



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, February 16, 2011

TIME: 7:00 p.m.

LOCATION: Zone 7 Administration Building

100 North Canyons Parkway, Livermore, California

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

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Acting Zone 7 Board Secretary, Judy Rector, at (925) 454-5053 or fax (925) 454-5727. 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. Salute to Flag
3. Citizens Forum

This is an opportunity for members of the audience to speak on an item not listed on the agenda. The Board cannot deliberate or take action on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.

4. Minutes of the Regular Meeting of January 19, 2011
5. Consent Calendar

- a. 2011 Cost Sharing Agreement for Invasive Mussel Inspection Program at Lake Del Valle

Recommended action: Adopt resolution.

6. Staffing Updates:

- a. Employee of the Month Recognition

7. Toxic Sites Surveillance Program Annual Report for 2010 Water Year

Recommended action: Information only.

8. Committees - None

9. Items for Future Agenda – Directors
10. Reports – Directors
 - a. Written report by Director Quigley
 - b. Verbal reports
11. Staff Reports (Information items. No action will be taken.)
 - a. General Manager’s Report
 - b. Recent & Upcoming Public Outreach Activities
 - c. Legislative Update
 - d. Status Report on Separation Efforts
 - f. Verbal Reports
12. 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
 - b) Conference with Legal Counsel--Existing Litigation, Government Code Section 54956.9(a):
Margaret Chun v. Alameda County Flood Control and Water Conservation District, Zone 7, et al. (Alameda County Superior Court Case No. HG11559731)
 - c) Conference with Legal Counsel--Existing Litigation, Government Code Section 54956.9(a):
Mechanical Analysis and Repair, Inc. v. Alameda County Flood Control and Water Conservation District, Zone 7 (Alameda County Superior Court Case No. VG11556050)
13. Open Session and Report Out of Closed Session
14. Adjournment
15. Upcoming Board Schedule:
(All meeting locations are in the Board Room at 100 North Canyons Parkway, Livermore, California, unless otherwise noted)
 - a) Administrative Committee Meeting: February 23, 2011, 4:00 p.m.
 - b) Finance Committee Meeting: March 8, 2011, 4:00 p.m.
 - c) Regular Board Meeting: March 16, 2011, 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

January 19, 2011

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

DIRECTORS: SANDS FIGUERS
A J MACHAEVICH
CHRISTOPHER MOORE
SARAH PALMER
RICHARD QUIGLEY
BILL STEVENS

DIRECTORS ABSENT: JOHN GRECI

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
REN NOSKY, GENERAL COUNSEL
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
VINCE WONG, ASSISTANT GENERAL MANAGER, OPERATIONS
JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE
CAROL MAHONEY, ASSOCIATE GEOLOGIST
JUDY RECTOR, ACTING BOARD SECRETARY

The Board went into closed session at 7:01 p.m.

Item 2 – CLOSED SESSION

Conference with Labor Negotiators:

Agency Negotiator: G.F. Duerig

Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management

Item 3 – OPEN SESSION AND REPORT OUT OF CLOSED SESSION

The Board reported out of closed session at 7:15. Vice-President Figuers then read the following statement:

“As we’re all aware, Zone 7 and other public agencies across the state are facing substantial financial challenges as we look ahead. Our revenues are way down. Our costs are way up and continue to rise. Neither situation looks like it’s going to change anytime soon. In fact, some cities and agencies are on the brink of bankruptcy. Their unfunded liabilities are off the charts. For some, the only alternative has been to drastically cut costs and ask their employees to contribute more to avoid layoffs. This is the new normal. The eyes of the public, and especially our customers, are upon us. This board has made a commitment to run this agency in the most fiscally prudent manner possible. This means holding our costs in line and our rates as low as we can. We as a board do not believe pay increases, for our unrepresented management employees, are in line with this

commitment. In fact, we think it would be irresponsible to both our customers and our constituents. For that reason, it is our desire to hold firm on this issue and not give pay raises at this time.”

Item 4 – Salute to the Flag

Item 5 – Citizens Forum – None.

Item 6 – Minutes of the Regular Meeting of December 15, 2010

Director Machaevich moved and Director Palmer seconded approval of the December 15, 2010 minutes. The voice vote to approve was 6-0-1 with President Greci absent.

Item 7 - Consent Calendar

Director Palmer moved for approval and Director Moore seconded the motion. The resolutions were approved by a roll call vote of 6-0-1 with President Greci absent.

- | | |
|------------------------|--|
| Resolution No: 11-4061 | Authorized the General Manager to negotiate and execute a second amendment to the 2006 Memorandum of Understanding to the Alameda Creek Fisheries Restoration Workgroup; and authorized the General Manager to allocate funding for Zone 7’s portion of the flow studies in an amount not to exceed \$18,000.
(Item 5a) |
| Resolution No: 11-4062 | Authorize Karen Newton and Michael Square’s attendance at the 2011 Annual Symposium of the Southwest Membrane Operator Association (SWMOA) in Las Vegas, Nevada, February 7-9, 2011.
(Item 5b) |
| Resolution No: 11-4063 | Authorize Director Dick Quigley to attend the Association of California Water Agencies (ACWA) conference in Washington, DC March 1-3, 2011. (Item 5c) |
| Resolution No: 11-4064 | Authorize the General Manager to issue a \$5,000 rebate incentive to Ruby Hill Golf Club for their 2008-2009 irrigation efficiency and water saving efforts. (Item 5d) |

Item 8 - Staffing Updates

Item 8b – Employee of the Month Recognition

Brad Ledesma, Associate Civil Engineer, has been chosen as the November 2010 Employee of the Month. Brad works as an Associate Engineer in the Water Supply Engineering Section at the North Canyons location. According to the recommendation the committee received, Brad produces excellent, high quality work and gives the job 110% effort every single day. Brad is recognized for his willingness to learn, and then to train others, passing along the knowledge and job skills he has acquired along the way. Brad was complimented for thinking ‘outside the box’ to solve problems. He plans ahead and takes his responsibilities seriously to efficiently complete projects. Brad personifies the “blue culture” we are trying to achieve. We are fortunate to have Brad on the job.

