



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, April 15, 2015
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 Acting Zone 7 Board Secretary, Donna Fabian, at (925) 454-5007 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 February 18, 2015
5. Minutes of the Regular Meeting of March 18, 2015
6. Consent Calendar
 - a. Award and Approval of External Auditor Services Agreement
 - b. Item to be Removed from Alameda County and Zone 7 Fixed Asset Inventory Records
 - c. Declare May as Water Awareness Month
7. Staffing Update
 - a. Congratulations to Retiree Dennis Gambs
 - b. Congratulations to Retiree Jeff Jones
 - c. Congratulations to Retiree Judy Rector
 - d. Congratulations to Retiree Dexter Yee
 - e. February Employee of the Month Recognition
8. Consider Action to Increase the Compensation of Zone 7 Board Members

Recommended Action: Discuss and Provide Direction.

9. 2015 Annual Review of Sustainable Water Supply for Zone 7 Water Agency

Recommendation Action: Information only.

10. Continued Support of Statewide Emergency Water Conservation Efforts

Recommended Action: Adopt resolution.

11. Well Ordinance

Recommended Action: Adopt resolution.

12. Committees - Tri-Valley Water Resources Group Roundtable - February 5, 2015 - draft notes
Water Resources Committee Meeting - March 25, 2015 - notes
Water Resources Committee Meeting - April 9, 2015 - notes

13. Reports - Directors

- a. Verbal comments by President
- b. Written report by Director Quigley
- c. Verbal reports

14. Items for Future Agenda - Directors

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

- a. General Manager's Report
- b. Monthly Budget Report
- c. Legislative Update
- d. Outreach Activities
- e. Drought Update
- f. Verbal Reports

16. CLOSED SESSION

- (a) Government Code Section 549547; Public Employee Performance Evaluation
Title: General Manager
- (b) Conference with Legal Counsel - Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 3 cases
- (c) Conference with Legal Counsel - Potential litigation pursuant to Gov't Code section 54956.9(d) (3): 1 case
- (d) Conference with Legal Counsel - Existing litigation pursuant to Gov't Code Section 54956.9(d) (1):
Alameda County Flood Control and Water Conservation District, Zone 7 v. Pleasanton Gravel Co.,
Alameda County Case No. HG14724177
- (e) 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.

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.

17. Open Session and Report Out of Closed Session

18. Adjournment

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

- a) Tri-Valley Water Policy Roundtable #4: April 22, 2015, 5:00 p.m., Dublin San Ramon Services District, 7051 Dublin Blvd., Dublin, CA
- b) Finance Committee Meeting: April 23, 2015, 4:00 p.m.
- c) Liaison Committee Meeting: April 27, 2015, 4:00 p.m.
- d) Special Board Meeting (if needed): April 29, 2015
- e) Regular Board Meeting: May 20, 2015, 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.

April 15, 2015

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

REGULAR MEETING

February 18, 2015

The following were present:

DIRECTORS: SANDY FIGUERS
JOHN GRECI
JIM MCGRAIL
SARAH PALMER
DICK QUIGLEY
ANGELA RAMIREZ HOLMES
BILL STEVENS

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
RHETT ALZONA, FACILITIES ENGINEERING MANAGER
MATT KATEN, PRINCIPAL GEOLOGIST, GROUNDWATER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 1 - Call Meeting to Order

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

Item 2 - Pledge of Allegiance

Item 3 - Citizens Forum

Alfred Exner, Pleasanton, spoke to the Board requesting clearer budget information.

Dave Lunn, Livermore, thanked the Board for the existing Del Valle property lease that includes language permitting possible future regional trails by others.

Item 4 - Minutes of the Regular Meeting of January 21, 2015 and Special Meeting/Board Workshop of February 4, 2015

Director Ramirez Holmes suggested that the votes on the minutes be separated by meeting. Director Palmer moved to approve the minutes of January 21, 2015 and Director Quigley seconded the motion. The minutes were approved by a voice vote of 7-0.

Director Palmer moved to approve the minutes of February 4, 2015 and Director Quigley seconded the motion. The minutes were approved by a voice vote of 5-0-2 with Directors Figuers and Ramirez Holmes abstaining because they were not at the meeting.

Item 5 - Consent Calendar

Director Quigley asked that Item 5(a) be pulled for discussion.

Director Ramirez Holmes asked that Items 5(c) be pulled for discussion.

Director Palmer moved that Item 5(b) be approved.

Item 5(a) License Agreement Renewal for Seasonal Diversion Dam in Arroyo Las Positas with the City of Livermore

Director Figuers spoke about the seasonal dam in two places in the 60's and 70's. Randy Werner from City of Livermore said the original dam was part of the arroyo and an unnamed tributary but not back in its original location.

Director Quigley moved to approve Item 5(a) and Director Stevens seconded the motion. The item passed by a 7-0 roll call vote.

Resolution No. 15-43	Authorized Amendment No. 2 for renewal of the License Agreement. (Item 5a)
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Item 5(b) Document Management Software for Records Retention/Management

Director Palmer moved to approve Item 5(b) and Director Ramirez Holmes seconded the motion. The item passed by a 7-0 voice vote.

Resolution No. 15-44	Authorized a contract with Peele Technologies for the installation and purchase of Laserfiche software for records management. (Item 5c)
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Item 5(c) DWR Multi-Year Water Pool Demonstration Program Agreement

Director Ramirez Holmes pulled this item to confirm Zone 7's participation in the pool as buyer only. Staff confirmed. Director Ramirez Holmes also requested that staff provide updates.

Director Ramirez Holmes moved to approve Item 5(c) and Director Quigley seconded the motion. The item passed by a 7-0 roll call vote.

Resolution No. 15-45	Authorized execution of the DWR Multi-Year Water Pool Demonstration Program Agreement with California Department of Water Resources. (Item 5c)
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Item 5(d) Amending Guiding Principles for Board Members

Director Figuers pulled Item 5(d) and questioned two bullets on the Guiding Principles for Board Members: Functions as a team and respects and supports each other. He felt these are dangerous and challenge the ideas of conflict. The directors discussed the item until Director Stevens moved to adopt the changes as redlined in the document and Director Palmer seconded the motion. The voice vote was 5-1-1 with Director Ramirez Holmes voting no and Director Figuers abstaining.

Resolution No. 15-46

Accepted changes to the “Guiding Principles for Board Members” as Zone 7 Policy. (Item 5d)

Item 6 - Staffing Update

New Employee Introduction – Ashley Lyons

The new Office Assistant in Employee Services, Ashley Lyons, was introduced to the Board. She was present to receive the Board’s welcome.

December Employee of the Month Recognition – Ralph Rodriquez

Water Plant Operator III Ralph Rodriquez was recognized by the Board for the second time as Employee of the Month. He was present and the Board applauded him.

Item 7 – Proposed Well Ordinance and Well Permitting Fee Schedule

The proposed Well Ordinance was continued until April to allow continuing meetings with County Public Works’ staff to proceed. Director McGrail asked for an update prior to the April meeting. Director Stevens encouraged making a decision at the April 15 board meeting. President Greci said the County asked for the continuation and Director Figuers noted there had already been a six-month delay.

Item 8 – Contract for Phase 1 of the Busch Valley Well No. 1 Project

Rhett Alzona, Facilities Engineering Manager, presented Item 8 to the Board. Mr. Alzona said staff recommends proceeding with Phase 1 of the Busch Valley Well No. 1 (BV1) project by completing the pipeline connection from the BV1 site to the existing Zone 7 transmission system and associated site and electrical work for PG&E service. This would allow for a temporary (rental) booster pump station hookup if needed. An additional \$752,000 is recommended, increasing the total authorized amount from \$1.4 million to \$2,152,000. After discussion by the directors, Director McGrail moved for approval and Director Quigley second the motion. The motion was approved by a voice vote of 7-0.

Resolution No. 15-47

Approved Phase 1 of the Busch Valley Well No. 1 Project.

Item 9 – Contract for Stoneridge Cross-Valley Isolation Valve Project

Mr. Alzona also presented Item 9 and explained to the directors that the hexavalent chromium (Cr6) levels at Stoneridge are near the maximum contaminant level (MCL) so a new line valve on the Cross Valley Pipeline is recommended to direct Stoneridge Well water west to blend with lower chromium water sources. Installation of a new line valve, vault and ancillary facilities are estimated to cost approximately \$566,000. Staff recommended authorizing the General Manager to forego the formal bid process and negotiate the project scope, cost and scheduling with Conco West, Inc., due to the urgency related to assuring compliance with the new standard.

Director Ramirez Holmes asked questions about foregoing the bid process, the Notice of Exemption and CEQA regulations. General Counsel David Aladjem said the urgency to get the new valving on line would qualify it for a CEQA exemption. The Directors asked questions and discussed the item. Director Stevens moved for approval and Director Quigley seconded the motion which passed by a 7-0 roll call vote.

Resolution No. 15-48

Authorized a design-build contract with Conco West, Inc., for the Stoneridge Cross-Valley Isolation Valve project.

Item 10 – MOU with Alameda County Resources Conservation District to Support Stonybrook Creek Fish Passage Improvement Project

Kurt Arends, Assistant General Manager, Engineering, explained to the Board that this is a collaborative project for Stonybrook Creek, a tributary to Alameda Creek. Stonybrook Creek is a viable spawning and rearing habitat for juvenile steelhead and is the first major tributary to Alameda Creek upstream of the existing fish passage barriers. The project includes removal of two road barriers and channel improvements to improve fish passage and aquatic habitat for a total project cost of \$1.9 million. Staff recommends authorizing the General Manager to negotiate and execute an MOU with the Alameda County Resource Conservation District for up to \$225,000 to provide funding for the habitat work and to help avoid the risk that federal appropriation and grant funding may expire at the end of the year and be lost entirely. The funding from the MOU, federal appropriations, grants, and Alameda County Public Works Agency through the Board of Supervisors would support the majority of the Stonybrook Creek Fish Passage Improvement Project.

Director Figuers said his concern is that other agencies are going to “glom” on to the water supply to feed the fish. There is no direct benefit and perhaps a detriment to the citizens of the valley if the State comes after that water supply in the future. He feels there should be a paragraph that states that “if we do this, we are not obligated to provide water supplies in the future for native fish down the road.”

Director Quigley said we should use this project as a bargaining chip with Alameda County Water District for future projects we need such as rubber dams. He also feels that the Alameda Creek Resource Conservation District should be encouraged to stock steelhead in Stonybrook Creek.

The directors discussed the project at length about Zone 7 being required to release water from a different part of the watershed to meet downstream requirements. Director Palmer moved to approve the motion and Director Ramirez Holmes seconded the motion. The motion was approved by a roll call vote of 6-0-1 with Director Figuers abstaining.

Resolution No. 15-49

Authorized the Memorandum of Understanding with RCD for the Stonybrook Creek Fish Passage Improvement Project.

Item 11 – Nutrient Management Plan

Matt Katen, Principal Geologist in the Groundwater Section, presented the Nutrient Management Plan (NMP) to the board. In the interest of improving its groundwater management program, staff has been working on an NMP for the Livermore Valley Groundwater Basin that together with the existing Salt Management Plan (SMP) better addresses nutrients. Nitrate is the nutrient of concern.

Mr. Katen discussed nitrate-nitrogen concentrations in the valley and displayed a groundwater basin map showing ten Areas of Concern in which five still have septic tanks. The existing “best management practices” for fertilizer application, recycled water irrigation, livestock manure management and winery wastewater disposal are recommended as adequate protective measures that should continue. The methodology is to inventory sources and quantify them with loading, removal and determining if positive or negative flux. The implementation plan is to improve managing nitrates in Areas of Concern

by the addition of nitrogen-removing treatment modules for new septic tanks. All new and replacement onsite wastewater treatment systems within the Areas of Concern will be required to be equipped with the treatment modules.

Staff are proposing special septic tank requirements for both residential and commercial uses within the Areas of Concern. If a system fails through no fault of the homeowners, and no increase of load is proposed, the system could be replaced and the homeowner would be encouraged to upgrade to one that provides nitrogen removal or treatment and a rebate program may be available.

Director Figuers applauded the NMP and said that it is always easier to clean up pollution at the source rather than trying to pump it out of the groundwater. He also asked about the subdivision that was built in the 1960s. He stated that it is covered with boron and wondered if that was a chemical of concern. Mr. Katen stated that it is not a nutrient but boron is a concern for irrigation purposes.

Director Greci mentioned that on Charlotte Way there used to be a large cattle operation called Wagner Farms where they fed cattle for many years. He asked if that had been recognized as part of the problem. Mr. Katen stated that they didn't have a lot of historical information on the area but he made a note of it. Director Figuers mentioned that he has some old aerial photographs from the 1950s that Mr. Katen could borrow.

Director Quigley thanked Mr. Katen for the presentation and wanted clarification about the hotspots noted on the map in the NMP. He said many of the trend lines over the years have gone down and there are maybe 3 or 4 really hot spots. Mr. Katen acknowledged that the hotspots are moving so that at a single location, they might be going down but down gradient, they might be going up.

Director McGrail asked if we have anything in writing from the County or the State that says they agree or disagree with our recommendations on the NMP. General Manager Jill Duerig stated that we have a letter from the Regional Board requesting more information on technical issues, but it does state that they find the proposed strategy to be acceptable for onsite wastewater treatment systems within the Areas of Concern. The letter was received on Friday, March 13th, so there wasn't enough time to address the letter in the staff report.

Director McGrail also stated that he would like to know more information. He wants to know who is going to make the restrictions on where you can and cannot have a septic tank. He also wants to know if there is an appeal process if Zone 7 denies someone to build a septic tank. General Manager Jill Duerig stated that Zone 7 is not prohibiting septic tanks in this plan. The NMP is saying Zone 7 wants engineered nitrate treatment as part of new installations in the Areas of Concern.

Director McGrail asked how much this would cost for folks wanting to expand their business. General Manager Jill Duerig said that a single house would normally cost between \$10,000 and \$15,000, and with the nitrate treatment, it would cost between \$20,000 and \$25,000. Ms. Duerig continued that there was discussion at the Water Resources Committee meeting that there may be a possibility of having a rebate program to help with the cost of residential nitrate-removal septic tank systems; however, there was no such discussion on rebates for the commercial developments.

Director McGrail reiterated that he has more questions and would like more information prior to voting on the item. He moved that the Board table the item for at least 90 days. Director Palmer said she is not in favor of putting it off because nitrate is a health concern and it is important to protect the groundwater basin.

Director Ramirez Holmes asked how many residential and commercial parcels are affected within the Areas of Concern. Mr. Katen stated that the Buena Vista area is the most populated area for septic tanks. He said there are about 100 residential septic tanks and just a few commercial in the area. President Greci reiterated that current septic systems are not affected by the Nutrient Management Plan, only new septic tanks related to remodeling or expansion projects.

Director Ramirez Holmes asked what the additional areas of potential residential and commercial development are. Mr. Katen stated that the non-Areas of Concern have opportunities to hook up to the City's sewer system. Director Ramirez Holmes asked about the Chromium 6 and how it is calculated and averaged and if that is a different calculation. General Manager Jill Duerig stated that nitrate is an instantaneous reading and has a different effect on the body. Director Ramirez Holmes asked what the appeals process is and what the implementation of the Local Agency Management Program (LAMP) is. Ms. Duerig said that LAMP is the County's program and since Zone 7 first adopted the Wastewater Management Plan, Zone 7 provides guidance within its watershed of septic tank requirements needed to protect groundwater quality. The County incorporates Zone 7's requirements into their program, so they want Zone 7's program adopted before theirs and if it is adopted it now, they could get their LAMP effort started immediately.

Director Ramirez Holmes asked if the data is made available to the public and how often it is monitored. Mr. Katen stated that the wells are monitored once a year and the data is included in the annual groundwater report and posted on Zone 7's website; however, the data is available to anyone during the year at their request. Director Ramirez Holmes said she is concerned for the wineries and their cost of doing business if they choose to expand.

Director McGrail asked who is going to regulate the wastewater requirements for the wineries - the State or Zone 7. Mr. Katen stated that Alameda County Environmental Health would regulate the septic tank requirements and the State Regional Water Quality Control Board permits the winery wastewater discharges.

Director Stevens asked how much it would cost for the City of Livermore to install a sewer pipeline along the Buena Vista area. General Manager Jill Duerig stated that Zone 7 has been in talks with the City of Livermore in terms of expanding sewer along Buena Vista and Concannon. They haven't said no but it will require some policy changes and the City will have to look at capacity issues to see if they can handle the additional load on their system. If that did happen, it would be one less area of concern for Zone 7. Director Stevens asked if there was a push to get the NMP ratified and Ms. Duerig said the sooner the NMP is approved, the sooner Zone 7 can take a first step toward improving nitrate contamination.

Randy Werner of the City of Livermore stated that in the City's Municipal Code states that if you are within 200 to 300 feet of a sewer line and you have a problematic septic tank, the City will put pressure on you to connect. He also stated that this has only been done 3 times in 40 years. Mr. Werner stated that the nitrate plume that is originating in the Buena Vista area is contaminating wells that belong to Cal Water, and that Cal Water also provides drinking water to the Buena Vista area. The City of Livermore has been in talks with these homeowners for years but no one wants to pay the sewer connection fees.

