitigation"

for habitat projects (i.e., dedicated new farmland for every acre used to create habitat). In the meantime, the federal agencies are unsure how much habitat enhancements might (or might not) help reduce decline of aquatic species (salmonids, smelt, etc.). There have been discussions of adaptive management based on a “Decision Tree” approach that would adjust permit flow conditions within a set of bookends based on success of habitat projects and other uncertainties. Working out the details of the bookends and metrics to be used in making such adjustments are causing the delay in BDCP release. See:

http://baydeltaconservationplan.com/Libraries/Dynamic_Document_Library/August_BD_CP_Public_Meeting_Presentation_8-29-12.sflb.ashx

In the meantime, the Delta Stewardship Council (DSC) announced that it will release the final draft of the Delta Plan on November 30, 2012. This will trigger a six-week public comment period that will run through January 14, 2013. DSC staff indicated they will bring different elements of the plan back for review by the council after the public comment period, possibly holding more public hearings on the final draft in late February and early March. April 12 is likely the earliest date that the council could take a vote on the final plan.

While the BDCP continues to be a point of controversy for the many competing interests in the Delta and throughout the state, an effort was organized to try to find common ground. For over six months, staff participated in the Coalition to Support Near Term Delta Projects along with three dozen other entities covering a range of stakeholder interests, from environmentalists and levee managers to Delta farmers and public water agencies. In October, the participants agreed to support 43 projects, including levee upgrades, habitat improvements, wildlife research and a proposal to recycle the Sacramento region's sewage. Zone 7 staff along with other individuals who participated in the meetings submitted the attached letter to the governor seeking state financial support for the list of projects.

In addition, the DSC is developing strategies to evaluate and select projects to be completed in the Delta in the near-term as longer-term solutions for the Delta are worked out. About \$1 billion in bond and other monies is available for projects that could be completed in the near-term. Among the criteria DSC staff is developing for selecting the near-term projects is a desire that the projects be “shovel ready”, they incorporate “innovative governance” and they are supported by one of the ad hoc committees created to support near-term Delta projects, such as the Delta Projects Coalition, the Delta Counties Coalition and the California Partnership for the San Joaquin Valley.