Item 8a – Congratulations to Retiree

General Manager Jill Duerig introduced Linda Vernon and welcomed her to her first board meeting. Linda retired earlier in the month as an Account Clerk. Rather than read the history of Ms. Vernon's employment with the County, Ms. Duerig complimented Linda on helping her with her timesheets over the years and expressed that she personally will sorely miss Linda. John Yue, Assistant General Manager, Finance, added that the Accounting Unit will miss Linda because she is so efficient and organized at getting everything done that they will have to work hard to keep up without her.

Director Quigley moved and Director Machaevich seconded the motion. Resolution 11-4065 was passed by a 6-0-1 voice vote with President Greci absent.

Item 9 – First Amendment of the Installment Sale Agreement to Reduce ISA Credit Line

John Yue, Assistant General Manager, Finance, explained that the purpose of this item is to seek the Board's adoption of a resolution approving an amendment to the ISA, and an amendment to the assignment agreement, thus reducing the existing credit line of \$60 million down to \$30.5 million. Zone 7 does not foresee a need to use the extra credit line, and by reducing it, Zone 7 will save approximately \$15,000 per year in special fees.

After discussion by the directors, and no public comment, Director Moore moved and Director Quigley seconded the motion and Resolution 11-4066 was passed with a voice vote of 6-0-1 with President Greci absent.

Item 10 – Discussion of the History of Livermore-Amador Valley Mining and the Chain of Lakes, Part 1

Carol Mahoney, Associate Geologist, presented an update on information on the Chain of Lakes while noting governing documents and history associated with how Zone 7 came to be the beneficiaries of the ultimate Chain of Lakes area. The Administrative Committee met on December 7, 2010, and asked staff to bring to the full board a series of presentations addressing the history and the future of the Chain of Lakes.

Part I is about governing rules, plans and agreements including the State and County legislation and ordinances that govern mining activity in the Livermore-Amador Valley; Surface Mining permits; Zone 7 quarry owner agreements with each quarry owner; and other planning documents that influence the way the Chain of Lakes will be run in the future such as the cities' general plans, Parks and Recreation District plans, or public transit (i.e., BART alignment). Zone 7 monitors what is going on in the active quarry area and a lot of information is found in the annual groundwater management program report.

Types of planning documents that Ms. Mahoney discussed included State regulations, County planning documents, Ordinances and Permits:

- In 1956, County *Ordinance 181 N.S.* created a permitting process. This early ordinance did not, however, address reclamation or contamination issues.

- In 1975, the *State Surface Mining and Reclamation Act of 1975 (SMARA)*, was enacted by the California Legislature to regulate the extraction of minerals and the reclamation of mined land which governs the way mining occurs in the State of California. This Act is referenced as the basis for the Alameda County Mining Ordinance and the Surface Mining Permits and associated Reclamation Plans. The State of California maintains a SMARA office that oversees the requirements of this Act.
- The Alameda County Mining Ordinance was brought into conformance with SMARA in 1977 and has undergone numerous revisions through the years to update regulations. The most recent adoption of an amendment was in late 2010, to address requests for mining setback reductions. This action was brought about by the proposed widening project for Highway 84 (Isabel Ave.) through Livermore.
- The *Specific Plan for Livermore-Amador Valley Quarry Area Reclamation (LAVQAR)* was adopted in 1981. This plan provides a roadmap for reclamation of the mining area to create the “Chain of Lakes,” and defines the overall land uses for the lakes and the area immediately surrounding them. Using the LAVQAR as a base, the Zone 7-Quarry owner agreements were negotiated in the late 1980’s. LAVQAR assumes that all aggregate will be mined out by 2030, by which time all of the remaining lakes of the designated chain will be deeded to Zone 7 for water management purposes.
- After LAVQAR, Zone 7 had discussions with mining operators regarding the transfer of the pits ultimately for Zone 7’s use. The Surface Mining Permits (SMPs) and associated reclamation plans also rely heavily on the LAVQAR for their content. During the 1990’s and early 2000’s many of the Surface Mining Permits (SMPs) were amended or updated. There is some confusion over the difference between the “mining” permits and the “reclamation plans” that exist today. Originally, Alameda County issued “mining permits” to the quarry owners under “Q” designations (Q-2, Q-4, Q-76. etc). Mining permits with a Q designation were issued prior to the 1975 adoption of SMARA and generally did not contain an expiration date; therefore mining rights are held in perpetuity over the property. These rights run with the land and can be transferred among mining companies. However after SMARA, Surface Mining Permits began to require reclamation plans to accompany mining activities. For example, prior to 1983, the area now known as “SMP-16” was identified as “Q-4” and “Q-40.” In 1983, SMP-16 was created to replace the old “Q” permits and added a reclamation plan that showed what the lakes would look like and what improvements would be made upon completion of mining. All “Q” permits have been superseded by surface mining permits and accompanying reclamation plans.
- Likewise, the relationships among the quarry owners and operators are often multifaceted with alliances being formed among and between the quarry owners and operators. In general, Pleasanton Gravel Company (PGC), also known as Rhodes and Jamieson Company, is a land owner from whom the other quarry operators lease property and mining rights but work under the leasee’s own Surface Mining Permit. Examples of this are SMP-16 (permitted and mined by Vulcan, owned by PGC) and SMP-31 (permitted and mined by Hanson, owned by PGC). In these cases, PGC owns the underlying property and mineral rights, but leases this property and mining rights to the various quarry operators. The conditions of the leases vary. Lakes impacted by these leased rights are Lakes C, D, E, F, G, and H.