David Lunn, Livermore resident, said he has 5 acres and a septic tank and that he is concerned that if Zone 7 solves this problem with the Nutrient Management Plan, then they will go after other rural areas

that may be of concern. He said that Zone 7 used to have a policy of 250 tds for any applied water and that basically stopped all recycled water. He said Zone 7 changed their whole policy and said in order to have recycled water they have to allow one place to be degraded another place to be protected. He said the whole Salt Management Plan was based on that. He said it sounds like Zone 7 is going back to the philosophy that every place has to be protected and that Zone 7 is going after little places that have one old well that determines has high nitrates. He said Zone 7 is using an old map and if they used last years map there are no nitrates in the well. He said if you look at the map of the homes there is one well out there. He continued that if he had gotten rid of those wells Zone 7 wouldn't have the data and wouldn't have those Areas of Concern. He said they wanted to keep those wells in the program. He said that well is in the middle of open fields and there is no reason nitrates should be that high in that well. He said that in Mr. Katen's report it says they think there is a problem with the seal on that well. He suggests Zone 7 drill another well to confirm if that is actually the problem. He said he asked for what is a hydrogeologic study and no one would give him an example. He said he never knew what the standard was and if it were in writing and people could just provide a sample it would be nice to know. He stated that Zone 7's policy doesn't show that. He added that it will cost \$800 a year to have a monitoring well but that is not mentioned in the NMP. He said that Zone 7 has a section in the report about nitrate levels in septic tanks but Zone 7 has never monitored or reported any nitrate levels in septic tanks. He said they are always estimated. He said that in the plan residents are supposed to have monitoring wells but Zone 7 has never reported that information. He said that there isn't any evidence that there is any problem with his well because there are no reports. Mr. Lunn suggests that staff go to these areas and sample the wells or do their own hydrogeologic study from available data. He said that they had to get rid of a bunch of wells on Greenville Road because they didn't have the staff to sample them.

Director McGrail moved that the item be tabled for 90 days. Director Ramirez Holmes seconded the motion. A voice vote was taken for deferral of the item for 90 days and passed by 6-1 with Director Palmer voting no.

Item 12 - Committees – Tri-Valley Liaison Committee Meeting – February 5, 2015 – notes pending

Item 13 - Reports - Directors

- a. Verbal comments by President

President Greci said he taught a class at Alden Lane.

- b. Written report by Director Quigley
- c. Verbal Reports

Director Ramirez Holmes said she attended the Pleasanton State of the City.

Item 14 - Items for Future Agendas – Directors

Item 15 - Staff Reports (Information items. No action will be taken.)

- a. General Manager's Report
- b. Monthly Budget Report
- c. Legislative Update
- d. Outreach Activities
- e. Drought Update

- f. Capital Projects Status Report
- g. Verbal Reports

Director McGrail commented on the Ad Hoc Patterson Ranch meeting he attended. He said the Request for Proposals (RFPs) has been posted on the website and there is a site visit scheduled for February 25. RFPs will be due March 13.

The Board went into closed session at 10:20 p.m.

Item 16 - Closed Session

- (a) Conference with Legal Counsel - Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 3 cases
- (b) Conference with Legal Counsel - Potential litigation pursuant to Gov't Code section 54956.9(d) (3): 1 case
- (c) Conference with Legal Counsel - Existing litigation pursuant to Gov't Code Section 54956.9(d) (1):

Alameda County Flood Control and Water Conservation District, Zone 7 v. Pleasanton Gravel Co.,
Alameda County Case No. HG14724177
- (d) 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 17 - Open Session and Report Out of Closed Session

The Board came out of Closed Session at 10:42 p.m. and President Greci reported there were no reportable actions taken in Closed Session.

Item 18 - Adjournment

The meeting was adjourned at 10:43 p.m.

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

REGULAR MEETING

March 18, 2015

The following were present:

DIRECTORS: SANDY FIGUERS
JOHN GRECI
JIM MCGRIL
SARAH PALMER
DICK QUIGLEY
ANGELA RAMIREZ HOLMES
BILL STEVENS

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 1 - Call Meeting to Order

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

Item 2 - Pledge of Allegiance

Item 3 - Citizens Forum

John Howard, Livermore, asked that the Board pull Item 5(c) from the Consent calendar for discussion.

Alfred Exner, Pleasanton, stated that there are over 1800 homes being built in Pleasanton and another 1300 proposed waiting for approval, yet he has to conserve water. He asked that the Board consider placing a future item on the Agenda, a moratorium on the approval of building new homes until we get past this drought.

Audrey Hutchinson, customer of DSRSD, stated that in 2014 Zone 7 didn't have enough water to give to DSRSD, and asked them to find their own water. She said that the General Manager of DSRSD located water to purchase, yet she heard in the media that Zone 7 is suing DSRSD. She is upset with Zone 7 and hopes the costs of the lawsuit doesn't pass downstream to its customers.

Linda Taylor, Pleasanton, talked about the wells near her home and apparent subsidence in Pleasanton. She said that in 1999 the wells went through the permit process and that it was understood that they would be dual-purpose wells (used both for extracting and injecting water). She stated that there are

now subsidence issues and the ground is sinking. She would like to know what the plan is moving forward to keep the ground from sinking further.

President Greci thanked the speakers and informed them that they will receive responses.

Item 4 - Minutes of the Regular Meeting of February 18, 2015 and Special Meeting/Board Workshop of February 4, 2015

Director Ramirez Holmes suggested tabling the minutes so that they can be expanded to reflect the amount of discussion that took place about the Nutrient Management Policy. President Greci concurred that due to technical difficulties and the length of the meeting, not all pertinent information was recorded in the minutes. President Greci suggested they be revised and submitted to the Board at the next Board meeting in April. Director Palmer moved to table the approval of the minutes of February 18, 2015, to next month's Board meeting. Director Quigley seconded the motion. The motion to table the minutes was approved by a voice vote of 7-0.

Item 5 - Consent Calendar

Director Ramirez Holmes asked that Items 5(a) and 5(c) be pulled for discussion.

Director Quigley asked that Item 5(b) be pulled for discussion.

Item 5(d) Authorization for Commercial Septic System Use, Darcie Kent Vineyards

Director Greci asked if there were any public comments on Items 5(d) or 5(e) on the Consent calendar. Alfred Exner, Pleasanton, asked that the Board take a strong stand on Item 5(d) before voting to make sure there is zero impact on the groundwater.

Director Palmer stated that they have made plans to put in a wastewater treatment system that meets Zone 7's proposed standards.

Director McGrail read from Item 5(d) that it is recommended that the approval be conditioned that Alameda County Environmental Health Department also approves the use and provides oversight during the operation and maintenance of the septic systems. He asked who is going to police these units and does it need to be part of the record?

David Aladjem, General Counsel, reminded the Board that Consent items are not for discussion and recommended that Items 5(c) and 5(d) be pulled for discussion.

Director Palmer asked that Item 5(d) be pulled for discussion.

General Manager Jill Duerig responded to Director McGrail's comments on the contingency of the County's Environmental Health Department's approval. She stated that that is to acknowledge that Zone 7 is not the permitting agency and staff didn't want to imply that Zone 7's approval is all that is needed. Darcie Kent Vineyards will need to get a permit from the County's Environmental Health Department.

Director Palmer moved that Item 5(d) be approved. Director Quigley seconded. The item passed by a 7-0 voice vote.

Resolution No. 15-52 Authorization for Commercial Septic System Use, Darcie Kent Vineyards.
(Item 5d)

Item 5(e) Personnel Action: Junior/Assistant Engineer/Geologist Position

Director Palmer moved that the remaining consent item, Item 5(e), be approved. Director Stevens seconded. Item 5(e) was approved by a voice vote of 7-0.

Resolution No. 15-53 Approved one unfunded position of Junior/Assistant Engineer/Geologist,
Zone 7. (Item 5e)

Item 5(a) Updating Board Policy on Conducting Business

Director Ramirez Holmes said that she was uncomfortable with policies being created on the Consent calendar. She stated that since this is a policy change she would like it to go to the Administrative Committee for discussion. She also stated she was quoted on some inconsistencies but the inconsistencies noted were not what she was speaking of. She stressed it is frustrating for policies that the Board is trying to write are placed in the Consent calendar and subsequently get pulled for discussion. She stated that this is why there are Committees to discuss them in detail and try to get them right, as opposed to dribbling out into meetings.

Director Palmer agreed that there were awkward phraseologies, and concurs that more wordsmithing by the Administrative Committee would be appropriate. Director Figuers stated that on the attachment, the first two bullets in the second section should be removed, and the fifth bullet needs to be reworded. Director Quigley stated that he is comfortable with what has been suggested and would like to move forward. Director Ramirez Holmes suggested that the item be referred to the Administrative Committee.

President Greci agreed that the item be referred to the Administrative Committee, but suggested that the Directors attend so their concerns could be heard.

General Counsel David Aladjem reminded President Greci that he cannot ask the Board members to attend the Administrative Committee meeting because that effectively would be holding a Board Meeting. Mr. Aladjem suggested that President Greci refer the item to the Administrative Committee so that they could act, and then bring it to the full Board for full discussion at a regular Board meeting. He also suggested that if the Directors would like to offer their thoughts, concerns and/or suggestions, they could do so at this time, and then the Administrative Committee can take those suggestions under consideration, deliberate at their meeting, and bring it back to the full Board for action.

Director Palmer mentioned that the Board already adopted the Guiding Principles for Board Members, but suggests keeping the overall policy more general. Director Ramirez Holmes agreed that the policy not be changed and not referred to the Administrative Committee, but she thought it got crazy when the Guiding Principles became the Policy with no discussion about the full document. She is okay with keeping the Policy as is.

Director Palmer said she doesn't think the Board needs to change the Policy because the Guiding Principles give enough guidance. Director Quigley said he is comfortable in keeping the Policy that was already adopted.

Director Ramirez Holmes reminded Director Quigley that it is not a policy, and the Board already adopted the Guiding Principles, and she suggested that if the Board wants to change the policy, she would like it to go to the Administrative Committee, and if the Board does not want to change the policy, she is okay with that and the Board can refer to what already exists in the Board Policy and the Guiding Principles.

Director Stevens moved that Item 5(a) be referred to the Administrative Committee and Director Ramirez Holmes seconded the motion. The item passed by a 5-1-1 vote with Director Palmer voting no and Director Figuers abstaining.

Item 5(b) Agreement with Oliver DeSilva, Inc., for Mitigation at the Arroyo Mocho Stanley Reach Riparian Restoration and Channel Enhancement Pilot Project

Director Quigley pulled item 5(b) to thank his friend Jim Summers of Oliver DeSilva, Inc., who was in the audience. He thanked him for his money and for a meaningful project for mitigation.

Jim Summers, Oliver DeSilva, Inc., stated that this is a fantastic program and he works a lot with regulatory agencies on different projects and thinks Zone 7 has created an excellent opportunity to create and enhance better areas within our flood control channels. Mr. Summers commended General Manager Jill Duerig, and staff members Carol Mahoney and Elke Rank for their time and effort in this program and he hopes other agencies will be encouraged to work this way.

Director Ramirez Holmes asked where the money for this project goes, and General Manager Jill Duerig stated that it goes back to the accounts from which it came, which was Fund 200.

Director Quigley mentioned that the Stanley Reach Riparian Restoration Project has been nominated for an ACWA award.

Director Palmer moved to approve Item 5(b) and Director Stevens seconded the motion. The item passed by a 7-0 voice vote.

Resolution No. 15-50 Approved an Agreement with Oliver DeSilva, Inc., for Mitigation in the Arroyo Mocho – Stanley Reach. (Item 5b)

Item 5(c) Authorization for Commercial Septic System Use, Mitchell Katz Winery

John Howard, Livermore, stated that he lives just north of the subject property where the proposed septic tank will be installed. He said that over 200 people visit the winery every weekend and he is concerned about the waste these people will produce, and the winery's history of violations.

Director Stevens commented that if Zone 7 passed the Nutrient Management Plan, he doesn't believe they could have this type of facility. He also stated that Zone 7 doesn't regulate septic systems, Alameda County does. He continued that Mitchell Katz has met the requirements of Zone 7 and that Zone 7 doesn't have the capability to reject it.

General Manager Jill Duerig added that the proposed septic system would in fact comply with the Nutrient Management Plan if it were in place.

Director Palmer asked who oversees the zoning in terms of what type of land use is appropriate, and was told that the County does. Director Palmer asked if the County was okay with having a large commercial venue. Mr. Howard stated that the County encouraged him to come to the meeting. Director Palmer stated that if there is a problem with this facility then perhaps he should take it up with the County in terms of their land use zoning.

General Manager Jill Duerig stated that staff is recommending the Board approve the proposed septic system only and that it has nothing to do with use permits or other compliance issues. Actual permits will be issued by the County.

Director Figuers commented that the Buena Vista area has been a groundwater problem for decades with nitrate loading from all of the septic systems. He said that the best thing to do would be to connect to the City's sewer system.

General Manager Jill Duerig stated that it is not currently possible which is why when staff recommend adoption of such a program, it is contingent that when and if a public sewer is extended to within 200 feet of any onsite dwelling it shall be connected to the septic systems and the septic system shall be abandoned. Ms. Duerig also stated that another septic sewer issue is outside of Pleasanton in the Happy Valley area. There has been a moratorium on any septic tanks for quite a while in that area. LAFCo is trying to encourage the City of Pleasanton to put city sewers in that area. Ms. Duerig also said Zone 7 would support this if Zone 7 could convince the City of Livermore to do something similar but it would likely be an expense to the residents.

Director Stevens asked if the Buena Vista residents could work with LAFCo like the residents of Happy Valley. Ms. Duerig said that LAFCo could encourage the City to extend city sewer services in that direction.

Director Ramirez Holmes asked how it would work if Zone 7 denied the permit for the septic system. Ms. Duerig stated that staff would put together a new proposal for the Board. Director Ramirez Holmes asked if we should try to mitigate the impact, as opposed to denying the request. She stated that Resolution No. 1165 prohibited any new commercial developments unless an exception is granted by the Board. If the board doesn't grant an exception, does Zone 7 work with them to try to mitigate? Ms. Duerig stated that the Board also adopted a decision tree approach where if risk of contamination to the groundwater basin is low enough to be acceptable, the project is approved. If the Board couldn't support that finding and voted against it, Zone 7 staff would have to work with Mitchell Katz Winery to try to come up with an alternative where the risk to the groundwater basin was low enough to be acceptable. It would not shut them down, but it would mean we would go back to the drawing board to come up with an alternative.

Director Palmer stated that she understands the traffic and zoning of the land use issues should be, and that the Board needs to follow the decision tree that has already been put in place.

Mr. Howard stated that they want to make sure that the septic tank is of the highest quality and standard that the County allows.

Director Figuers asked if Zone 7 has ever opened formal negotiations with the City of Livermore to install a sewer main so the neighbors could connect to it. Ms. Duerig stated that they have had discussions regarding Concannon Vineyard's new building. Regional Board was party to those discussions and it was written into their waste discharge requirements which are the state equivalent of

an NPDES permit. Concannon was supposed to seek an extension of the City sewer. To date, the City of Livermore has not been tremendously supportive of that, but the discussions are ongoing.

Tim Johnston, Livermore, stated that he is concerned that there are two houses on the property and that they have exceeded the rural residential equivalent (RRE) of 1 house per 5 acres.

Director Ramirez Holmes stated that the property is on 9.9 acres so they are allowed two dwellings because it is one dwelling per 5 acres. Kurt Arends, Assistant General Manager, Engineering, stated that in the application for the septic tank, it states that there are two houses with a total of 3 bedrooms, which essentially are not equivalent to 2 full-sized homes.

President Greci stated that the County determines the amount of leach line based on the number of bedrooms.

Director Stevens moved for approval and Director Quigley seconded the motion which was approved by a voice vote of 6-0-1 with Director McGrail abstaining.

Resolution No. 15-51 Authorization for a Commercial Use of a Septic System for Mitchell Katz Winery located at 2481 Buena Vista Ave., in South Livermore (Item 5c)

Item 6 - Staffing Update

Plant Mechanic Joe Cerro was selected as January Employee of the Month for his diligence and skill in maintaining complex facilities such as the Mocho Groundwater Demineralization Plant. Joe was present and the Board applauded him.

Item 7 – Committee Reports

The minutes of the February 5, 2015, Retailers/Wholesaler Liaison Committee Meeting are still pending. General Manager Jill Duerig stated that Dan McIntyre, who normally provides the minutes for the Retailers/Wholesaler Liaison Committee, has recently switched employers from the City of Livermore to the Dublin San Ramon Services District, which could be the reason the minutes are delayed.

Item 8 - Reports - Directors

a. Verbal comments by President

President Greci said that in the last week and a half he has been involved in activities with Dublin San Ramon Services District, attending two of their Board meetings with General Manager Jill Duerig. President Greci feels it is necessary to improve interactions and communications between the two boards. He encourages his fellow colleagues to take an active part in getting to know DSRSD's board members better.

b. Written report by Director Quigley

c. Verbal Reports

Director Palmer commented that she, too, has been in contact with some of DSRSD's board members. She agrees that communication with their board is important. She said she will continue to work with their board at the Tri-Valley Liaison Committee meetings.

Director Quigley added that he has also been talking to DSRSD board members and he shares their willingness to communicate with our board. Director Quigley also passed out handouts from his recent trip to Washington, D.C., and a pamphlet on the Patterson family legacy. He also mentioned that he will be attending the ACWA Region 5 event at the Santa Clara Valley Water District on March 22nd and 23rd.

Item 9 - Items for Future Agendas - Directors

Director Ramirez Holmes would like the financial impact on the water transfer from Yuba County to DSRSD and Item 10(b) Monthly Budget Report, placed on the next Finance Committee meeting on April 23rd.

Director Quigley was pleased to see Item 10(f) Update on Zone 7 Vehicle Fleet on the Agenda. Director Quigley mentioned that several years ago he brought up on-board tracking devices. He said that several water agencies are using them for safety and security issues. Director Quigley would like the Fleet Oversight Group (FOG) to provide a report on the pros and cons for use in Zone 7 vehicles.

General Manager Jill Duerig stated that this has been discussed before and she was at ACWD when they had those devices installed. She said it was a request from the unions as a safety measure, but there has been no such proposal by the unions at Zone 7. If management thinks it would be beneficial, Zone 7 would have to embark on meet and confers with all of the bargaining units. Ms. Duerig said that this has been reported to the Board previously. Director Quigley stated he would like it to be revisited since it has been several years.

Item 10 - Staff Reports (Information items. No action will be taken.)