Part 2 of this history and discussion of quarry activities will focus on the Zone 7 – Quarry Owner/Operator agreements and the Surface Mining Permits for each quarry operator. Other governing documents, such as general plans that influence Chain of Lakes and the uses of surrounding lands, will also be detailed in subsequent Board presentations.

Item 11 – Committees

- a. Administrative Committee: Meeting of December 7, 2010 – Minutes available
- b. Delta Committee: Meeting of December 7, 2010 – Minutes available
- c. Finance Committee: Meeting of December 14, 2010 – Minutes available

Item 12 - Items for Future Agendas – Directors

None.

Item 13 - Reports - Directors

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

Item 14 – Staff Reports

- 14. Staff Reports (Information items. No action will be taken.)
 - a. General Manager’s Report
 - b. Upcoming Public Outreach Activities
 - c. Legislative Update
 - d. Status Report on Separation Efforts
 - e. Quarterly Update on Expansion Fund
 - f. Update on the Bay-Delta Conservation Planning Effort
 - g. Verbal Reports

Jarnail Chahal, Acting Principal Engineer, Water Supply Engineering, gave a verbal report with slides of the January 4 and January 6, 2010, South Bay Aqueduct tours. About 25 people were on the tour each day including Board members, and staff from Zone 7, Dublin San Ramon Services District, Santa Clara Valley Water District, retailers, and other South Bay contractors. The tour included stops at the Delta Field Division and Department of Water Resources (DWR) office in Byron where DWR provided the history of the current expansion and improvement project. Other stops included the new 69 kV switch yard next to the Delta Field Division, the South Bay Pumping Plant, Dyer Reservoir, Patterson Reservoir and the Del Valle Branch Pipeline repair site.

After the slide presentation, General Manager Duerig thanked Mr. Chahal and staff for putting the tour together, especially for the second tour so everyone could be accommodated. Director Machaevich was on the January 4 tour and added that it was very informative and also thanked everyone involved for putting it together. He suggested a couple of field trips a year if possible which would be educational for the participants and good for the employees to see people taking an interest in what they do.

Director Quigley, who was on the January 6 tour, favorably commented on the presentation given by DWR on the South Bay Aqueduct project. Director Machaevich noted that he saw a lot of options open to us by going out into the field, he thinks Zone 7 employees have done a good job, and in the future Zone 7 can tap into the different possibilities available. He was impressed with the high quality of work he saw out in the field and, again, said that it reflects well on Zone 7 employees.

The Board went into a second closed session at 8:20 p.m.

15. CLOSED SESSION

- b) Conference with Legal Counsel – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 1 case

Item 16 – OPEN SESSION AND REPORT OUT OF CLOSED SESSION

There was nothing to report out of closed session with the exception that Vice-President Figuers added to the report out of the first session that the vote in favor of no increase for unrepresented managers was unanimous: 6-0-1 with President Greci absent.

The meeting was adjourned at 9:02 p.m.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: ENGINEERING
CONTACT: Kurt Arends

AGENDA DATE: February 16, 2011

ITEM NO. 5a

SUBJECT: 2011 Cost Sharing Agreement for Invasive Mussel Inspection Program at Lake Del Valle

SUMMARY:

- Zebra and Quagga Mussels foul water delivery systems and pipes that divert, treat, or transmit raw surface water, which dramatically increases operation and maintenance costs.
- The Department of Water Resources (DWR) prepared a report estimating the vulnerability of the South Bay Aqueduct to these mussels; this report indicated that an infestation is likely, and that once it occurs, annual operation and maintenance costs to the State Water Project (SWP) would increase by approximately \$40 million annually (of which Zone 7's share would be \$800,000 annually) to deal with the infestation.
- The invasive mussel response plan developed to delay the inevitable infestation as long as possible was implemented in July 2008 and has continued into 2011. The cost of the program is estimated at approximately \$317,278 by East Bay Regional Park District (EBRPD). EBRPD will be responsible for any costs in excess of \$317,278
- The program is jointly funded by EBRPD, Santa Clara Valley Water District, Alameda County Water District, and Zone 7.
- Each agency could potentially fund up to one quarter of the total cost depending on funding, if any, provided by DWR.
- Zone 7's share of the costs of the program is not expected to exceed \$79,320 for 2011, much less than the projected annual cost of managing the infestation. Each year that infestation is delayed represents significant savings to Zone 7.