- a. General Manager's Report
- b. Monthly Budget Report
- c. Legislative Update
- d. Outreach Activities
- e. Drought Update
- f. Update on Zone 7 Vehicle Fleet
- g. Verbal Reports

General Manager Jill Duerig played a short video put together by Morrison & Associates regarding their Schools Program. She also mentioned that four Zone 7 employees will be retiring at the end of March, including Board Secretary Judy Rector.

Director Palmer thanked and applauded Judy for all her help over the years. President Greci added that there is a lot of interaction between the Board and Judy, and Judy does a lot of work for the Board. He continued that he really appreciates Judy, will really miss her, and thanked her for all of the work she has done for him and the other Board members.

General Manager Jill Duerig also stated that Zone 7 has a partnership with East Bay Regional Park District (EBRPD), Santa Clara Valley Water District and the Alameda County Water District for a Quagga Prevention Program at Lake Del Valle. EBRPD put in for a grant to save all four agencies some money and EBRPD was just informed that the program received \$200,000 in grant money from the State so Zone 7 won't have to pay the full amount this year.

Director Ramirez Holmes asked about item 10(f) - Update on Zone 7 Vehicle Fleet. She wanted to know if the six gas-electric vehicles added to the fleet were additions or replacements. Assistant General Manager Kurt Arends stated that they were replacements for old sedans. Director Ramirez Holmes wanted to know how many employees Zone 7 had for the pool of 45 Class C cars and trucks. Mr. Arends stated that Zone 7 has over 100 employees.

The Board went into closed session at 8:18 p.m.

Item 11 - Closed Session

- (a) Conference with Legal Counsel - Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 3 cases
- (b) Conference with Legal Counsel - Potential litigation pursuant to Gov't Code section 54956.9(d) (3): 2 cases
- (c) Conference with Legal Counsel - Existing litigation pursuant to Gov't Code Section 54956.9(d) (1):

Alameda County Flood Control and Water Conservation District, Zone 7 v. Pleasanton Gravel Co.,
Alameda County Case No. HG14724177
- (d) 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 12 - Open Session and Report Out of Closed Session

The Board came out of Closed Session at 10:05 p.m. and President Greci reported there were no reportable actions taken in closed session.

Item 13 - Adjournment

The meeting was adjourned at 10:06 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: Administrative Services

CONTACT: Margaret Chun

AGENDA DATE: April 15, 2015

ITEM NO. **6a**

**SUBJECT: AWARD AND APPROVAL OF EXTERNAL AUDITOR SERVICES
AGREEMENT**

SUMMARY:

- An external audit provides independent assurance of the full disclosure of the financial condition of the Zone and promotes public confidence in Zone 7.
- The service agreement with the most recent external auditor expired upon completion of the audit for the fiscal year ending June 30, 2014.
- On February 27, 2015, staff issued a Request for Proposals (RFP) for External Auditor services to eight (8) firms with submittals due on March 17, 2015. One (1) response was received.
- Maze & Associates responded to the RFP. Based on the proposed audit approach, experience and expertise of the firm, ability to meet the scope, quality of and accessibility to firm's personnel, and the Agency's past experience with this firm, it was decided that the proposal was responsive and responsible so additional efforts to issue another Request for Proposals were not needed.
- Staff recommends the Board award the external auditor services for fiscal years ending June 30, 2015 through June 30, 2019 to Maze & Associates.

FUNDING:

Funds for these services have been budgeted in Fund 100 – Water Enterprise Operations and Fund 200 – Flood Protection Operations.

RECOMMENDED ACTION:

Adopt a resolution authorizing the General Manager to negotiate and execute an agreement, not to exceed \$115,401, with Maze & Associates to provide external auditor services for three years, and authorize the General Manager to exercise the two one-year optional terms as appropriate.

ATTACHMENTS:

Staff Report

Zone 7 Board Resolution

INTEROFFICE MEMO

Date: April 15, 2015

To: Jill Duerig

From: Margaret Chun

Subject: External Auditor Services Agreement Award

BACKGROUND

The preparation of general purpose financial statements is the responsibility of Zone 7's management. An external audit provides independent assurance of the full disclosure of the financial condition of the Agency. This promotes public confidence for Zone 7.

The most recent external auditor services were provided by Maze & Associates. Maze & Associates' agreement to perform Zone 7's financial audits commenced in 2010 and expired upon completion of the audit for the fiscal year ending June 30, 2014. The services they provided have been satisfactory. On February 27, 2015, staff issued a Request for Proposal (RFP) for External Auditor services to 8 firms with a deadline for submittals of March 17, 2015.

DISCUSSION

One (1) response was received from Maze & Associates. Based on the proposed audit approach, experience and expertise of the firm, ability to meet the scope, quality of and accessibility to firm's personnel, and the Agency's past experience with this firm, it was decided that additional efforts to issue another Request for Proposal was not necessary.

Maze & Associates is located in Pleasant Hill and currently serves the auditing needs of many cities, utilities and special districts including the City of Livermore, DSRSD, CCWD, and SCVWD. If approved, this contract will address the financial audit and needs for the fiscal years ending June 30, 2015 through June 30, 2017, plus two additional one-year optional terms to extend through June 30, 2019. The proposed not-to-exceed maximum fee schedule is as follows:

Fiscal Year Ending	Amount
June 30, 2015	\$21,520
June 30, 2016	\$22,273
June 30, 2017	\$23,053
June 30, 2018	\$23,860
June 30, 2019	\$24,695

The not-to-exceed contract amount for external auditor services for the fiscal year ending June 30, 2014 was \$24,549. The actual cost incurred was \$19,912.

Staff recommends the Board adopt a resolution authorizing the General Manager to negotiate and execute an agreement with Maze & Associates to provide external auditor services. The agreement is not to exceed \$115,401 (\$70,437 for the three-year base term and \$48,736 for the two one-year optional terms). Maze & Associates' proposed engagement segments and budget along with its fee proposal are also attached for your information.

Attachments:

Fee Proposal

Engagement Segments and Staffing Budget

COST PROPOSAL

Certification

David Alvey and Timothy Krisch are authorized to submit this proposal and negotiate and sign a contract with the Zone 7 Water Agency. Our offer is firm and irrevocable for a period of sixty days from the date of this proposal.

Total Cost of Audit

Our Total All-Inclusive Maximum Prices for the services specified in the Request for Proposal for the fiscal years ending June 30, 2015 through June 30, 2017 with two one year extensions are detailed at the end of this section. Our Total All-inclusive Maximum Prices for the services specified in the RFP are firm fixed fees.

Our policy is to attempt to keep our clients fees constant after inflation. Therefore, the fees for years subsequent to 2015 have been adjusted by 3.5% per year.

Additional Services

Any additional services will be performed and billed only on the Agency's prior authorization at our standard billing rates.

Fees

Our fees are firm fixed prices. In determining our fees, we understand that the Agency's records will be in condition to be audited; that is, transactions will be properly recorded in the general ledger and subsidiary records, these accounting records and the original source documents will be readily available to use, we will be furnished with copies of bank reconciliations and other reconciliations and analyses prepared by the Agency and Agency personnel will be reasonably available to explain procedures, prepare audit correspondence and obtain files and records.

Manner of Payment

Progress billings will be sent on the basis of actual audit work completed during the course of the engagement. We do not bill for out-of-pocket expenses as they are included in our stated all-inclusive maximum price.

We do not post separate rate structures for municipal audit work. We view this work as being every bit as important and valuable as the work we perform for other clients and we put our best people on it. Any consulting work you request will be performed at the same rates as our audit work.

Cost Rationale

We have always completed our work in the time budgeted and for the agreed upon fee. We have never requested additional fees for work within the scope of the audit after our work was completed. As always, we finish what we start, regardless of the accuracy of our budgets.

ZONE 7 WATER AGENCY
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDITS OF THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30:

	Hourly		Totals (2)						Grand Total
	Hours (3)	Rates	2015	2016	2017	Total for 3 Years	2018	2019	
Basic Financial Statement Report & Management Letter (4):									
Partners	29.00	\$250	\$7,250	\$7,504	\$7,767	\$22,521	\$8,039	\$8,320	\$38,880
Supervisor	50.00	95	4,750	4,916	5,088	14,754	5,266	5,450	25,470
Associates	62.00	85	5,270	5,454	5,645	16,369	5,843	6,048	28,260
Office	10.00	65	650	673	697	2,020	721	746	3,487
Total Basic Financial Statement Report & Management Letter:	<u>151.00</u>		<u>17,920</u>	<u>18,547</u>	<u>19,197</u>	<u>55,664</u>	<u>19,869</u>	<u>20,564</u>	<u>96,097</u>
Out-of-pocket expenses (1)									
Single Audit (one program)	42.00		3,600	3,726	3,856	11,182	3,991	4,131	19,304
Total all-inclusive maximum price:	<u>193.00</u>		<u>\$21,520</u>	<u>\$22,273</u>	<u>\$23,053</u>	<u>\$66,846</u>	<u>\$23,860</u>	<u>\$24,695</u>	<u>\$115,401</u>

NOTES:

- (1) Out-of-pocket expenses are included in our standard hourly rate.
- (2) Our policy is to attempt to keep our clients fees constant after inflation. Therefore, the fees for years subsequent to 2015 have been adjusted for the estimated CPI increase of 3.5% for the Services Sector of the U.S. Department of Labor, Bureau of Labor Statistics for the San Francisco-Oakland Area.
- (3) Estimated hours are expected to remain constant.
- (4) Since we have audited the Agency for five years, we have already constructed excel based financial statements using our direct dump technology. We will not need to review and agree data from the general ledger to the financial statements since our download accomplished this automatically and financial statement classifications have been tested in prior years. We will also rely on footnote excel links. These excel based data are integrated into our workpapers and eliminate the need to manually review data.

ZONE 7 WATER AGENCY
Proposed Engagement Segments and Budget

Audit Activities	Budgeted Hours					
	Partners		Staff			Total
	Engagement	Alternate	Supervisor	Associates	Office	
Planning & budget/Confirm/Checklists	1.00		5.00			6.00
SAS #99 Fraud Assessment	2.00		3.00	1.00		6.00
Minutes-resolutions			4.00			4.00
Report	8.00	2.00	8.00	8.00	8.00	34.00
Supervision/review	8.00		16.00			24.00
Conferences & meetings	3.00					3.00
Management letter	1.00		4.00		2.00	7.00
Accounting Issues Memo	1.00		2.00			3.00
Analytical review	2.00					2.00
GRID -Internal Control Evaluation	1.00		2.00	16.00		19.00
Cash & Investments				10.00		10.00
Revenue/Receivables				4.00		4.00
Interfunds and Transfers				2.00		2.00
Capital Assets				8.00		8.00
Accounts Payable				2.00		2.00
Payroll/Accrued liabilities				5.00		5.00
PERS/OPEB				3.00		3.00
Fund balance & net position				3.00		3.00
Risk Management			2.00			2.00
Commitments and Contingencies			4.00			4.00
Subtotal - Basic Financial Statements & Management Letter	27.00	2.00	50.00	62.00	10.00	151.00
Additional Services Per RFP:						
Single Audit (Per tested program)	2.00		6.00	32.00	2.00	42.00
GRAND TOTAL	29.00	2.00	56.00	94.00	12.00	193.00

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

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

AWARD AND APPROVAL OF EXTERNAL AUDITOR SERVICES AGREEMENT

WHEREAS, an external audit provides independent assurance of the full disclosure of the financial condition of Zone 7 and promotes public confidence; and

WHEREAS, the recent external auditor services agreement expired upon completion of the audit for the fiscal year ending June 30, 2014, and staff issued a Request for Proposals for External Auditor services; and

WHEREAS, Maze & Associates submitted a response to the Request for Proposal and has previously provided satisfactory auditor services to the Agency;

NOW, THEREFORE, BE IT RESOLVED, that this Board of Directors does hereby authorize the General Manager to negotiate and execute an agreement with Maze & Associates to provide external auditor services for three years, and to exercise two additional one-year optional terms for a total not-to-exceed amount of \$115,401 for the five years.

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 April 15, 2015.

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 DIVISION: Administrative Services

CONTACT PERSON: Margaret Chun

AGENDA DATE: April 15, 2015

ITEM NO. **6b**

SUBJECT: ITEM TO BE REMOVED FROM ALAMEDA COUNTY AND ZONE 7 FIXED ASSET INVENTORY RECORDS

SUMMARY:

- One fixed asset item should have been retired during Fiscal Year 2013-2014. The item was not removed from asset inventory records because the asset identification number was not included on the County of Alameda Surplus Property Transfer and Moving Request form that was completed when transferring the unusable item to the County for disposal.
- The item to be removed from the inventory listings is:

Alco Asset #	Zone 7 Asset #	Description	Disposition	Original Value	Net Book Value	Date Booked
11072	10121	Dell PowerEdge 4600 Server	Salvaged	\$11,350.02	\$0.00	04/11/2002

- In order to update the inventory records and reflect disposition of the item, staff requests that the Board authorize removal of this item from the County's and Zone 7's fixed assets inventory.

FUNDING:

There is no funding impact.

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the removal of the above referenced item from the Alameda County and Zone 7 fixed assets inventory listing.

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

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, the Alameda County Auditor-Controller's Office and Zone 7 Accounting require supporting documentation to remove items from the inventory listings; and

WHEREAS, the Alameda County and Zone 7 inventory records need to be appropriately updated and this resolution provides the required documentation;

NOW, THEREFORE, BE IT RESOLVED, the Alameda County Auditor's Office and Zone 7 Accounting are authorized to remove the following item from their inventory.

Alco Asset #00011072 Zone 7 Asset# 10121 Dell PowerEdge 4600 Server

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 April 15, 2015

By: _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Integrated Planning

CONTACT: Robyn Navarra/Carol Mahoney

AGENDA DATE: April 15, 2015

ITEM NO. 6c

SUBJECT: Declaring May as Water Awareness Month

SUMMARY:

- May has historically been designated as Water Awareness Month to highlight the importance of California's water resources to human health, and the economic vitality and environmental quality of our state.
- With the Drought Emergency, the extended and expanded SWRCB statewide emergency water conservation regulations, and the Governor's Executive order dated April 1, 2015, staff will continue to focus on the need to reduce demands from outdoor watering.
- Zone 7 will continue to support "Save Our Water," a statewide program aimed at helping Californians to reduce their everyday indoor and outdoor water use. Save Our Water is a partnership between the Association of California Water Agencies (ACWA) and the California Department of Water Resources (DWR).
- As a member of California Urban Water Conservation Council, staff continues to promote beautiful drought-tolerant landscapes as the "New Norm" for California.
- Staff will continue to implement its conservation public outreach and educational programs with an increased number of talks, workshops, lawn parties, and training during Water Awareness Month.
- Staff recommends that the Board adopt the attached resolution, declaring the month of May as Water Awareness Month for 2015.

FUNDING:

Not applicable.

RECOMMENDED ACTION:

Adopt attached resolution declaring May as Water Awareness Month.

ATTACHMENTS:

Memo providing background on Water Awareness activities
Resolution

Interoffice Memo

Date: April 15, 2015
To: Jill Duerig, General Manager
From: Robyn Navarra, Water Conservation Coordinator
Subject: Declaring May as Water Awareness Month

BACKGROUND:

May has historically been designated as Water Awareness Month to highlight the importance of California's water resources to human health, and the economic vitality and environmental quality of our state. Water conservation is especially important in this fourth year of drought, with California facing increasingly uncertain water supply conditions and increasing water demands statewide.

Staff are coordinating with other organizations on statewide programs, as well as hosting a number of conservation education activities locally with retailer support, for this year's Water Awareness Month.

DISCUSSION:

Over the past few years, Zone 7 has supported the California Department of Water Resources (DWR) and the Association of California Water Agencies (ACWA) in developing the "Save Our Water" program, which is the primary statewide effort to promote water efficiency practices for both indoor and outdoor conservation. Zone 7 is a program partner, along with various local water agencies and other community-based organizations throughout the state. With the establishment of the Drought Portal, this year's program focus is on drought emergency response. In addition, Zone 7 continues to work with California Urban Water Agencies (CUWA), California Urban Water Conservation Council (CUWCC), and the California-Nevada American Water Works Association (CA-NV AWWA) to reduce outdoor water use, to provide innovative technology and resources to reduce lawn turf, and to promote beautiful drought-tolerant landscapes as the "New Norm" for California.

As with last year, there will be an emphasis on lawn replacement, with rebates separated into two parts – a portion when the lawn is removed with planting and the remainder of the rebate after rains begin in the fall. This allows customers to remove lawns and reduce demands on potable water used for irrigation during the summer months and lets nature assist with the extra water needed to establish new plants.

PLANNED ACTIVITIES:

Tour (May 4, 2015):

There will be conservation workshops for professional landscapers and landscape contract managers and water conservation handouts during the East Bay Bringing Back the Natives Garden Tour.

Training (April –May 2015):

This is the fourth year Zone 7 is offering the **Qualified Water Efficient Landscaper (QWEL)** training to landscape professionals, designers, and homeowners. The program presents an affordable, proactive, and local approach to reducing landscape water demand. QWEL provides graduates with knowledge in water-efficient and sustainable landscape practices including water management and preservation of other valuable resources.

Workshops and Lawn Parties:

“Mow No More”- Sheet-Mulching Workshop (May 24, 2015): This is part of the Bringing Back the Natives Garden Workshop in Livermore, which encourages individuals to change their own landscapes by replacing lawn with a nativescape while helping to educate the public on the importance of preserving the natural habitat at home and in our communities.

Bay-Friendly Coalition Lawn Party (Ongoing Monthly): These are hands-on workshops to encourage a natural approach to gardening and landscaping. Bay-friendly principles include building healthier soils, conserving water, creating wildlife habitat, reducing waste and pesticides, saving energy and protecting local watersheds.

Untreated Water Lab Incentive Program (*Optional upon request*): Staff is redesigning an irrigation water lab incentive program for untreated customers with a focus on water efficiency and reducing water consumption. This program will provide an overview of the current water technologies and practices and provide recommendations on current tools and techniques on water use efficiency to produce grapes. In addition, the program will cover how weather, soil moisture content, and plant growth play a vital part in water management.