FUNDING:

This contract is funded from Fund 72 – Renewal and Replacement/System-Wide Improvements.

RECOMMENDED ACTION: Adopt the attached resolution authorizing the General Manager to negotiate and execute a four way funding agreement among EBRPD, ACWD, SCVWD, and Zone 7 to fund the Quagga and Zebra Mussel prevention program for Lake Del Valle through 2011, for a not-to-exceed cost to Zone 7 of up to \$79,320.

ATTACHMENTS:

- Zone 7 Board Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, the impact of Quagga and Zebra mussels has been well documented in the Great Lakes and Northeastern United States for the past twenty years and has resulted in hundreds of millions of dollars in annual costs to the power and water industry; and

WHEREAS, these mussels were found in Southern California in January 2007, and in San Justo Reservoir in San Benito County in January 2008; and

WHEREAS, an infestation of the South Bay Aqueduct facilities and/or Zone 7 facilities would result in significant financial and water supply impacts;

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 four way funding agreement among EBRPD, ACWD, SCVWD, and Zone 7 to continue the Quagga and Zebra Mussel prevention program for Lake Del Valle through 2011, for a not-to-exceed cost to Zone 7 of \$79,320.

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

February 16, 2011

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: HUMAN RESOURCES

CONTACT PERSON: TOM HUGHES

AGENDA DATE: February 16, 2011

ITEM NO: 6a

SUBJECT: Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in January and selected the Employee of the Month for December 2010 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.

Jeanne France, Account Clerk, has been chosen from among those nominated as the December 2010 Employee of the Month. Jeanne works in the Accounting Section, located at our North Canyons Office. According to the recommendations the committee received, Jeanne is an outstanding employee and is a pleasure to work with. Jeanne displays a commendable level of professionalism, initiative, and persistence when working with other employees, contractors, and Alameda County personnel. Jeanne was complimented for her ability to process transactions that affect everyone in the Agency. It is almost certain that all of us at Zone 7 have been the beneficiary of something Jeanne has done on our behalf. Jeanne displays a willingness to help other employees to solve difficult problems that affect the Agency, and to find creative solutions. In short, we are fortunate to have Jeanne on the job.

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate Jeanne France as December 2010 Employee of the Month.



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ORIGINATING SECTION: GROUNDWATER PROTECTION & PROJECTS
CONTACT: CHERYL DIZON/MATT KATEN

AGENDA DATE: February 16, 2011

ITEM NO. 7

SUBJECT: Toxic Sites Surveillance Program Annual Report for 2010 Water Year

SUMMARY:

- Zone 7 documents and tracks toxic sites across the groundwater basin that pose a potential threat to drinking water. Information is gathered from state, county, and local agencies, as well as from Zone 7's well permitting program. This tracking program is designated the "Toxic Sites Surveillance (TSS) Program" and a report is generated annually to update the progress of investigations and clean-ups.
- The Annual TSS report includes updates for activities that occurred through the end of the 2010 Water Year (Sept 2010). Subsequent reports are planned for submittal at the end of every water year to coincide with the Annual Report for the Groundwater Management Program.
- Key parts of the Annual TSS Report are incorporated in the Annual Groundwater Management Program Report.
- An Executive Summary of the Annual TSS Report is attached which summarizes the current status and actions taken on the High Priority Sites since the 2009 Water Year Annual TSS Report.
- The complete Annual TSS Report, which contains further information on these sites, as well as on lower priority and "closed case" sites in our basin, can be obtained by contacting Cheryl Dizon at (925) 454-5047 or cdizon@zone7water.com. It is also available for download from the Zone 7 Water Agency website at www.zone7water.com.

RECOMMENDED ACTION:

For informational purpose only.

ATTACHMENTS:

Executive Summary Toxic Site Surveillance Report for 2010 Water Year

**ZONE 7 WATER AGENCY
TOXIC SITES SURVEILLANCE REPORT
2010 WATER YEAR**

EXECUTIVE SUMMARY

Zone 7 Water Agency is currently tracking the progress of 74 active toxic sites where contamination has been detected in groundwater or is threatening groundwater. There are 17 active sites within 2,000 feet of a municipal water supply well; however, only 11 are classified as “High Priority” cases due to their impact or threat of impact on potable groundwater supplies. Zone 7’s database contains 233 other contamination cases that have been either “Closed” or deemed “No Action Required” because they have been cleaned up or they pose minimal threat to drinking water supplies. Three new cases were opened during the 2010 Water Year. During this same period, eight cases were closed, and three more are being considered for closure at the time of this report.

The attached Figure ES-1 contains maps that show the locations of the High Priority toxic sites and their relative proximity to municipal water wells.

The three new cases opened in 2010 Water Year have been initially designated “Low” to “Moderate Priority” due to the relatively minor contamination detected so far, and/or the considerable distance separating the sites from the municipal groundwater supply. However, as with all of the active sites, their priority will be reevaluated as the results from their further investigations are reported.

Since the last Toxic Sites Surveillance (TSS) report in 2010 (for 2009 water year), eight cases were closed by the Alameda County Environmental Health Department (ACEH) and/or the Regional Water Quality Control Board (RWQCB) with no objection from Zone 7 staff. Generally, the contamination at these sites were characterized, remediated and monitored sufficiently to demonstrate that they no longer pose a risk to human health and the environment. The RWQCB and ACEH have required the Responsible Parties (RPs) for the three pending case closure requests to conduct additional groundwater monitoring to provide further evidence that the residual contamination is minor and stable (i.e., not significantly fluctuating in concentration nor migrating in the subsurface).