Finally, winners of Zone 7's special awards for water-related projects at the Alameda County Science & Engineering Fair will be invited to make presentations at the May Board Meeting and recognition may be given to businesses that implemented the largest turf removal in the Tri-Valley in 2014.

RECOMMENDATION:

Adopt attached resolution declaring May as Water Awareness Month and directing staff to implement the program as outlined above.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Declaring May 2015 as Water Awareness Month

WHEREAS, May has historically been designated as Water Awareness Month to highlight the importance of California's water resources to human health, and the economic vitality and environmental quality of our state; and

WHEREAS, with the current drought emergency, staff will continue to focus on the need to reduce demands from outdoor watering; and

WHEREAS, staff are coordinating with other organizations on statewide conservation programs, as well as hosting a number of conservation education public outreach and educational activities locally with retailer support, for this year's Water Awareness Month.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby supports and declares May as Water Awareness Month and directs staff to implement conservation efforts as outlined above.

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 April 15, 2015.

By: _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT PERSON: TOM PICO

AGENDA DATE: April 15, 2015

ITEM NO. 7a

SUBJECT: Staffing Update: Congratulations to Retiree

SUMMARY:

Continuing our practice of recommending the Board of Directors recognize staffing changes, we are reporting an employee who has retired from Agency service.

Dennis Gambs, Principal Engineer

We would like to recognize Dennis Gambs, Principal Engineer who retired from the Agency on March 28, 2015 after almost 34 years of service. Dennis joined Zone 7 as a Civil Engineer in April 1981 and was promoted to Principal Engineer in 1990. Dennis has been a registered Civil Engineer since 1981 and has provided planning, design and construction management-related services for Zone 7's water supply and flood control programs. Dennis has provided supervision and leadership for Water Supply, Flood Control and Real Property functions during his career at Zone 7. Dennis was also instrumental in negotiating and completing the solar project at the Del Valle Water Treatment Plant.

The attached resolution highlights some of the many important accomplishments during Dennis's Zone 7 tenure. We hope you will join us in wishing the best to Dennis in his retirement.

RECOMMENDED ACTION:

Adopt the attached resolution acknowledging service to the Agency of Dennis Gambs.

WHEREAS, Dennis Henry Gambs has served the citizens of the Livermore-Amador Valley since his employment with the Zone 7 Water Agency began in April 1981; and

WHEREAS, Mr. Gambs has had many important accomplishments while employed with Zone 7, including:

- Planning, design and construction of Dougherty Pipeline and Dougherty Tank, and Arroyo Vista Turnout;
- Construction management of Vineyard Pipeline;
- Implementation of SDA 7-1 program for Zone 7;
- Planning, design and construction of the Arroyo Mocho Widening Project in Pleasanton;
- Development of Zone 7's first Water Connection Fee Program;
- Managing municipal water supply contract renewals with Retailers;
- Negotiating water supply agreements for serving the Dougherty Valley area;
- Negotiating and managing contracts for the Solar project at the Del Valle Water Treatment Plant;
- Acquisition of approximately 10 acres of land from DWR next to the Patterson Pass Water Treatment Plant;
- Acquisition of land for Bush Valley Well No. 1 from Union Pacific Rail Road and Alameda County; and

WHEREAS, Mr. Gambs retired from Zone 7 service effective March 28, 2015;

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby acknowledge, commend, and thank Mr. Gambs for his fine public service to Zone 7 of the Alameda County Flood Control & Water Conservation District and the people of the Livermore-Amador Valley.

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 April 15, 2015.

By: _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT PERSON: TOM PICO

AGENDA DATE: April 15, 2015

ITEM NO. 7b

SUBJECT: Staffing Update: Congratulations to Retiree

SUMMARY:

Continuing our practice of recommending the Board of Directors recognize staffing changes, we are reporting an employee who has retired from Agency service.

Jeff Jones, Construction Inspector

We would like to recognize Jeff Jones, Construction Inspector who retired from the Agency on March 28, 2015 after almost 33 years of service. Jeff started his career with Zone 7 in June 1979, working as a Water Plant Operator I for almost 3 years, leaving to pursue a career in Carpentry, and returning to Zone 7 in April 1985 as a Water Plant Operator III. He then also served as Plant Mechanic, Supervising Water Systems Mechanic, Water Facilities Supervisor and Maintenance Supervisor prior to being appointed as the Emergency and Safety Supervisor for Zone 7 in 1995. In June 2011, he began his assignment as Construction Inspector in the Engineering Division. In this role, Jeff served as a “Jack-of-all-Trades” for Zone 7, providing a wide array of construction, inspection, maintenance and permit compliance service. He received Employee of the Month recognition in December 2011 for his continuous dedication to Zone 7. Due to his diverse experience, Jeff provided a unique and valuable perspective for design reviews of Zone 7 CIP Projects. His willingness to teach others and share his common sense approach to design review and construction management will continue to benefit Zone 7 well into the future.

The attached resolution highlights some of the many important accomplishments during Jeff’s Zone 7 tenure. We hope you will join us in wishing the best to Jeff in his retirement.

RECOMMENDED ACTION:

Adopt the attached resolution acknowledging service to the Agency of Jeff Jones.

WHEREAS, Jeffrey Mark Jones has served the citizens of the Livermore-Amador Valley since his employment with the Zone 7 Water Agency began in June 1979; and

WHEREAS, Mr. Jones has had many important accomplishments while employed with Zone 7, including:

- Designing and supervising the rapid construction of the Silver Oaks and Airway Pump stations in response to the 1993 drought emergency;
- Providing conceptual design and construction management for the Del Valle Water Treatment Plant (DWWTP) Water Quality Laboratory;
- Establishing and supporting Zone 7's health and safety, emergency response, and hazardous materials handling programs;
- Incorporating health and safety features into the design of numerous Capital Projects;
- Leading construction inspections for the following projects:
 - Patterson Pass Water Treatment Plant (PPWTP) Sanitary Sewer Pipeline Project,
 - PPWTP Ferric Chloride-Caustic Soda Separation Project,
 - PPWTP Conventional Clarifier Rehabilitation Project,
 - DWWTP Caustic Soda Tank Rehabilitation Project,
 - DWWTP Filter Bed Media Replacement and Filter Bed Rehabilitation Project,
 - Santa Rita Pipeline Relocation Project,
 - Cope Lake Slope Repair Project, and
 - Arroyo Mocho Stanley Reach – Riparian Restoration and Channel Enhancement Pilot Project;
- Inspecting over 300 well construction and destruction procedures ensuring permit compliance and groundwater protection in the process; and

WHEREAS, Mr. Jones retired from Zone 7 service effective March 28, 2015;

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby acknowledge, commend, and thank Mr. Jones for his fine public service to Zone 7 of the Alameda County Flood Control & Water Conservation District and the people of the Livermore-Amador Valley.

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 April 15, 2015.

By _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT PERSON: TOM PICO

AGENDA DATE: April 15, 2015

ITEM NO. **7c**

SUBJECT: Staffing Update: Congratulations to Retiree

SUMMARY:

Continuing our practice of recommending the Board of Directors recognize staffing changes, we are reporting an employee who has retired from Agency service.

Judy Rector, Executive Assistant

We would like to recognize Judy Rector, Executive Assistant who retired from the Agency on April 1, 2015 after 13 years of service. Judy joined Zone 7 in March of 2002 as Secretary. She previously had worked with the City of Hayward and East Bay MUD. In January 2011, she was promoted to Executive Assistant in the Office of the General Manager and on two occasions, she was recognized as Zone 7 Employee of the Month. The attached resolution highlights some of the many important accomplishments during Judy's Zone 7 tenure.

We hope you will join us in wishing the best to Judy in her retirement.

RECOMMENDED ACTION:

Adopt the attached resolution acknowledging service to the Agency of Judy Rector.

WHEREAS, Judith Ann Rector has served the citizens of the Livermore-Amador Valley since her employment with the Zone 7 Water Agency began in March 2002; and

WHEREAS, Ms. Rector has had many important accomplishments while employed with Zone 7, including:

- Coordinated Board and Committee meetings, conferences and group meetings, training and award celebrations, often giving of her own time and resources;
- Coordinated documentation for board meetings including minutes, agenda items and resolutions;
- Supervised and mentored the Agency's pool of Administrative Assistants;
- Facilitated the administration of consultant and construction contracts including bonds and insurance verification;
- Served as Office Manager, keeping the office from falling apart as well as being a comfortable place to work by coordinating with the building owners for a wide variety of issues as they came about;
- Served as a key member of the Security team that interfaced with the facility access and alarm systems;
- Provided valuable input to the Safety Committee, identifying potential and existing hazards and working quickly to resolve them, keeping our employees safe;
- Initiated a new electronic file system for the Agency;
- Recognized as Employee of the Month and "Most Likely to Help a Co-worker in Need" for consistently offering support to others;
- Proven ability to resolve issues efficiently and professionally, always with a smile; and

WHEREAS, Ms. Rector retired from Zone 7 service effective April 1, 2015;

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby acknowledge, commend, and thank Ms. Rector for her fine public service to Zone 7 of the Alameda County Flood Control & Water Conservation District and the people of the Livermore-Amador Valley.

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 April 15, 2015.

By _____
President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT PERSON: TOM PICO

AGENDA DATE: April 15, 2015

ITEM NO. 7d

SUBJECT: Staffing Update: Congratulations to Retiree

SUMMARY:

Continuing our practice of recommending the Board of Directors recognize staffing changes, we are reporting an employee who has retired from Agency service.

Dexter Yee, Associate Civil Engineer

We would like to recognize Dexter Yee, Associate Civil Engineer who retired from the Agency on March 21, 2015 after over 11 years of service. Dexter started with Zone 7 in September 2003 as an Associate Civil Engineer. A Registered Civil Engineer, Dexter served his time at Zone 7 in the Flood Control section. Prior to Zone 7, he worked for the East Bay Regional Park District and had over 20 years of experience as a civil engineer.

The attached resolution highlights some of the many important accomplishments during Dexter's Zone 7 tenure. We hope you will join us in wishing the best to Dexter in his retirement.

RECOMMENDED ACTION:

Adopt the attached resolution acknowledging service to the Agency of Dexter Yee.

WHEREAS, Dexter Edwin Yee has served the citizens of the Livermore-Amador Valley since his employment with the Zone 7 Water Agency began in September 2003; and

WHEREAS, Mr. Yee has had many important accomplishments while employed with Zone 7, including:

- Identified, planned, designed and managed the Flood Control Section's \$1 million annual maintenance/repair projects;
- Introduced the use of Civil3D engineering design software to increase staff efficiency in generating engineering drawings and minimize project expenses;
- Developed Civil3D design standards for Zone 7 and mapping of its facilities;
- Prepared numerous California Environmental Quality Act (CEQA) Notice of Exemption documents for annual maintenance/repair projects;
- Trained internal staff in using survey equipment for maintenance/repair projects;
- Developed numerous Standard Operating Procedures for staff training purposes;
- Developed a filing system to better track annual repairs and their priorities;
- Provided invaluable engineering and construction recommendations in other Zone 7 projects to improve the quality of the product and overall cost savings;
- Collaborated with local municipalities on improvement projects intended to enhance the general quality of life for the community; and

WHEREAS, Mr. Yee retired from Zone 7 service effective March 21, 2015;

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby acknowledge, commend, and thank Mr. Yee for his fine public service to Zone 7 of the Alameda County Flood Control & Water Conservation District and the people of the Livermore-Amador Valley.

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 April 15, 2015.

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: GINGER STATON

AGENDA DATE: April 15, 2015

ITEM NO. 7e

SUBJECT: February Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in March and selected the Employee of the Month for February 2015 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.

Gene Briones, Water Resources Technician II, has been chosen from those nominated as the February 2015 Employee of the Month. Gene joined Zone 7 in February 2014 and works in the Facilities Engineering Section at North Canyons. Before joining Zone 7, Gene worked as a Senior Engineering Technician at the City of San Jose Regional Wastewater Facility.

As described in his nomination, Gene is self-motivated to help others and take on a variety of assignments. With the current drought emergency and backlog of projects developing, Gene undertook the design of the Patterson Pass Water Treatment Plant Ferric Chloride-Caustic Soda Separation Project. He not only drafted the plans but prepared the technical specifications and the entire bid package. Gene saw the project through successful completion by performing some construction inspection and being part of our all in-house construction management team. Gene has also worked on designs for other projects like the Mocho 4 Chemical Pump Relocation Project and inspecting other engineers' projects like the PWRPA Mocho Complex Project and COL Well 5 Project. To grow in ability and knowledge, Gene solicits input and learns from others, including his supervisor, to make sure he has explored options and is following the best course of action.

Gene started to work on the Arroyo Las Positas Project and took up training on AutoCAD Civil 3D to enhance his drafting skills so that the project drafting could be done more efficiently and expeditiously. He also updates drawings for the Agency's Hazardous Materials Business Plans (HMBP) which are updated every February. Finally, Gene still finds time to work on assignments that may get overlooked due to low priority. One example is his effort to organize the plans and specifications in the Facilities Engineering bullpen as well as organize electronic files.

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

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate Gene Briones as February 2015 Employee of the Month.



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: EMPLOYEE SERVICES
CONTACT PERSON: TOM PICO/GINGER STATON

AGENDA DATE: April 15, 2015

ITEM NO. 8

SUBJECT: Consider Action to Increase the Compensation of Zone 7 Board Members

SUMMARY:

- Pursuant to the “Zone 7 Board of Directors’ Compensation and Expense Reimbursement Policy” adopted by the Board on March 15, 2006, a review of the Board’s remuneration is conducted on a biennial basis. At the public hearing on April 16, 2014, the Board decided to table the consideration of a compensation change for a one-year period.
- Attached are the results of the 2015 compensation survey of comparable water agencies’ boards of directors.
- The Board’s current compensation, effective June 21, 2008, is \$159.99 per meeting. Following the 2012 biennial review, the Board increased the maximum number of meetings from four up to ten meetings per month.
- The annual Consumer Price Index (CPI) increase for the San Francisco-Oakland-San Jose area for 2012 was 2.7%, for 2013 was 2.2% and for 2014 was 2.8%.
- The mean compensation level of the agencies surveyed is \$176.21 per meeting. Based on these results, the Board may wish to consider the following options:
 - Option 1: maintain the compensation at the current \$159.99 per meeting.
 - Option 2: set the compensation for the fiscal year 2015/2016 and fiscal year 2016/2017 at the mean derived from the current market compensation salary survey (\$176.21, an increase of approximately 10.14%).
 - Option 3: since the board has taken no increase since 2008, and per the Water Code Section 20200, et seq., 5% per year increase is allowed; up to 35% increase could be granted this year (up to \$215.99).

FUNDING:

Funds for these costs are available in Fund 100 – Water Enterprise and Fund 200 – Flood Control.

RECOMMENDATION:

Discuss and direct staff to either:

- A) Schedule public hearing on May 20, 2015 to adopt an Ordinance to increase Board Compensation, or
- B) Consider taking no action; i.e., to adopt no increase for fiscal year 2015/2016 and fiscal year 2016/2017 and to conduct the next biennial review in 2017.

ATTACHMENTS:

Memo providing additional background and discussion.

MEMORANDUM

DATE: March 30, 2015

TO: Jill Duerig, General Manger

FROM: Tom Pico, Employee Services Manager
Ginger Staton, Human Resources Officer II

SUBJECT: Consider Action to Increase the Compensation of Zone 7 Board Members

SUMMARY:

At the March 15, 2006 Board meeting the board adopted the “Zone 7 Board of Directors’ Compensation and Expense Reimbursement Policy” which provides for a review of the Board’s remuneration on a biennial basis. Last year at the public hearing on April 16, 2014 the Board decided to table the discussion of compensation to this year. Attached are the results of the 2015 compensation survey of comparable water agencies’ boards of directors. The Board’s current compensation, effective June 21, 2008, is \$159.99 per meeting. In 2012, the Board voted to increase the maximum number of meetings from four to up to ten meetings per month but to maintain the current level of compensation per meeting.

Since the 2012 vote, the annual Consumer Price Index (CPI) increase for the Oakland-San Francisco-San Jose area for 2012 was 2.7%, for 2013 was 2.2% and for 2014 was 2.8%. The mean compensation level of the agencies surveyed is \$176.21. Based on these results, the Board may wish to consider the following options.

Many options are available. One option is to maintain the compensation at the current level of \$159.99 per meeting. Another option is to set the compensation for fiscal year 2015/2016 at the mean derived from the current market compensation survey (\$176.21, an increase of 10.14%). Another option the Board may consider is to take an increase of up to 35% given that an increase of up to 5% per year may be taken since the last increase which was in 2008.

BACKGROUND:

Water Code Section 20200, *et seq.*, governs compensation levels for Zone 7 Board Members. The statute provides the directors can be paid \$100.00 per day of service rendered. If the Board members already make \$100.00 per day, the amount can be increased by an amount not to exceed 5% for each year following the last adjustment. The last adjustment took effect June 21, 2008, increasing the compensation by 3.9% to \$159.99 per day of service rendered.

Based on the adoption of the Board’s policy of reviewing the remuneration biennially for the Zone 7 Board, attached is the survey for the year 2015. Based on past practice, the Board has considered the mean of comparable water agencies as the benchmark for compensation.

The following comparable water agencies were surveyed:

- Alameda County Water District
- Contra Costa Water District
- Dublin San Ramon Services District
- East Bay Municipal Utility District
- Marin Municipal Water District
- Santa Clara Valley Water District

Page one of the attached Board of Directors Compensation and Benefit Survey provides a summary listing each agency, director compensation amount per meeting, maximum number of compensated meetings per month, maximum compensation per month and the group benefits cost (minimum to maximum per month). The Survey also includes the mean for the agencies and a comparison to the compensation and benefits that are provided for the Zone 7 Board of Directors. Pages two through four of the Survey provide a more in-depth description of the total packages provided and any limitations.