Below are summaries of the progress and activities conducted for the eleven “High Priority” sites in 2010 Water Year. Additional information on these and other active sites are available in the full 2010 Toxic Site Surveillance Report, which can be obtained by contacting Cheryl Dizon at (925) 454-5047 or cdizon@zone7water.com, or downloaded from the Zone 7 Water Agency website www.zone7water.com.

- Site 62: B&C Mini-Mart: A Corrective Action Plan (CAP) proposing target cleanup levels and an expanded soil vapor extraction pilot test was submitted in January 2009 however, the most recent sampling data and report are from the first quarter of 2009.

ACEH issued a directive letter in May 2010 requesting a schedule and work plan for Soil Vapor Extraction along with a Draft Fact Sheet for the CAP by July 2010. No submittals were received for 2010 nor does the RP appear to be making any progress on the site, therefore ACEH will be meeting with the District Attorney regarding enforcement on this case in 2011.

- Site 115: Livermore Arcade/Miller's Outpost Shopping Centers: Perchloroethylene (PCE) contamination from this site continues to impact a portion of the municipal water supply in Livermore. A Remedial Investigation, which included discrete level sampling near the source area to determine the vertical and lateral extent of elevated PCE concentrations (i.e.; greater than 50 ug/L), was performed. Preliminary data shows that the vertical extent of the elevated concentrations of the PCE plume is about 70 feet bgs around the source areas, though low concentrations near or below the Maximum Contaminant Level (MCL) for drinking water are widely scattered below this depth down to about 90 ft bgs. PCE concentrations down gradient of the source area and in the direction of CWS-14 correspond to PCE concentrations detected in the water entering Well CWS-14 through the top of its upper screen interval. A remedial strategy plan to address the elevated concentrations in the source area, the above-MCL concentrations at the distal end of the plume and measures to protect CWS-14 is due to the RWQCB in March 2011.
- Site 191: Former Beacon, #3604: Construction of the oxygen injection system and soil vapor extraction (SVE) system were completed in June 2010. The SVE system began operations by extracting hydrocarbon contaminated soil vapor from four wells. During the third quarter, operation of the SVE resulted in 15,760 pounds of hydrocarbon mass removal. Start-up of the oxygen injection system was expected to occur in the fourth quarter of 2010. In October 2010, free product was detected in well IP-8 which is adjacent to the existing USTs, and was measured at an approximate thickness of one foot. After removal by bailing, the thickness was measured at no more than 0.02 foot. A Work Plan to perform a Membrane Interface Probe (MIP) investigation to determine the extent of free product near the USTs was approved by ACEH. Results from the MIP investigation and 2010 fourth quarter activities are expected in March 2011.
- Site 226: Livermore Gas & Mini Mart: During Pilot Scale operation of the SVE/Groundwater Extraction (GWE) system (April-July 2010), the cumulative mass removal was approximately 12.95 lbs of TPHg, 0.088 lbs benzene and 44.77 lbs methyl tert-butyl ether (MTBE) combined. The remaining groundwater impacts are limited to areas near two on-site extraction wells and one on-site monitoring well which is up-gradient from these extraction wells. Operation of the combined remediation system continued through the end of 2010 and a report is due in February 2011.
- Site 231: Unocal Station #4186: ACEH conditionally approved a Magnesium Sulfate pilot test with the stipulation that tert-butyl alcohol (TBA) be included in the list of analytes to evaluate the treatment's effectiveness. Pilot testing was started in May 2010 and concluded in July 2010. Magnesium sulfate was applied to the "middle zone" (45'-50' bgs) via U-11, because it is the most impacted zone of the three zones. The Pilot Test Report reported increased concentrations of total petroleum hydrocarbons-gasoline

(TPHg) and MTBE following the application. The consultant claims it is not an uncommon short term reaction and recommends continued monitoring on a semi-annual basis. Additionally, TBA was omitted from the initial testing. ACEH approved of their approach of continued monitoring, but with the condition that monitoring for TBA be included in future monitoring events.