DISCUSSION:

In comparing the data surveyed for the year 2012 versus the current data the changes were primarily in the cost of group benefits. Three of the agencies increased their board compensation. Marin Municipal Water District increased their compensation from \$145.00 per meeting to \$174.00 per meeting. Santa Clara Valley Water District increased their compensation from \$280.63 per meeting to \$286.03 per meeting. East Bay Municipal Utility District increased their flat monthly payment from \$1,093.00 to \$1,186.00. The mean for the agencies surveyed is \$176.21 per meeting.

The annual Consumer Price Index (CPI) for the Oakland-San Francisco-San Jose area for 2012 was 2.7%, for 2013 was 2.2% and for 2014 was 2.8%.

The maximum compensation increase allowed under Water Code Section 20200 is 5% per year. The mean of the agencies surveyed is \$176.21. Based on these results, the Board may consider setting the compensation at the mean for fiscal year 2015/2016 and 2016/2017, to \$176.21 per meeting. Furthermore, since the board has taken no increase since 2008, and the Water Code allows 5% per year increase, up to 35% increase could be granted this year (up to \$215.99).

Under the above scenarios, the maximum increased cost for the 2-year period for fiscal year 2015/2016 and fiscal year 2016/2017 would be:

- No cost increase if compensation levels remain as is.
- \$27,249.60 to bring the compensation to the mean (or \$13,624.80 per year).
- \$94,080.00 to increase the compensation up to 35% (or \$47,040.00 per year).

This estimate is based on all seven directors attending ten meetings each month of the year.

Attachment:

Board of Directors Compensation and Benefit Survey March 2015

BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY

Page 1

March 2015

AGENCY	AMOUNT PER MEETING	MAXIMUM MEETINGS PER MONTH	MAXIMUM COMPENSATION Per Month	GROUP BENEFIT COSTS Minimum to Maximum per Month
Alameda County Water District	\$175.00	8	\$1,400.00	\$622.41 to \$2,415.06
Contra Costa Water District	\$100.00	10	\$1,000.00	\$808.44 to \$2,316.92
Dublin San Ramon Services District	\$146.00	10	\$1,460.00	~\$603.00 to ~\$1,569.00
East Bay Municipal Utility District	*		\$1,186.00	\$736.10 to \$2,919.24
Marin Municipal Water District	\$174.00	10	\$1,740.00	\$775.08 to \$1,550.16
Santa Clara Valley Water District	\$286.03	10	\$2,860.30	\$587.05 to \$2,021.85
Mean	\$176.21	9.6	1,607.72	\$688.68 to \$2,132.04

*Flat Rate

Zone 7	\$159.99	10	\$1,599.90	\$0**
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** No group benefits offered currently

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

Page 2

March 2015

AGENCY	GROUP BENEFITS	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
Alameda County Water District	Heath, Dental, Vision, Retirement District pays full cost of health, dental and vision premiums. Cost range from: \$622.41 to \$2,415.06/month	\$175.00 for each Board or Committee meeting attended, conferences, seminars, workshops tours, and other Board authorized meetings and activities.	Not to exceed 8 meetings per month; \$1,400.00 per month	Reimbursed for reasonable expenses (transportation, mileage, lodging, meals.) necessarily incurred while conducting District business.	Directors are reimbursed for any expenses incurred in the performance of his/her duties required or authorized by the Board. All activities for which expense reimbursement is sought must be approved in advance by the Board.
Contra Costa Water District	Health, Dental, Vision, EAP, Life \$10,000.00 or \$100,000.00 with Evidence of Good Health, Retirement District pays full cost of medical, dental, vision, EAP, and life premiums. Cost range from: \$808.44 to \$2,316.92/month	\$100.00/day for District activities, Board is compensated for service rendered as a Director at the request of the Board and for attendance at conferences (such as the semi-annual ACWA conferences) or for meetings with local government agencies, service organizations, or civil groups if: - Invited to deliver a speech - Serve as a panel member or - Board approves participation in advance	Not to exceed \$1,000.00 per month.	Reimbursed for reasonable expenses (transportation, mileage, lodging, meals) necessarily incurred while conducting District business.	Travel must be authorized in advance by Board.
Dublin San Ramon Services District	Health, Dental, Vision, AD&D, Life \$50,000.00 District pays full cost of dental, vision, AD&D, and life premiums. Cost range for medical from: ~\$603.00 to ~\$1,569.00 Board members are allowed to participate in flexible District Benefits (Deferred Comp Program with 25% employer match up to \$10 per calendar month; Purchase additional life insurance at Employee Cost).	\$146.00 per meeting	Not to exceed a total of 10 meetings per month; \$1,460.00 per month	Reimbursed for actual expenses for traveling to District related conferences, workshops and Board related business.	Approval by Board President for travel outside of 9 Bay Area counties. Mileage reimbursed outside 9 Bay Area counties.
East Bay Municipal Utility District	Health, dental, retirement, vision, 401(k)m 457 plans Dental and Vision premium is paid in full by District; Health premium is paid in full by District for Director and family; Health premium is paid in full Director but depending on plan could pay 15% of premium for family. Cost range from: \$736.10 to \$2,919.24 (includes \$905 annual District contribution i.e. “supplemental benefit dollars”; excludes pension costs)	\$1,186.00 per month – Salary (flat rate)	A Director must attend a minimum of three meetings per month (includes regular business meetings, standing committee meetings, special meetings, retirement board meetings, and closed session meetings). In the event a Director is assigned to attend less than 6 meetings of the Board in one month, he or she must attend a minimum of 50% of the assigned meetings. Board President may excuse a Director’s absence from an assigned meeting.	Reimbursement for actual expenses that are incurred in the performance of duties authorized or requested by the Board	Salary not paid for any month in which minimum number of meetings are not attended, unless absence is excused by the Board President President of the Board authorizes expenses. Advance approval is required to: - Attend conferences, seminars, or similar activities - Travel to destinations in excess of 150 miles from District or for overnight lodging > 1 night.

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

Page 3

March 2015

AGENCY	GROUP BENEFITS	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
Marin Municipal Water District	Health, Dental, No Vision, No Retirement District pays full cost of dental and health premiums. Board Members share cost of health plan premiums for family members. Dental cost is \$122.07/month. Cost range from: \$775.08 to \$1,550.16	\$174.00 per day of service	Not to exceed \$174.00 per day Or Compensation for more than 10 days of service in any calendar month: \$1,740 per month	Each Director is reimbursed for all reasonable Board authorized or requested expenses actually incurred in performance of duties	Any Board member attending meetings, workshops, conferences, e.g. ACWA, at the request of the Board, are compensated for costs incurred. Authorization for travel and expense reimbursement shall be limited to conferences, meetings and other functions from which the District derives a specific benefit through attendance. Only that travel/attendance which serves a District purpose and is deemed necessary and/or advantageous to the District shall be approved and reimbursed. • Breakfast - \$12 • Lunch - \$15 • Dinner - \$25 Elected or appointed officials may receive a meal allowance in excess of IRS regulations, but the meal allowance shall not exceed \$52 per day, which includes taxes and tips.
Santa Clara Valley Water District	Medical, Dental , Vision Care , EAP, Life Insurance (equal to one times their annual maximum meeting per diem), Travel Accident Insurance (while traveling on district business) Optional: Personal Accident Insurance, Deferred Compensation 457 Plan (no district matching) Cost range from: \$587.05 to \$2,021.85/month 15% cost sharing on monthly premium for medical only; dental and vision remains free	\$286.03 for each Board or committee meeting attended, conferences, seminars, workshops, tours and other Board authorized meetings and activities.	Not to exceed 10 meetings per month; \$2,860.30 per month. If the 10 meetings are exceeded, Board members are reimbursed for transportation, meals or any reasonable related expenses.	Reimbursed for expenses incurred for conferences, travel, lodging and meals (reimbursement limit \$2,500).	Annual FY reimbursement limited to \$2,500 per Director, for services, activities or pursuits in office as provided in Board policy.

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

Page 4

March 2015

AGENCY	GROUP BENEFITS	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
Zone 7	None	\$159.99 per day for each day's attendance at meetings of the Board, or for each day's attendance at regular, special and/or committee meetings of the Board and for each day's service eligible for compensation pursuant to Section B of the "Zone 7 Board of Directors' Compensation and Expense Reimbursement Policy."	Not to exceed 10 days in any month: \$1,599.90 per month.	Reimbursed for actual and necessary travel expenses in performance of agency business.	Transportation expenses within Bay Area counties limited to mileage, public transit fares, parking and bridge tolls unless Board specifically authorizes other. Outside the Bay Area, if private vehicle is used, payment may not exceed the economy or coach round trip airfare.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Integrated Planning
CONTACT: Brad Ledesma/Carol Mahoney

AGENDA DATE: April 15, 2015

ITEM NO. 9

SUBJECT: 2015 Annual Review of Sustainable Water Supply for Zone 7 Water Agency

SUMMARY:

- Zone 7 anticipates receiving a 20% allocation (16,100 AF) from the State Water Project (SWP) for 2015; this allocation is not expected to change.
- Lake Del Valle also captured more local runoff than in 2014; Zone 7 anticipates receiving over 2,000 AF in 2015.
- The current allocation is large enough (i.e., greater than or equal to 5%) to allow water supply exchange opportunities, giving Zone 7 access to its drought supplies in Kern County.
- Although Zone 7 has 172,300 AF of water supply in storage, only 40,700 AF is available for recovery in 2015, including SWP Carryover, groundwater, and non-local storage in Kern County. One of the reasons Zone 7 has this much water in storage is the fabulous job the community did to conserve resources in 2014.
- Zone 7 also has agreements with the California Department of Water Resources to purchase water from Yuba and the Multi-Year Pool program, should it be available.
- Together, water available in 2015 includes 18,400 AF of new water, up to 40,700 AF from storage, and possibly additional purchases, should water be made available.
- Requested deliveries (treated and untreated) for 2015 are only 46,700 AF. This is 33% higher than actual 2014 deliveries (35,136 AF) due to water use restrictions in place during 2014, and water demands are projected to increase by 11.6% percent between 2015 and 2019.
- Zone 7 can deliver 100% of requested water demands in 2015, and even assuming drought conditions are more severe next year, can deliver 96% of projected 2016 water demands.
- Zone 7 has constructed two drought emergency projects (Lake I recharge and a new groundwater well), and is currently designing a new reliability intertie with EBMUD and developing another well site for potential temporary booster pump installation located near the intersections of Stanley Boulevard and Valley Avenue.

FUNDING:

Reductions in water use associated with local compliance with statewide conservation regulations and targets will decrease water sales revenue.

RECOMMENDED ACTION:

Information only.

ATTACHMENTS:

Memorandum providing additional background and discussion of the agenda item.

INTEROFFICE MEMORANDUM

DATE: April 15, 2015
TO: Jill Duerig, General Manager
FROM: Brad Ledesma, Associate Engineer
SUBJECT: Annual Review of Sustainable Water Supply for Zone 7 Water Agency

On October 17, 2012, Zone 7 Water Agency (Zone 7) adopted the Water Supply Reliability Policy (Resolution 13-4230).¹ Resolution 13-4230 requires that Zone 7 staff complete an annual review of sustainable water supplies (Annual Review); the purpose of this memorandum is to comply with this requirement.

The 2015 annual review covers the following:

- Status of the Current Drought and Key Planning Assumptions
- Projected Water Demands: Next Five Years
- Available Water Supplies to Zone 7 at the Beginning of 2015
- Comparison of Supply and Demand: Next Five Years
- Programs Necessary to Meet Water Demands

SUMMARY OF FINDINGS

Zone 7 has received a 20% allocation (16,100 AF) from the State Water Project (SWP) for 2015; this allocation is not expected to change. Lake Del Valle also captured local runoff, and Zone 7 anticipates receiving over 2,000 AF. Additionally, the current allocation is large enough (i.e., four times larger than 5%) to allow water supply exchange opportunities in the SWP system and therefore, gives Zone 7 certain access to its drought supplies stored in Kern County. Furthermore, thanks to the incredible drought response from the Tri-Valley, Zone 7 was able to carryover water from 2014 into 2015. Zone 7 has 59,100 AF of supply available for 2015.

A comparison of water supply and demand indicates that Zone 7 can meet 100% of requested water deliveries in 2015, and can meet 96% of requested deliveries in 2016 even if there is no conservation in 2015 and the drought worsens (e.g., 2016 is a 1977 hydrological year type).

Zone 7 completed an intertie between Cope Lake and Lake I, and installed Chain of Lakes Well No. 5 in May and October 2014, respectively. Both projects will help Zone 7 optimize management of groundwater supplies during the current drought. Zone 7 is also designing a new intertie with East Bay Municipal Utility District (EBMUD) and a new well located near the intersection of Stanley Boulevard and Valley Avenue.

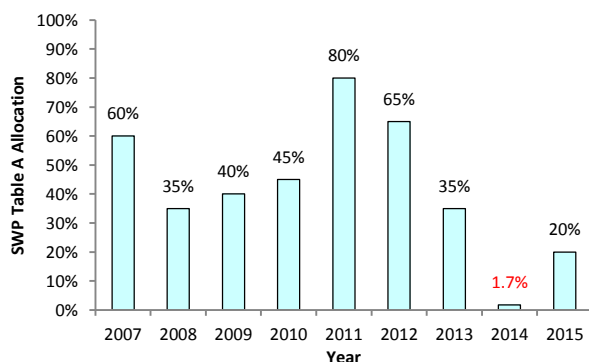
In addition to these efforts, Zone 7 continues to support statewide emergency conservation regulations and targets, and will continue to adjust operations as necessary to optimize use of all available resources.

¹ A copy of Resolution 13-4230 is provided as Attachment A.

STATUS OF THE CURRENT DROUGHT AND KEY PLANNING ASSUMPTIONS

The average State Water Project allocation over the past 9 years, including 2015 has been only

Average SWP Allocation in the Past 9 Years, including 2015: 43%



Note: Although the allocation in 2014 was 5%, its use was limited to September through December, effectively making it a 1.7% allocation.

43%, and only 30% over the past four years. Additionally, runoff in the Sacramento River has been below normal or worse in eight out of the past nine years, and statewide snowpack – a vital source of supply for the State Water Project – has averaged only 31% of normal over the past four years.² Additionally, local rainfall has also been well below average (i.e., by more than 20%) in seven out of the last nine years.

Updated Water Supply Impacts to Zone 7

Unlike 2014, the initial allocation from the State Water Project is 20%; this a large enough initial allocation (i.e., four times greater than 5%) to allow water supply exchange opportunities, which gives Zone 7 certain access to its drought supplies stored in Kern County.

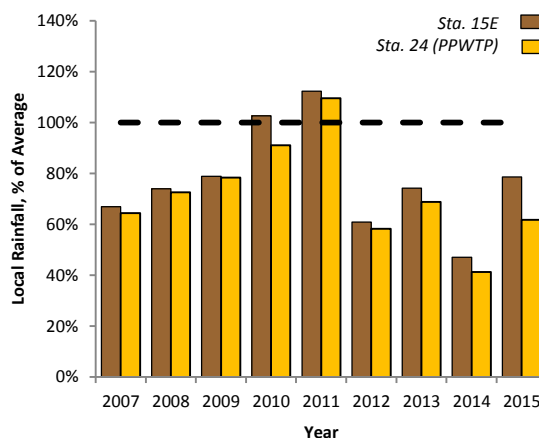
Moreover, although still below average, local rainfall through March 15, 2015, is already 70% higher than the total rainfall in 2014. More local rainfall increases available groundwater storage and surface water captured in Lake Del Valle.

Furthermore, the Tri-Valley's successful response to the drought reduced water supply needs by 29% in 2014 compared to 2013, which created carryover water and helped prepare for potentially dry years from 2015 to 2019 by bolstering future water supplies.

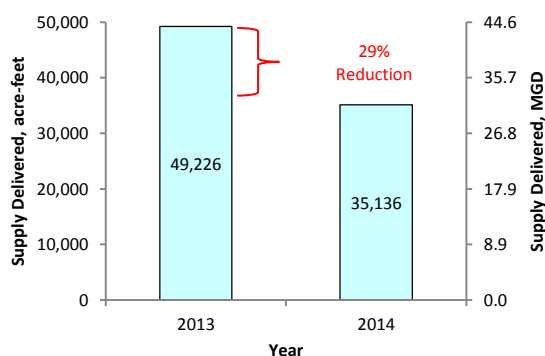
Annual Sustainability Report Assumptions

The analysis in this report conservatively assumes critically dry 1977 conditions in 2016. Given that 2007 through 2014 were below normal, dry, or critically dry, with the exception of a wet 2011, the years 2017, 2018, and 2019 were then assumed to be normal years. This scenario, therefore, conservatively assumes a ten-year drought (2007-2016), followed by a return to normal conditions.

Local rainfall has been significantly below average in 7 of the last 9 years, including 2015



Zone 7 had a 29% reduction in total supply delivered thanks to the incredible drought response by the Tri-Valley



² Based on the statewide April 1 average snowpack from 1950 to 2014; data provided by the Department of Water Resources.

PROJECTED WATER DEMANDS: NEXT FIVE YEARS

Every year Zone 7 receives requests from all of its customers for projected water supply needs for the next five years (assuming no conservation)—Table 1 summarizes these projections from 2015 to 2019, and presents 2014 actual water production for comparative purposes. As shown in Table 1, projections for 2015 are significantly higher than actual 2014 water demand; this is because requested deliveries without conservation are 95% of 2013 levels. Additionally, water demands between 2015 and 2019 are four to nine percent compared to 2014 projections due to prolonged water conservation and new recycled water projects.

Demands are projected to recover, and are slightly lower than the 2014 Annual Sustainability Report

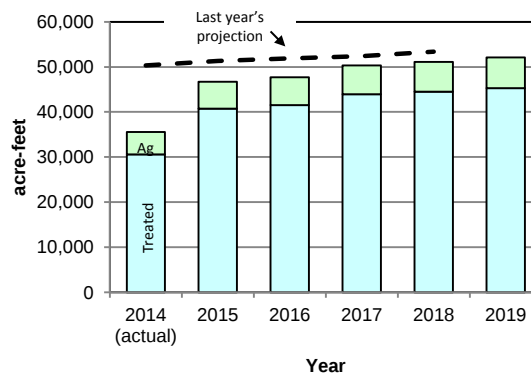


Table 1. 5-Year Water Demand Projections are Similar to Last Year's Report, acre-feet^(a)

Component	2013 (actual)	2014 (actual)	2015	2016	2017	2018	2019
M&I ^(b,c,d)	43,052	30,155	40,700	41,500	43,900	44,500	45,300
Untreated ^(e)	6,174	4,981	6,000	6,200	6,400	6,600	6,800
Total	49,226	35,136	46,700	47,700	50,300	51,100	52,100
<i>2013 Annual Report</i>		50,300	51,300	51,900	52,400	53,400	--
<i>% Increase from 2013 Annual Report</i>			-9%	-8%	-4%	-4%	

(a) Projected demands were rounded to the nearest 100 acre-feet.

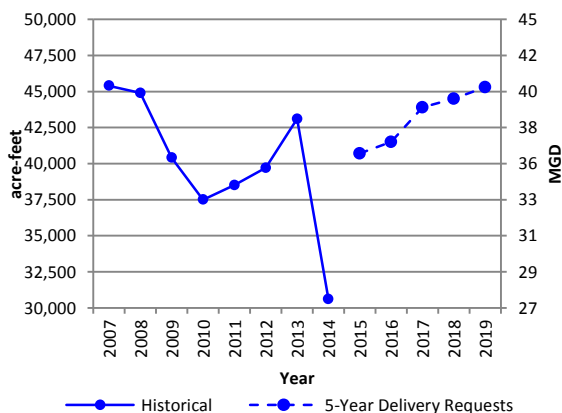
(b) M&I = Municipal and Industrial.

(c) Demands include California Water Service Company, Dublin San Ramon Services District, City of Livermore, City of Pleasanton, Zone 7's direct retail customers, and Zone 7's unaccounted-for water.

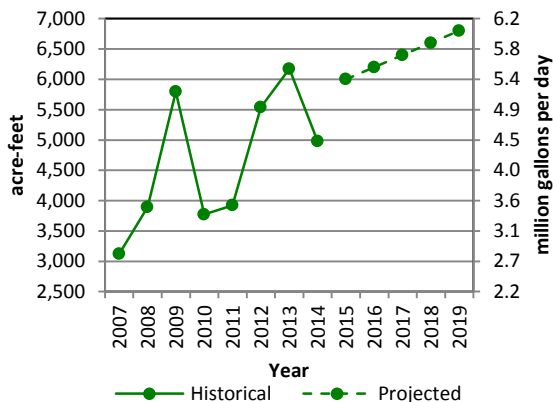
(d) Demands include unaccounted-for water and groundwater-pumping quota for Dublin San Ramon Services District.

(e) Zone 7's untreated water demand is primarily for irrigation.

Retailers are projecting a 95% recovery from 2014



Agricultural demands are highly variable, and could increase by 800 AF between 2015 & 2019



AVAILABLE WATER SUPPLIES TO ZONE 7 AT THE BEGINNING OF 2015

The purpose of this section is to review the water supplies, including contracted supply and storage, available to Zone 7 at the beginning of 2015.

Projected Yield from Contracted Water Supplies in 2015

Each year Zone 7 receives water from its contracts with the DWR for imported SWP water³, its local water right permit on Arroyo del Valle, its contract with BBID, and its contract with DWR for Yuba Accord Water and the SWP multi-year pool (formerly known as the turnback pool).

Zone 7 is expecting 18,400 acre-feet from existing contracts in 2015

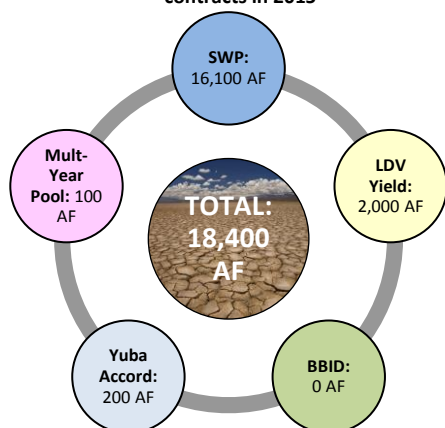


Table 2 presents the projected yield in 2015, an estimate for 2016 assuming 1977 hydrologic conditions, and then a comparison to the long-term average yield. As shown in Table 2, Zone 7 expects 18,400 acre-feet of water supply from its current contracts in 2015; if the drought continues into 2016, and conditions are more severe (i.e., 1977 conditions), Zone 7 may only receive 8,700 AF in 2016.

Table 2 also shows that the long-term average yield is slightly lower than previous projections due to the future uncertainty associated with Zone 7's existing contract with Byron Bethany Irrigation District (BBID).

Table 2. Projected Yield from Existing Contracted Water Supplies, acre-feet

Source ^(a)	2015 (1991)	2016 (1977)	2017 to 2019 (Long-term Average)	
Table A	16,100	8,100	48,400	86.1%
Byron Bethany Irrigation District (BBID)	0	0	0	0%
LDV Yield	2,000	0	7,300	13.0%
Yuba Accord	500	500	500	0.9%
Multi-Year Program	100	100	0	0%
Subtotal	18,700	8,700	56,200	100%
Operational Losses	0	0	(2,900)	(5%)
Total	18,700	8,700	53,300	95%
Yield from 2014 Annual Report	0	9,100	55,050	
% Increase from 2014 Annual Report	100%	-4%	-3%	

(a) See 2010 Urban Water Management Plan: www.zone7water.com/publications-reports/reports-planning-documents.

(b) 2015 yield is based on 20% (current 2015 allocation) of 80,619 AF; over 80% of this is already in San Luis Reservoir.

(c) Long-term average yield is 60% of Zone 7's Table A amount of 80,619 AF per DWR's Final 2013 Reliability Report.

(d) Operational losses associated with artificial groundwater recharge, brine losses, evaporative losses, and putting water into non-local banking programs. Quantity is based on the Annual Operations Plan for 2015.

³ This includes carryover from 2014, which is discussed in the next section.

Available Storage at the Beginning of 2015

Zone 7 currently stores water in various storage facilities, including Kern County groundwater-banking programs, to help meet water demands when needed. Table 3 summarizes the total accrued water in storage available to Zone 7 over the next five years, the estimated water in storage available in 2015, and estimated water supply available from storage between 2016 and 2019. As shown in Table 3, Zone 7 has about 13% less accrued storage and 38% more storage available for use in 2015 than projected in last year's report; 2017 has 41% less storage if 2016 is severely dry.

2015 Water Supply from Storage

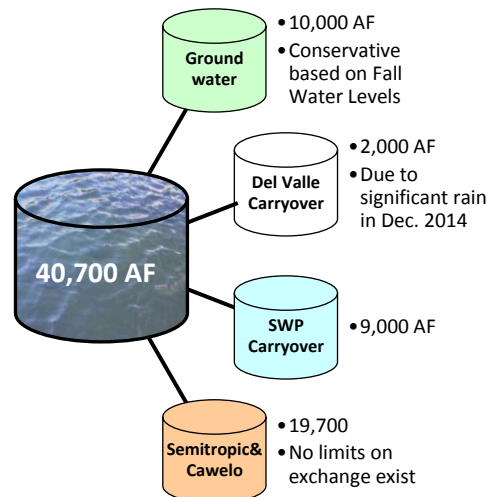


Table 3. Available Storage, acre-feet

Source	Total Accrued Water in Storage ^(a)	Estimated Supply in Storage Available for Use			
		2015 (1991)	2016 (1977)	2017 (Long-term Average)	2018 & 2019 (Long-term Average)
Main Groundwater Basin	69,000	10,000 ^(b)	8,000 ^(c)	5,000 ^(c)	5,000 ^(c)
Lake Del Valle Carryover ^(d)	2,000	2,000	2,000	0	0
State Water Project Carryover ^(e)	9,000	9,000	7,800	0	10,000
Semitropic ^(f,g)	72,018	9,700	9,100	9,100	9,100
Cawelo ^(f,h)	20,321	10,000	10,300	0 ⁽ⁱ⁾	10,000 ⁽ⁱ⁾
Total	172,339	40,700	37,200	14,100	34,100
Available Storage from 2014 Annual Report	197,600	29,500	24,100	24,100	24,100
% Increase from 2014 Annual Report	-13%	38%	54%	-41%	41%

(a) Accrued storage estimate is through April 6, 2015.

(b) As the amount of water stored decreases in the main basin, the amount of groundwater available in any given year also decreases due to well locations, physical/hydrogeological conditions, and defined historic lows. For 2015, Zone 7 staff estimates that approximately 10,000 acre-feet would be available in 2015 based on October 2014 water levels.

(c) A conservatively small pumping amount of 8,000 acre-feet was used in 2016; minimal pumping (5,000 acre-feet) from 2017 to 2019 was assumed to plan for recovery of the groundwater basin.

(d) Zone 7 will carry 2,000 AF, after evaporative losses, from 2014 into 2015, and expects to be able to carry approximately 2,000 AF of local supply from 2015 into 2016. The analysis assumed there would be no carryover from 2017 to 2019.

(e) Zone 7's total SWP carryover from 2014 into 2015 is 9,000 acre-feet, and expects to carryover approximately 7,800 acre-feet from 2015 into 2016. Zone 7 typically carries about 10,000 acre-feet from year to year.

(f) Water supply exchanges between SWP contractors are required for Zone 7 to receive any water from either Semitropic or Cawelo. A 20% allocation from DWR will allow Zone 7 to access its stored water in Kern County.

(g) Zone 7 can pump back up to 9,100 acre-feet from Semitropic, and depending on the SWP allocation, also request exchange water. This analysis conservatively assumes Zone 7 can only request up to 9,100 AF between 2017 and 2019.

(h) For this analysis, it was assumed that Zone 7 would be able to access 10,000 acre-feet in 2015, and that the remainder (10,300 acre-feet) could be available in 2016.

(i) Zone 7 would likely add storage to Cawelo in 2017 so that it is available in future years.

COMPARISON OF SUPPLY AND DEMAND: NEXT FIVE YEARS

Table 4 compares available water supplies to projected baseline water demands over the next five years. For comparative purposes in this memorandum, long-term average supplies and water supply in storage available for use over the next five years were used to compare with projected water demands between 2017 and 2019. As shown in Table 4, Zone 7 can deliver enough water supply to meet 100% and 96% of projected water needs in 2015 and 2016, respectively, even though drought conditions persist in 2015, there is no conservation in 2015, and even if drought conditions worsen in 2016. Table 4 also shows that Zone 7 can meet 100% of water deliveries if normal hydrologic conditions return in 2017.

Zone 7 can deliver 100% of requested deliveries in 2015, and 96% in 2016 even if drought conditions worsen next year and there is not conservation in 2015

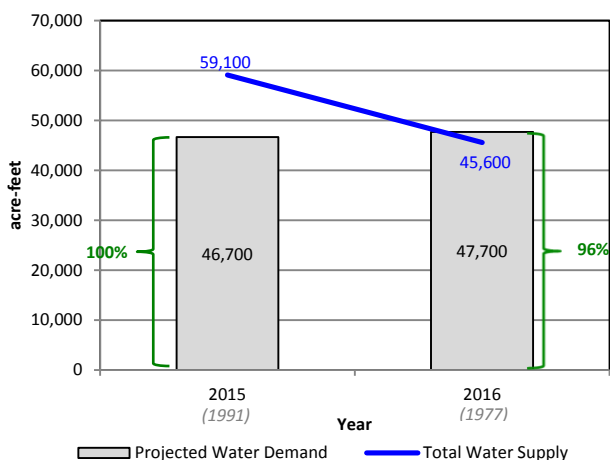


Table 4. Comparison of Supply and Demand: Next Five Years

Component	2015 (1991)	2016 (1977)	2017 (Normal)	2018 (Normal)	2019 (Normal)
Water Supply	18,400	8,700	53,300	53,300	53,300
Water Supply in Storage Available for Use	40,700	37,200	14,100	34,100	34,100
Total Water Supply ^(a)	59,100	45,900	67,400	87,400	87,400
Water Demand ^(b)	46,700	47,700	50,300	51,100	52,100
% of Demand Delivered	100%	96%	100%	100%	100%

^(a) Excess water supplies are used to replenish the local groundwater basin and banking programs in Kern County.

^(b) Includes both M&I and Untreated water demands.

PROGRAMS NECESSARY TO MEET WATER DEMANDS

The review completed as part of this memorandum indicates that Zone 7 can meet 100% of requested 2015 water demands with no conservation. The purpose of this section is to outline the demand reduction programs advisable to meet State standards while satisfying requested water deliveries from Zone 7 customers over the next two years.

Support Statewide Emergency Conservation Regulations and Targets

On March 17, 2015, the State Water Resources Control Board extended and expanded statewide emergency water conservation regulations. In particular, urban water suppliers must now limit outdoor irrigation in accordance with their drought contingency plans, or limit outdoor irrigation to no more than two days a week if their plan contains no specific limit. Zone 7 staff recommends supporting these regulations. This was expanded by Governor Brown on April 1st when he announced State-Mandated 25% conservation for all municipal and industrial water users. He also asked the State Board to adopt additional regulations to enforce this mandate.

Statewide Regulations Imposed Thus Far by the State Water Resources Control

What's Prohibited for Everyone	What's Required for Business	What Water Suppliers Must Do
→ Potable water to wash sidewalks & driveways → Runoff when irrigating with potable water → Hoses with no shutoff nozzles to wash cars → Potable water in decorative water features that do not recirculate the water → Outdoor irrigation during and 48 hours following measurable precipitation	→ Restaurants and other food service establishments can only serve water to customers on request → Hotels and Motels must provide guests with to option to not have towels and linens laundered daily	→ Impose restrictions on outdoor irrigation → Notify customers about leaks that are within the customer's control → Report on water use monthly → Report on compliance and enforcement

Emergency Drought Projects

Zone 7 completed two major emergency drought projects that help optimize management of groundwater supplies during the current drought.

Lake I to Cope Lake Pipeline Project

Since November 2013, Zone 7 has been capturing groundwater discharges by gravel-mining companies (e.g., Vulcan) in Cope Lake, which prevents percolation of that water into the local groundwater basin due to its clay-like bottom. However, in May 2014, Zone 7 completed a pipeline that transfers that water into Lake I, which does have the ability to percolate mining discharges back into the groundwater basin. Zone 7 has captured 7,449 acre-feet since 2013, and transferred 2,220 acre-feet to Lake I.



Lake I to Cope Lake Intertie
(completed in May 2014)

Chain of Lakes Well No. 5



Chain of Lakes Well No. 5
(completed in October 2014)

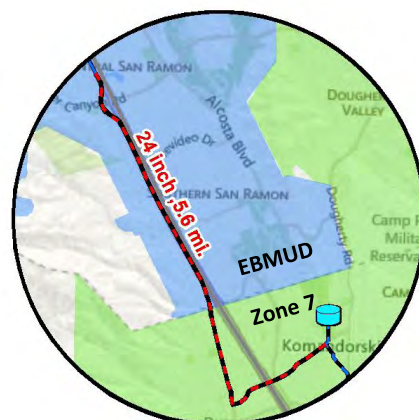
Zone 7 completed Chain of Lakes Well 5 in October 2014. This well provides 2.1 million gallons per day of additional pumping capacity, and access to additional groundwater storage for use during the drought. The well is located near the northwest corner of Lake H.

Future Projects in Support of the Drought Emergency

In addition to the emergency projects already completed, Zone 7 is also moving forward with other key projects, including a major reliability intertie with East Bay Municipal Utility District and a second new groundwater well.

Reliability Intertie with EBMUD

Zone 7 is currently working with EBMUD to design and construct a new intertie that would connect Zone 7's water system to EBMUD's water system. Once completed, the intertie will not only provide a lifeline for Zone 7 during catastrophic events (e.g., record drought, earthquake in the Delta, or loss of the South Bay Aqueduct), but also allow Zone 7 to participate in regional water supply exchanges or access to another source of supply during planned outages; all improve reliability for the Tri-Valley area.



Zone 7 is currently designing a new reliability intertie

Busch Valley Well No. 1 – Phase 1



Location of Phase 1 of the Busch Valley Well

Zone 7 is currently designing Busch Valley Well No. 1. The first phase includes a connection for the new well to Zone 7's system. In the near term, this connection can be used in conjunction with a temporary booster pump station to move well water east during periods of limited surface water. The connection should be in place by June 2015.

Other Efforts in Support of the Drought Emergency

In addition to the projects listed above, Zone 7 staff is in the process of amending its 2011 Water Supply Evaluation in light of lessons learned in 2014; the amendment is expected to be completed by the summer of 2015. Additionally, Zone 7 staff will continue to monitor local and statewide conditions, adjust operations as necessary to optimize use of available resources, remain prepared for another year of drought, and continue to regularly meet with its local water supply retailers and untreated water customers.