- Site 238: All Rents: In June 2009, Zone 7 Staff forwarded a letter to the RWQCB from the property owner indicating that prior groundwater sampling took place at the site. Information on previous dry cleaners in the vicinity from the dry cleaner survey performed by ACEH was also provided. Now that a viable Responsible Party (RP) has been identified, Zone 7 is urging the RWQCB to open this site as a formal case and direct corrective action. The RWQCB attributes its inactivity on this case to resource constraints. Zone 7 will attempt to share the burden of locating the potential RP for this site to expedite the process of opening this case.
- Site 23: South Hop Shell: The State's UST Cleanup Fund performed a case review of all sites in their program and this site was considered for case closure. ACEH and Zone 7 did not agree with the State's approach and as a result a Pilot Test Work Plan was submitted. A Feasibility Pilot Study for magnesium sulfate injection began in May 2010 where magnesium sulfate was applied to two onsite wells in the vicinity of the existing USTs. Although preliminary results indicate limited success in contaminant reduction, a decrease in sulfate detection correlates to higher hydrocarbon concentration and vice versa. Pilot Testing with magnesium sulfate continues with a Quarterly Monitoring and Pilot Study Report due January 2011.
- Site 60: Former Steve's Exxon #7-3399: Groundwater monitoring and active remediation continues at this site. The 4th Quarter 2010 Report states that 8.284 lbs TPH, 0.157 lbs benzene and 8.241 lbs MTBE were removed last quarter. A Work Plan was approved by ACEH to further characterize the vertical extent of MTBE in the source zone especially between the perched zone and "Zone 1". The Site Investigation Report, presenting the findings, is due May 2011.
- Site 242: Alameda County Fairgrounds: Zone 7 Staff are continuing their efforts trying to convince the RWQCB that this site should be opened as an official case for investigation and remediation. Staff is also continuing to research locations of former dry cleaners with ACEH's help to explore potential sources of the contamination. Historic aerial maps and Sanborn maps of the area will be examined to help determine past uses of properties nearby.
- Site 245: Hopyard Cleaners: After two years of operation, the SVE system has removed a total of approximately 14.32 lbs of VOCs. In May 2010, a new treatment process; enhanced in-situ bioremediation (EISB), commenced in the pilot study area. Third quarter 2010 performance monitoring results indicate historically low concentrations of trichloroethylene (TCE) and PCE, and increased concentrations of degradation products (cis-1,2-dichloroethylene and vinyl chloride) were observed. The increase in degradation

products is a result of PCE and TCE breaking down. Fourth quarter 2010 performance monitoring results are due in January 2011.

- Site 250: Sunol Tree and Gas: In July 2010, ACEH issued a Notice to Comply and stated that the current pump and treat system is not an acceptable remedial strategy for the site. A Draft Corrective Action Plan screening viable remedial options was submitted in December 2010 and is currently being reviewed by ACEH.

ACEH	Alameda County Environmental Health
CAP	Corrective Action Plan
CWS	California Water Service
EISB	Enhanced In-Situ Bioremediation
GWE	Groundwater Extraction
MCL	Maximum Contaminant Level
MIP	Membrane Interface Probe
MTBE	Methyl Tertiary-Butyl Ether
PCE	Tetrachloroethene
RP	Responsible Party
RWQCB	Region Water Quality Control Board
SVE	Soil Vapor Extraction
TBA	Tertiary-Butyl Alcohol
TCE	Trichloroethene
TPHg	Total Petroleum Hydrocarbons from gasoline
TSS	Toxic Site Surveillance
UST	Underground Storage Tank
VOC	Volatile Organic Carbon

Thursday & Friday, January 27 & 28, 2011:

Attended ACWA board workshop with two agenda items:

- ACWA 2010-2011 Strategic and Business Plan: Areas of Emphasis in 2011
- Strategic Framework for Sustainable Groundwater Management

Groundwater presentation was compelling; with Jill and Sandy both on the ACWA Groundwater Committee, it could be a key driver for sustainable and co-equal discussions in the future as the 2012 water bond emphasis is “ratcheted up.” I encourage all to read the policy principals and become familiar with them as they pertain to our watershed and groundwater basin and management strategies.

Friday, January 28, 2011:

Attended my first full ACWA Board meeting and strategic planning workshop as an alternate for Katy Foulkes, East Bay Municipal Utility District. This was a big group of 50 or so in one room. The Board was in visual telecommunication with Washington, D.C. ACWA staff. A large 116-page board packet with many important state regional and local issues was discussed. Highlights were: Strategic Framework for Sustainable Groundwater Management in California; 2012 water bond (ratcheting up); and co-equal values for BDCP and Delta Commission moving forward were key. Watch ACWA news articles and web site for more information.

Let me know if you have any questions.

Thanks!

Dick Quigley



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: ADMINISTRATION

CONTACT: Jill Duerig

AGENDA DATE: February 16, 2011

ITEM NO. 11a

SUBJECT: GENERAL MANAGER'S REPORT

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

Engineering and Flood Control:

- The California Department of Industrial Relations (DIR) approved Zone 7's Labor Compliance Program (LCP) for implementation on projects funded in whole or in part by state grant funds. Having a DIR-approved LCP allows Zone 7 to use in-house staff instead of an outside consultant to manage the required program.
- Two additional bank slides were identified along Zone 7 flood control facilities early in January, one along South San Ramon Creek and the other at Alamo Canal. This makes a total of 12 bank slides so far this winter season. Staff have been collaborating with the City of Pleasanton regarding the Alamo Canal slide near a City 21-inch sewer line which runs only 10 feet away from the head of the slide. Plastic sheeting was placed over slide areas.
- Groundwater levels in the Bernal, Amador West and Mocho 2 Sub-Basins are pretty much the same as last year whereas groundwater in the key well representing the lower aquifers of the Amador East Sub-Basin is nearly 20 feet lower than it was this time last year.
- As part of the Groundwater Protection Program, Zone 7 staff collaborated with staff from ACWD to provide a joint comment letter to the State Water Resources Control Board on a staff report concerning Chemicals of Emerging Concern (CECs) in recycled water.

Environmental & External Affairs:

- In January, both Sacramento Regional County Sanitation District (SRCSD) and the California Sportfishing Protection Alliance (CalSPA) filed appeals to the State Water Resources Control Board on the Regional's Board's newly issued discharge permit – the former because the requirements were too strict and the latter because the requirements were not strict enough.
- The Delta Stewardship Council has been conducting public scoping sessions for its Draft Environmental Impact Report for the Delta Plan. As part of this process, staff submitted written comments to the Council.
- As part of the data collection for the NMFS effort to prepare a salmon recovery plan for the Valley, new surface water temperature probes have been installed and are recording at three existing gauging locations: Arroyo Mocho at Pleasanton, Arroyo Mocho at Hagemann and Arroyo las Positas at Livermore.