ATTACHMENT A: LATEST HYDROLOGIC CONDITIONS

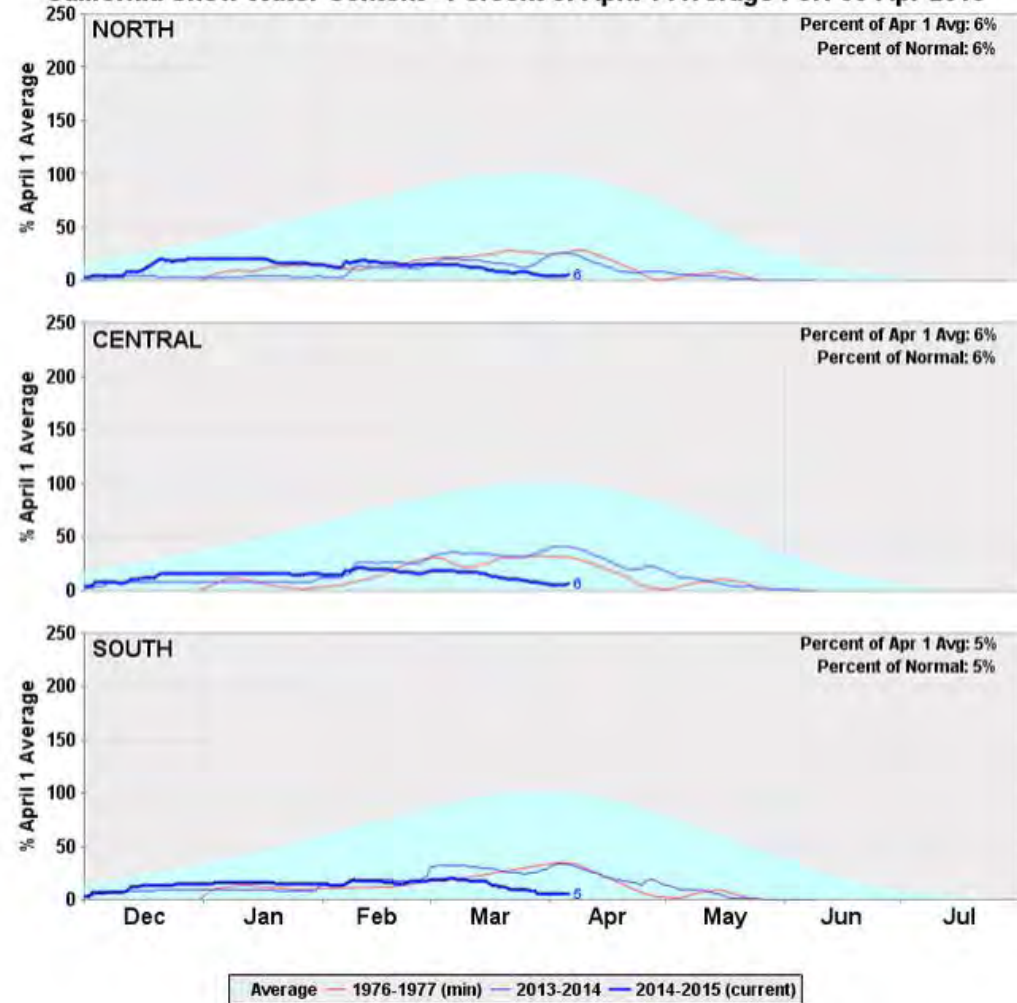
California Snow Water Content

% of April 1 Average / % of Normal for This Date

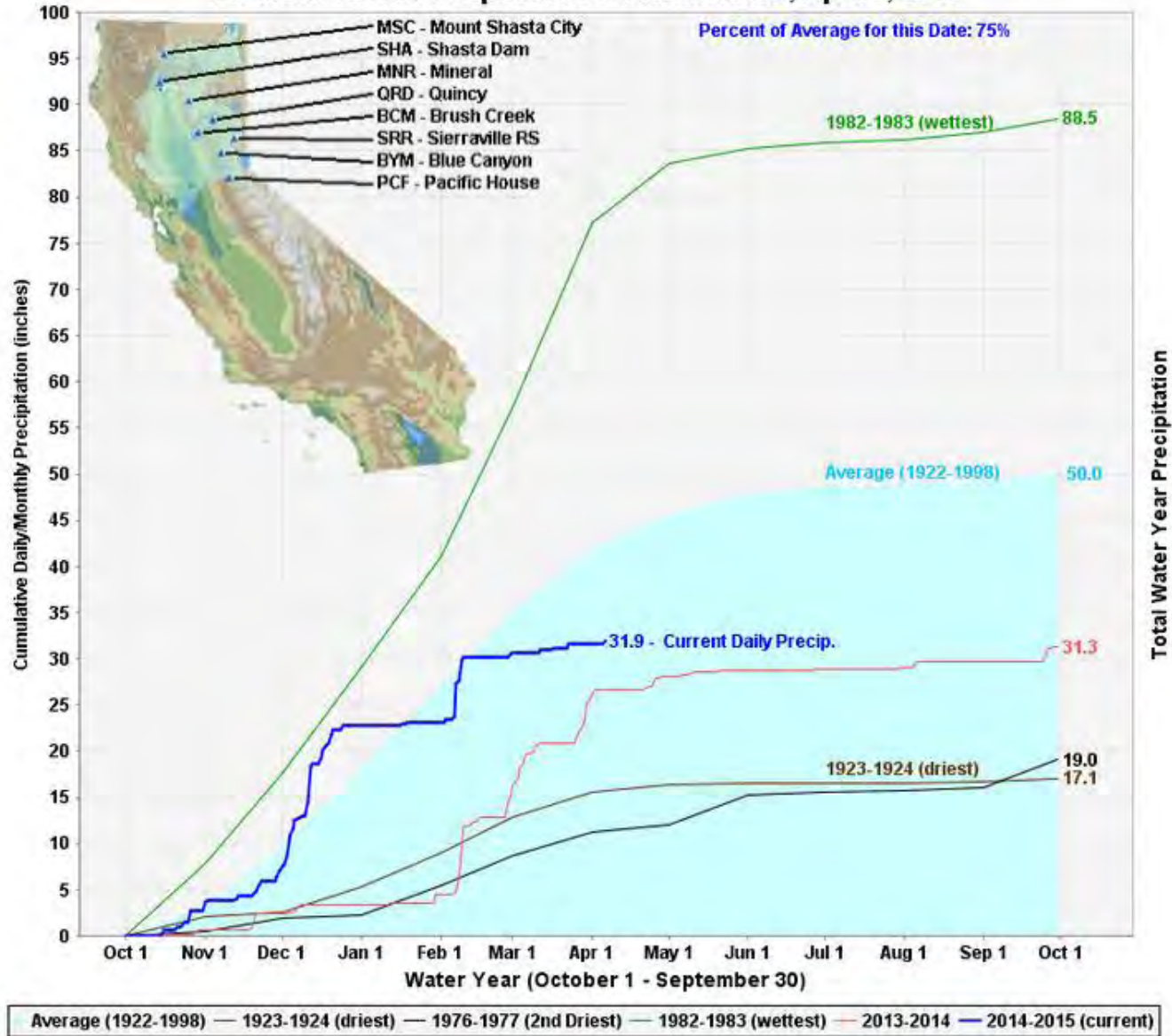


Statewide Average: 5% / 5%

California Snow Water Content - Percent of April 1 Average For: 06-Apr-2015



Northern Sierra Precipitation: 8-Station Index, April 6, 2015



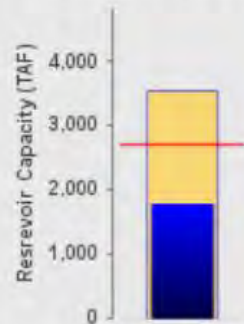


Reservoir Conditions - Lake Oroville



Lake Oroville Conditions

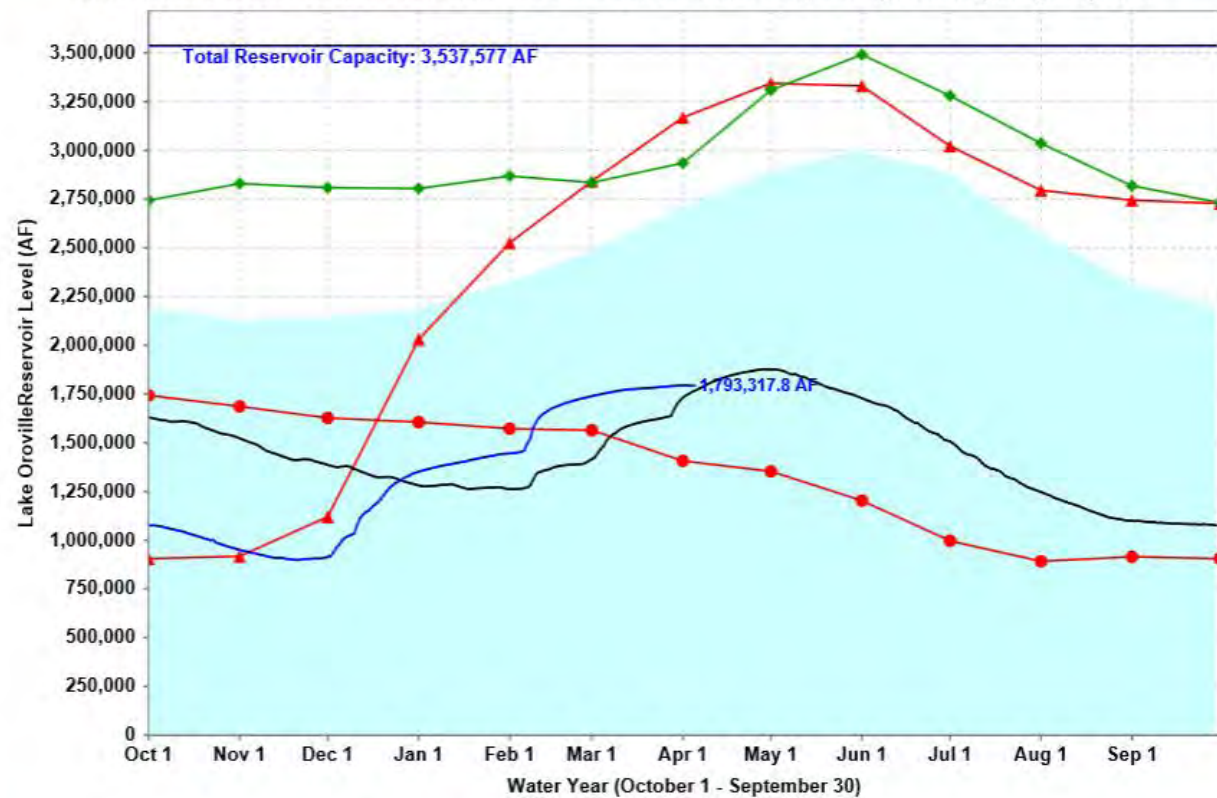
(as of Midnight - April 5, 2015)



Current Level: 1,793,317.8 AF

51% (Total Capacity) | 66% (Historical Avg.)

Lake Oroville Levels: Various Past Water Years and Current Water Year, Ending At Midnight April 5, 2015



Data Updated 04/06/2015 12:45 PM

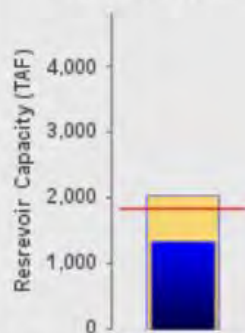


Reservoir Conditions - San Luis



San Luis Conditions

(as of Midnight - April 5, 2015)

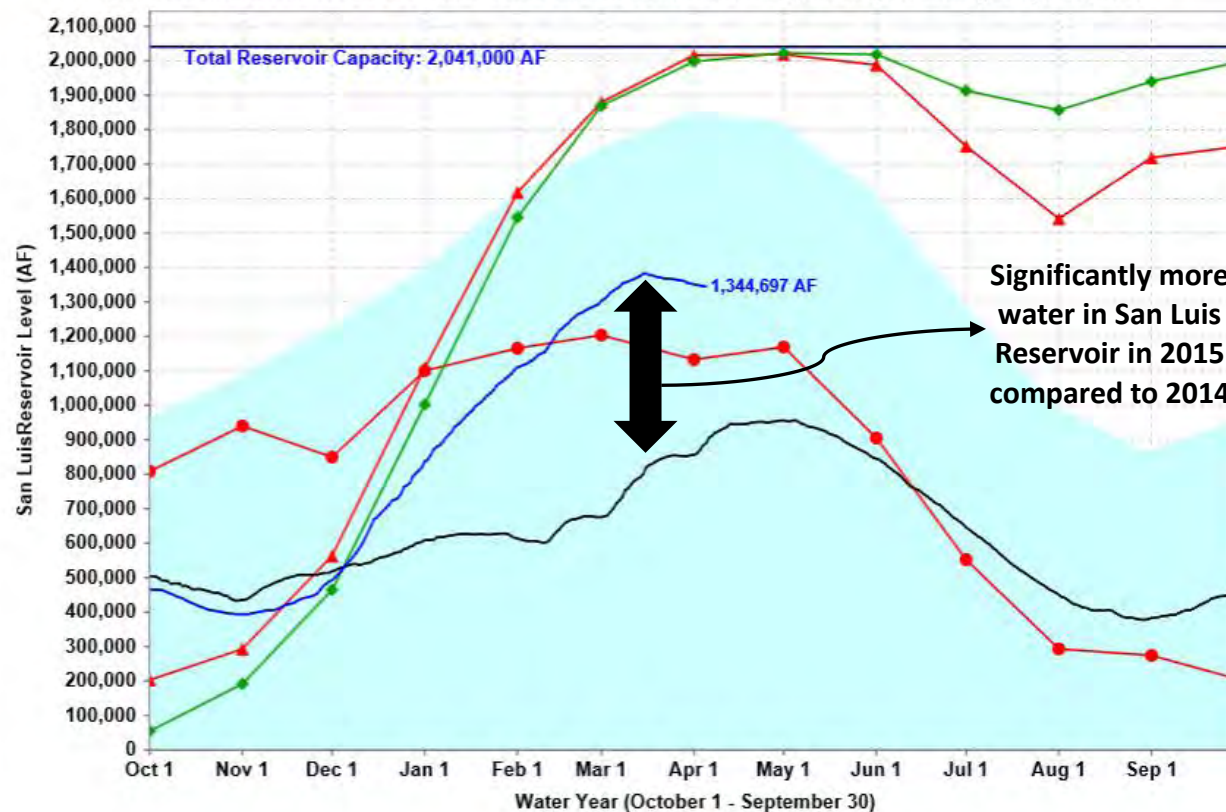


Current Level: 1,344,697 AF

66% (Total Capacity) | 73% (Historical Avg.)

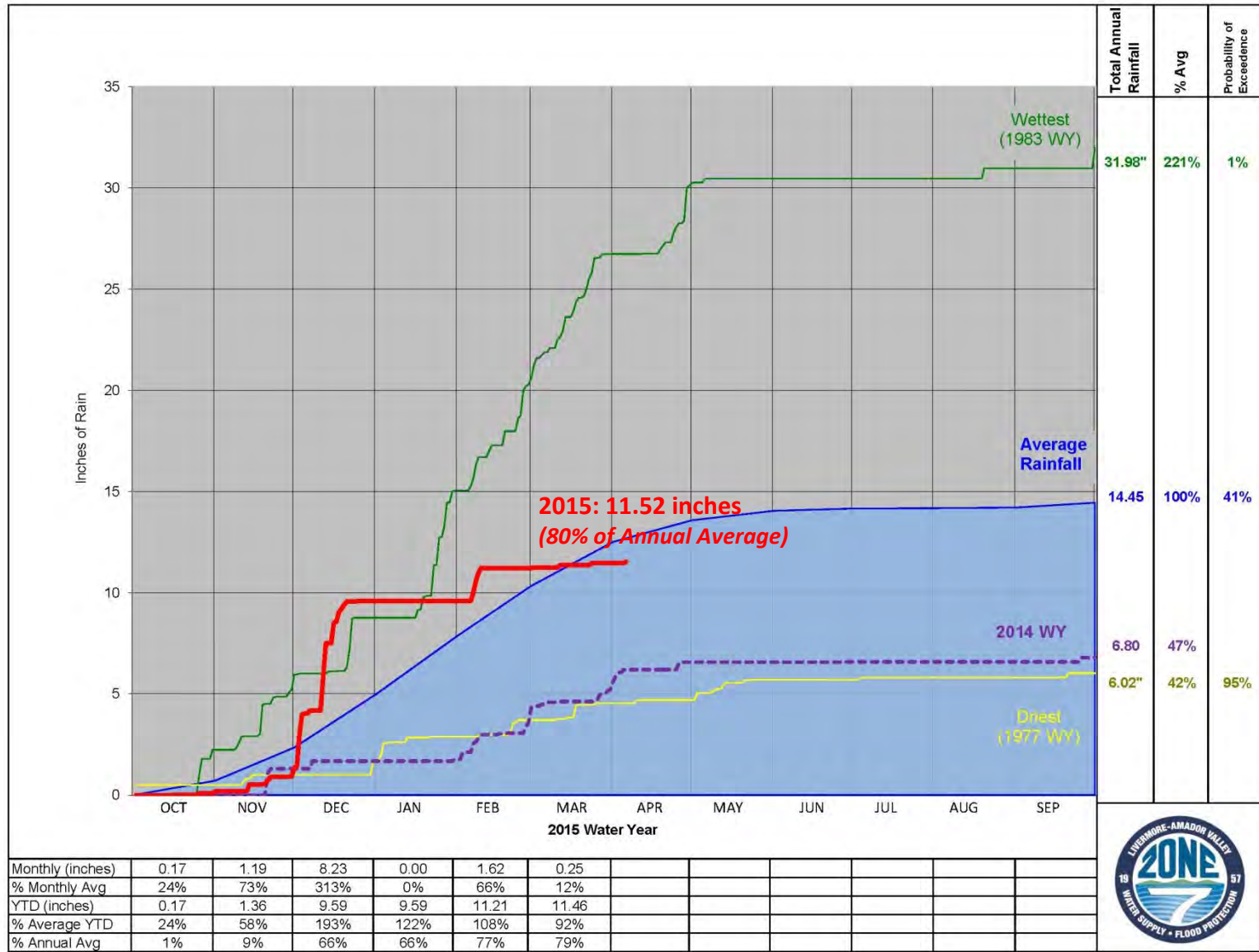
Data Updated 04/06/2015 12:45 PM

San Luis Levels: Various Past Water Years and Current Water Year, Ending At Midnight April 5, 2015



Historical Average Total Reservoir Capacity 1976-1977 (Driest) 1977-1978 1982-1983 (Wettest) 2013-2014 Current: 2014-2015

Local Rainfall (Livermore Station 15e)



ATTACHMENT B: WATER SUPPLY RELIABILITY POLICY

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO 13-4230

INTRODUCED BY DIRECTOR QUIGLEY
SECONDED BY DIRECTOR STEVENS

Water Supply Reliability Policy

WHEREAS, the Zone 7 Board of Directors desires to maintain a highly reliable Municipal and Industrial (M&I) water supply system so that existing and future M&I water demands can be met during varying hydrologic conditions; and

WHEREAS, the Board has an obligation to communicate to its M&I customers and municipalities within its service area the ability of Zone 7's water supply system to meet projected water demands; and

WHEREAS, the Board on August 18, 2004 adopted Resolution No. 04-2662 setting forth its Reliability Policy for Municipal & Industrial Water Supplies; and

WHEREAS, the Board desires to revise the Reliability Policy to reflect recent data, analysis, and studies.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby rescinds Resolution No. 04-2662 adopting the August 18, 2004 Reliability Policy for Municipal & Industrial Water Supplies; and

BE IT FURTHER RESOLVED that the Board hereby adopts the following level of service goals to guide the management of Zone 7's M&I water supplies as well as its Capital Improvement Program (CIP):

Goal 1. Zone 7 will meet its treated water customers' water supply needs, in accordance with Zone 7's most current Contracts for M&I Water Supply, including existing and projected demands as specified in Zone 7's most recent Urban Water Management Plan (UWMP), during normal, average, and drought conditions, as follows:

- At least 85% of M&I water demands 99% of the time
- 100% of M&I water demands 90% of the time

Goal 2: Provide sufficient treated water production capacity and infrastructure to meet at least 80% of the maximum month M&I contractual demands should any one of Zone 7's major supply, production, or transmission facilities experience an extended unplanned outage of at least one week.