Finance & Administration

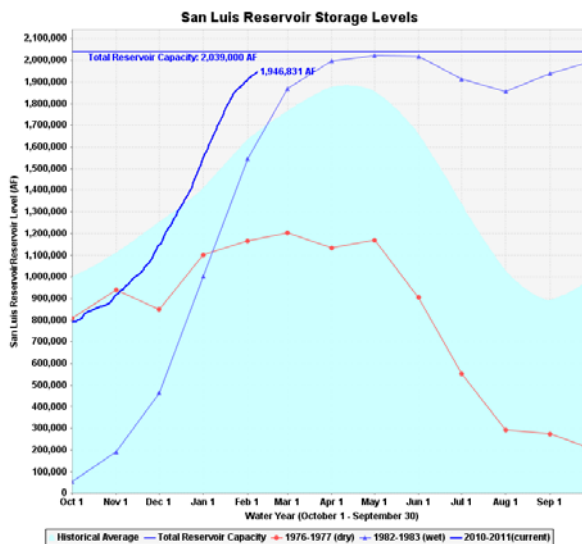
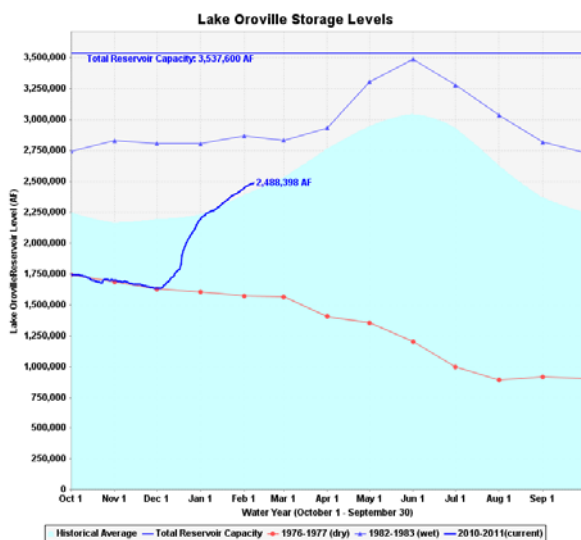
- Borrego (the new solar provider for the Del Valle Water Treatment Plant) was informed by PG&E that there will be no extension of the California Solar Initiative (CSI) rebate program. This could

negatively impact financing for the project however Borrego tells staff that they will keep the project on the fast-track for now

- Staff have been providing data to the Power and Water Resources Pooling Authority's (PWRPA) consultant that is analyzing Zone 7's application for membership. If membership is approved, PWRPA could provide some cheaper, "greener" power to the Zone.
- Staff met with DSRSD staff to explore future opportunities to share training resources, especially in the area of safety compliance.
- The East Bay Economic Development Alliance released its 2010 Annual Report of East Bay Indicators. The report summarizes relevant economic data and can be downloaded from: http://www.eastbayeda.org/research_facts_figures/Indicators-Annual/2010EastBayIndicators.pdf Generally, the data continues to suggest that the economic low-point has passed but that recovery will be extremely slow over the next several years.

Operations and Maintenance:

- The SBA remained offline for much of January so both treatment plants were out of service and, during this period, demands were met solely by wellfield pumping.
- Following the heavy early-season rains, minor repairs were made to the service roads at Del Valle during January; rock was added and the roads were re-graded as needed.
- The state reservoirs have largely recovered from the drought. Lake Oroville has average levels for this time of year (see below). San Luis is above average so releases may be required for flood control (which could reduce carryover from 2010 – see below). The dry weather may help avoid this but, just in case, staff are contacting Semitropic and Cawelo to see if we can move water to out-of-basin groundwater storage banks and avoid this loss. In January, the California Department of Water Resources (DWR) increased the 2011 allocation from 50% to 60% based on current reservoir conditions, although this could continue to change as the rainy season continues.



Monthly List of GM Contracts

January 2011

Contracts:

Ecoblue	\$45,000	Water Conservation Strategies
Liebert Cassidy Whitmore	1,950	Northern California Employment Relations Consortium
Morrison & Associates	5,000	Zone 7 Schools Audit Program Professional Services
WorkSmart Automation, Inc.	25,000	Professional Database Services

Total January 2011	\$76,950
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ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: OFFICE OF THE GENERAL MANAGER
CONTACT: BONI BREWER

AGENDA DATE: February 16, 2011

ITEM NO. **11b**

SUBJECT: Recent & Upcoming Public Outreach Activities

Recent Public Outreach Activities

DWR Road Closure Public Outreach Meeting, February 2, 2011

Zone 7 supported DWR's public outreach efforts in connection with temporary road closures planned for summer 2011 related to the South Bay Aqueduct Improvement & Enlargement Project. A community meeting was held on February 2 at the Livermore Civic Center Library. Additional meetings will take place in the Spring with Alameda County, since the closures will require county permits. Though subject to potential adjustment based on feedback during the community meeting, the proposed schedule has been for 1) the stretch of Patterson Pass Road from Greenville Road east to S. Flynn Road to be closed to through traffic from June 14 through 20, 2011; 2) the stretch of Tesla Road from South Vasco Road east to Greenville Road to be closed to through traffic from June 22 through 28, 2011; and 3) a stretch of Mines Road 1.6 miles south of Tesla Road to have a temporary bypass lane for a period of about five weeks, following the July 4, 2011 weekend.

Upcoming Public Outreach Activities

Spring Home & Garden Show, February 18-21

Zone 7, along with some of our water retailers and the Alameda County Flood Control and Water Conservation District's Clean Water Program, will share a booth with messages focused primarily on stormwater pollution prevention during the Home & Garden Show at the Alameda County Fairgrounds in Pleasanton. Zone 7 staff will also provide water conservation tips. Hours are: February 18, from noon to 7 p.m.; and February 19, 20 and 21, from 10 a.m. to 6 p.m.

Tri-Valley Science & Engineering Fair, March 22-25

As in past years, Zone 7 staff will serve as judges on water-related projects during the Tri-Valley Science & Engineering Fair. This event, geared to high school and middle school students, is sponsored by Lawrence Livermore National Laboratory. The judging itself will take place on March 23. This year's *Special Award* judges from Zone 7 will be John Koltz, senior engineer in operations; and Robyn Navarra, water conservation coordinator. Winners will be invited to make presentations on their water-related projects during the May Board meeting as a way to help celebrate Water Awareness Month.

Sunol Wildflower Festival, April 2

Zone 7 for the first time will have an exhibit at the East Bay Regional Park District's Spring Wildflower Festival at Sunol Regional Wilderness on Geary Road. This will be the ninth year for event. This year's theme is "The Birds, the Bees, the Flowers and the Trees." It will be geared to environmental education, including in areas promoted by Zone 7 such as water-wise gardening, water conservation, native plants, habitat conservation and stormwater-pollution prevention.



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ORIGINATING SECTION: Administration

CONTACT: Jill Duerig/Tim Hunt

AGENDA DATE: February 16, 2011

ITEM NO. 11c

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, monitor legislation that is being considered in Sacramento.
- Staff, with recommendations of the agency's lobbying firm, determine a number of bills of interest to Zone 7 for the legislative session. Of particular interest to Zone 7 are bills regarding specific water issues, such as those related to the Delta. However, this month there are no updates worthy of note so no executive summary is attached.
- Governor Jerry Brown gave his State of the State address on January 31st and focused entirely on the budget situation. He mentioned water in just one sentence late in the speech. Various budget subcommittees are holding hearings, including some that concern the operations of the export pumps and funding various programs. These are being carefully monitored by the Gualco Group. Sacramento leaders are trying to close a \$25.5 billion shortfall. The governor's budget proposed about \$12.5 billion in cuts and extending \$12 billion of short-term tax increases for five years with voter approval. The governor wants the five-year tax extension on the June ballot and will need bipartisan support to get the measure on the ballot.
- Jerry Meral, who served as an under-secretary of DWR in Brown's first term, was appointed to oversee the BDCP process. In interviews and meetings, Dr. Meral has indicated his personal support for alternative conveyance in the Delta as well as a belief that the issues can be resolved and the facility permitted and built. He supported the Peripheral Canal in 1982.
- Sen. Lois Wolk and Assemblyman Bill Berryhill co-authored SB200, which was introduced the week of February 7th. The bill would set up several new and onerous requirements for a new Delta conveyance beyond what's required by the landmark water legislation of 2009 and the Bay Delta Conservation Plan.

FUNDING: No funding necessary.

RECOMMENDED ACTION: Information only.

ATTACHMENT: None



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ORIGINATING SECTION: ADMINISTRATION

CONTACT: Jill Duerig/John Yue/Tom Hughes

AGENDA DATE: February 16, 2011

ITEM NO. 11d

SUBJECT: STATUS REPORT ON SEPARATION EFFORTS

SUMMARY:

Business Administration:

- Management Partners is drafting for staff review: a Table of Contents for Administrative and Fiscal “Manual” and HR Policies; a cross-reference to current administrative, fiscal and HR policies, if any; and a template for guidelines, policies and procedures. These items will be discussed at the next meeting on February 16th.
- Staff met with a payroll service vendor in a preliminary meeting to determine feasibility of outsourcing payroll instead of using County-provided services. This vendor already provides services to at least one other county group. A second meeting with accounting staff and the vendor is tentatively scheduled on February 24th to identify data capture requirements and link capabilities between systems. Separately, staff is identifying affected County Departments to develop work flows needed to maintain existing employee benefits, retirement systems, funding and other mechanisms.
- The financial software replacement team held meetings with engineering, operations and maintenance staff to identify reporting needs/criteria. Consultant is drafting preliminary elements of a request for proposal while accounting and finance staff have tentatively scheduled a visit sometime the week of February 14th with Alameda County Water District to see how another water utility manages its accounting, payroll and budget software.

Employee Services:

- The next scheduled Joint Labor meeting on Separation Negotiations is scheduled for February 23, 2011.
- Staff members distributed an electronic version of the fourth draft proposed transition agreement on January 10, 2011 to all labor groups and are preparing a final tentative agreement (TA) version for signature at the February 23, 2011 meeting.
- Staff and Andy Belknap of Management Partners will be meeting with the County HR Director on February 17, 2011 to discuss items related to the separation road map.