BE IT FURTHER RESOLVED that to ensure that this Board policy is carried out effectively, the Zone 7 General Manager will provide a water supply status report to the Board every five years with the Zone 7 Urban Water Management Plan that specifies how these goals will be, or are being, achieved.

If the General Manager finds that the goals cannot be met during the first five years of the Urban Water Management Plan, then the Board will hold a public hearing within two months of the General Manager's finding to consider remedial actions that will bring Zone 7 into substantial compliance with the stated level of service goals. Remedial actions may include, but are not limited to, voluntary conservation or mandatory rationing to reduce water demands, acquisition of additional water supplies, and/or a moratorium on new water connections. After reviewing staff analyses and information gathered at the public hearing, the Board shall, as expeditiously as is feasible, take any additional actions that are necessary to meet the level of service goals during the following five-year period; and

BE IT FURTHER RESOLVED that the Zone 7 General Manager shall prepare an Annual Review of the Sustainable Water Supply Report which includes the following information:

- (1) An estimate of the current annual average water demand for M&I water as well as a five-year projection based on the same information used to prepare the UWMP and CIP;
- (2) A Summary of available water supplies to Zone 7 at the beginning of the calendar year;
- (3) A comparison of current water demand with the available water supplies; and
- (4) A discussion of water conservation requirements and other long-term supply programs needed to meet Zone 7 M&I water demands for single-dry and multiple-dry year conditions, as specified in the Zone 7's UWMP.

A summary of this review will be provided to M&I customers.

Definitions

Level of Service for Annual Water Supply Needs—the level of service is the percent of existing or projected water demand that Zone 7's water supply system can meet during two key conditions: (1) during various hydrologic conditions and (2) during unplanned outages of major facilities.

Capital Improvement Program (CIP)—the CIP is Zone 7's formal program for developing surface and ground water supplies, along with associated infrastructure, including import water conveyance facilities, surface water treatment plants, groundwater wells, and M&I water transmission system to meet projected water demands.

Normal conditions—conditions that most closely represent median runoff or allocation from all normally contracted or available water supplies from the historic record.

Average conditions—conditions that most closely represent the average runoff or allocation from all normally contracted or legally available water supplies from the historic record.

Drought conditions—conditions that most closely represent reduced runoff or allocation level from the historic record from all normally contracted or legally available water supplies, including both single-dry and multiple-dry year conditions.

Single-dry year condition—a condition that most closely represents the lowest yield over a one-year period from the historic record from all normally contracted or legally available supplies.

Multiple-dry year condition—a condition that most closely represents three or more consecutive dry years from the historic record that represent the lowest yields from all normally contracted or legally available supplies.

Available water supplies—consist solely of (1) water supplies that Zone 7 has contracted for (e.g., listed under Schedule A of the State Water Contract, dry-year water options, special contracts with other water districts, etc.) and (2) water actually stored in surface and subsurface reservoirs.

Maximum Month—the largest monthly average water use.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS FIGUERS, GRECI, MACHAEVICH, PALMER, QUIGLEY, RAMIREZ HOLMES STEVENS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

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 October 17, 2012.

By 

President, Board of Directors



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Integrated Planning

CONTACT: Brad Ledesma/Carol Mahoney

AGENDA DATE: April 15, 2015

ITEM NO. 10

SUBJECT: Continued Support of Statewide Emergency Water Conservation Efforts

SUMMARY:

- On January 17, 2014, Governor Brown declared a drought state of emergency and asked everyone to reduce water use by 20 percent.
- On January 29, 2014, Zone 7 declared a local state of drought emergency and adopted a drought emergency response plan.
- On April 16, 2014, Zone 7 directed staff to provide direction to the water retailers for achieving needed conservation consistent with its Stage 2 Action Plan.
- Through a tremendous effort throughout the Tri-Valley, water demands on Zone 7's system dropped by 29 percent in 2014, which bolstered future water supplies in the face of potentially dry years in 2015 and 2016.
- The 2015 Annual Sustainability Report indicates that Zone 7 can provide 100 percent of requested water deliveries in 2015 and 96 percent of requested deliveries in 2016 even if there is no conservation in 2015 and drought conditions worsen next year.
- Unlike 2014, there is no imminent threat of losing a major water supply source in 2015.
- On March 17, 2015, the State Water Resources Control Board extended and expanded statewide emergency water conservation regulations. Urban water suppliers must now limit the number of days per week that customers can irrigate outdoors in accordance with their drought contingency plans or, if their plan contains no specific limit, irrigation must be limited to no more than two days a week.
- On April 1, 2015, Governor Brown imposed 25 percent mandatory conservation statewide on all municipal and industrial water users.

FUNDING:

Not applicable.

RECOMMENDED ACTION:

Adopt attached resolution lifting Stage 2 Actions approved in April 2014, but continuing the local state of drought emergency and helping the water retailers achieve statewide mandates.

ATTACHMENTS:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Continued Support for Statewide Emergency Water Conservation Efforts

WHEREAS, on January 17, 2014, Governor Jerry Brown declared a State of Emergency due to the current drought conditions and asked everyone to reduce water use by 20 percent; and

WHEREAS, on March 17, 2015, the State Water Resources Control Board extended and expanded statewide emergency water conservation regulations; and

WHEREAS, the 2015 Annual Sustainability Report indicates that Zone 7 can provide 100 percent of requested deliveries in 2015; and

WHEREAS, there is no imminent threat of losing a major water supply source; and

WHEREAS, Governor Brown announced mandatory 25 percent conservation for all municipal and industrial users statewide; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District lifts Stage 2 Actions approved in Resolution 14-4361 on April 16, 2014, since Zone 7 can meet 100 percent of requested deliveries in 2015, there is no imminent threat of losing a major water supply source, and the same objectives are being met through statewide mandates.

BE IT FURTHER RESOLVED that the Board supports the extended and expanded statewide emergency water conservation efforts, and therefore, directs staff to continue the local state of drought emergency, and work closely with the water retailers on conservation messaging to help them in achieving statewide mandates.

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 April 15, 2015.

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: GROUNDWATER SECTION
CONTACT: MATT KATEN

AGENDA DATE: April 15, 2015

ITEM NO. 11

SUBJECT: Amended County Well Ordinance 73-68

SUMMARY:

- Zone 7 has actively managed a well permitting program under the terms of County Well Ordinance 73-68 (now Chapter 6.88 of the General County Ordinance Code) since its adoption in 1973.
- Staff has identified technical and administrative deficiencies in the current County Well Ordinance and provided new draft ordinance language and provisions to Alameda County Public Works Agency (ACPWA) intended to correct the deficiencies.
- The proposed Well Ordinance was discussed at the Alameda County Transportation/Planning Committee meeting on March 12, 2015.
- ACPWA and the Board of Supervisors discussed amending the County's Well Ordinance on April 7, 2015 using much of Zone 7's draft Well Ordinance language. This was a first reading.
- To accommodate Zone 7's request for better control over well constructions and destructions within its service area for protection of groundwater resources, the amended Well Ordinance provides for ACPWA to delegate certain Well Ordinance authority to Zone 7 and its Board of Directors through a Memorandum of Understanding (MOU).
- Zone 7 staff are working with ACPWA to develop such an MOU.
- The two agencies' staff will also work on updating the County's well and boring permit fees to be more in line with actual permit program costs and other fees schedules used by Northern California permitting agencies.

FUNDING:

No funding is necessary; however, implementing County permit fees will generate revenue which will be deposited into Fund 100-Water Enterprise to fund the Well Ordinance program.

RECOMMENDED ACTIONS:

Authorize the General Manager to negotiate and execute a Memorandum of Understanding with the Alameda County Public Works Agency accepting administrative function, powers and duties.

ATTACHMENTS:

- Memo providing additional background and discussion
- New County Well Ordinance Draft
- Resolution

Interoffice Memo

Date: April 15, 2015
To: Jill Duerig, General Manager
From: Matt Katen, Principal Geologist, Groundwater Section
Subject: Amended County Well Ordinance 73-68

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

BACKGROUND:

Alameda County adopted a Water Well Ordinance (Ordinance 73-68) in July 1973 and later incorporated it into its General County Ordinance Code as Chapter 6.88 (Water Wells). In June 1973, by resolution, the City of Livermore authorized Alameda County Flood Control and Water Conservation District (ACFCWCD) to administer and enforce the County Well Ordinance within the city (Resolution 76-73). Similarly, Pleasanton and Dublin adopted ordinances (Ordinance No. 720 and Ordinance 3-88, respectively) granting ACFCWCD and Zone 7 jurisdiction to administer and enforce the County Ordinance within their respective city limits. Zone 7 has been administering the County Well Ordinance in eastern Alameda County since its adoption in 1973.

Staff developed a draft Zone 7-specific Well Ordinance to supersede the County's Well Ordinance within Zone 7's jurisdiction because the County Well Ordinance lacked adequate clarity, specific consideration for groundwater quality issues in eastern Alameda County, and conformance to the State's Model Well Ordinance.

Staff presented a draft of the proposed Well Ordinance and an associated well permit fee schedule to Zone 7's Water Resources Committee and to the entire Board of Directors, in October 2014. At the October Board Meeting, the Board received a letter from Alameda County Public Works Agency (ACPWA) voicing their concern for the potential conflict of having overlapping jurisdictional areas in the two ordinances. This and other issues were discussed publically at the November 5, 2014 and January 13, 2015 Water Resources Committee meetings.

Notwithstanding the County's concern, the Zone 7 Board of Directors conducted a "first reading" of the Zone 7 Well Ordinance at the January 2015 Board Meeting in anticipation that the issue raised by ACPWA would be resolved by February. At the February 2015 Board Meeting, the Board agreed to continue the item to the April 2015 Board Meeting while Zone 7 and ACPWA staff continued to resolve their differences and create a solution that works for both agencies.

DISCUSSION:

ACPWA and Zone 7 staff developed language to amend the existing County Well Ordinance to achieve the following:

1. Update the language to bring the ordinance into conformance with State standards;
2. Enhance the enforcement provisions;
3. Allow for the creation of "special requirement areas"; and

4. Include a mechanism by which the Director of ACPWA may delegate administering authority to other appropriate public water resources agencies (i.e., Zone 7).

In updating the County ordinance much of the language and provisions were taken directly from the draft Zone 7 Well Ordinance. For the delegation of “administrative authority” item, ACPWA included the following language in the draft new Well Ordinance:

"Administering Agency"- The Director may delegate administrative function, powers and duties assigned by this chapter to other public entities as may be appropriate, by contract, memorandum of understanding, or other form of agreement.

"Board of Supervisors" shall mean the Board of Supervisors of the County of Alameda, except where the Director has delegated administering authority to an administering agency other than the County, and the contract, memorandum of understanding, or other form of agreement providing for said delegation designates another public body to perform the duties otherwise reserved to the Board of Supervisors under this chapter.

This language provides the Director of ACPWA with the authority to assign Well Ordinance “administrative functions, powers and duties” for the Zone 7 service area to Zone 7’s General Manager, and for the Zone 7 Board of Directors to serve similar Well Ordinance functions as the Board of Supervisors if so designated in an agreement such as an MOU.

The Board of Supervisors is scheduled to conduct the first reading of the draft new County Well Ordinance on April 7, 2015 (Attachment 1). The new County Well Ordinance will take effect 30 days after the day of passage anticipated April 21st. Zone 7 are working with ACPWA staff to prepare a draft MOU whereby the ACPWA Director would delegate the appropriate Well Ordinance “administrative functions, powers and duties” to Zone 7.

ORDINANCE NO. 73-68

AN ORDINANCE AMENDING CHAPTER 6.88 OF THE GENERAL ORDINANCE CODE OF THE
COUNTY OF ALAMEDA TO REGULATE THE CONSTRUCTION, REPAIR, RECONSTRUCTION,
DESTRUCTION OR ABANDONMENT OF WELLS WITHIN THE BOUNDARIES OF
THE COUNTY OF ALAMEDA

The Board of Supervisors of the County of Alameda does ordain as follows:

SECTION I

Chapter 6.88 of the Alameda County General Ordinance Code is hereby repealed and amended to read as follow:

6.88.010 - Purpose.

It is the purpose of this chapter to provide for the construction, repair, reconstruction, and destruction of wells, including cathodic protection wells and exploratory holes, to the end that the groundwater found wholly or partially within the county will not be polluted or contaminated and that water obtained from water wells will be suitable for the beneficial uses intended and shall not jeopardize the health, safety, or welfare of the people of the county, and for the destruction of abandoned wells or wells found to be public nuisances, including cathodic protection wells and exploratory holes, to the end that such wells will not cause pollution or contamination of groundwater, or otherwise jeopardize the health, safety, or welfare of the people of the county.

6.88.020 - Definitions.

Definitions of terms for the construction, repair, reconstruction, destruction, or abandonment of wells shall be as set forth in Chapter II and in Appendix I, of the Department of Water Resources Bulletin No. 74-81, 74-90, Bulletin 118, and including any subsequent supplements or revisions to "Water Well Standards: State of California," as modified and with additions herein.

"Abandoned" shall mean any well that is not "active" or been used at least once in preceding twelve (12) months for its intended use, a cathodic protection well that is no longer functional for cathodic protection purposes(s), or an exploratory hole 24 hours after construction and testing work has been completed.

"Active Well" shall mean any well that has been utilized at least once in the preceding twelve (12) months for the extraction, injection, sampling or monitoring of groundwater or soil vapor.

"Administering Agency" shall mean the Alameda County Public Works Agency. The Director may delegate administrative function, powers and duties assigned by this chapter to other public entities as may be appropriate, by contract, memorandum of understanding, or other form of agreement.

"Advisory Board" shall mean a Well Standards Advisory Board, consisting of three (3) qualified persons, which may be appointed by the Board of Supervisors for two (2) year terms, ending 12:00 noon on the first Monday after January 1 of each odd numbered year. The matter of qualification lies solely within the discretion of the Board of Supervisors. In the event a Well Standards Advisory Board is not created, the Board of Supervisors shall assume the duties of said Advisory Board. In the event the Director delegates administering authority to an administering agency other than the County, said administering agency may appoint its own Advisory Board that will serve in place of the County Advisory Board within the area of delegated authority.

“Applicant” or “Permittee” shall mean the legal owner(s) of the property or person authorized by the owner on which a well, exploratory hole, or other drilling activity is to be constructed, repaired, and inactivated or destroyed.

“Board of Supervisors” shall mean the Board of Supervisors of the County of Alameda, except where the Director has delegated administering authority to an administering agency other than the County, and the contract, memorandum of understanding, or other form of agreement providing for said delegation designates another public body to perform the duties otherwise reserved to the Board of Supervisors under this chapter.

“Cathodic Protection Well” shall mean any artificial excavation constructed by any method for the purpose of installing equipment or facilities for the protection electrically of metallic equipment in contact with the ground, commonly referred to as cathodic protection.

“Construction, Reconstruction” shall mean to dig, drive, bore, drill, or deepen a well, or to re-perforate, remove, replace, or extend a well casing.

“Contamination” shall mean an impairment of the quality of the waters, soil or soil vapor to a degree which creates a hazard to the public health through poisoning or through the spread of disease.

“County” shall mean the County of Alameda.

“Destruction” shall mean the proper filling, sealing, or otherwise rendering unusable a well that is no longer useful or has become hazardous to public health or safety, so as to assure that the groundwater is protected and to eliminate a potential physical hazard.

“Director” shall mean the Director of the Alameda County Public Works Agency, or his/her designee.

“Enforcement Officer” shall mean the Director, who shall enforce the provisions of this chapter. In accordance with the prescribed procedures, the Director may appoint such number of technical officers, inspectors, and other employees as required to perform the tasks described in this chapter, or delegate this authority to the administering agency in accordance with the provisions of this Section. The Director shall have the authority to designate such officers, inspectors, or employees as may be necessary to enforce the regulations, requirements, and other provisions of this chapter; officers, inspectors, or employees so designated shall have the authority to impose administrative fines and/or fees in accordance with the provisions of Section 6.88.070F of this chapter.

“Exploratory Hole” shall mean any uncased geological, geophysical or hydrological conditions. This does not include pits, trenches, excavations for foundations and basements, root-zone piezometers, or similar excavations in this definition.

“Monitoring Well” shall mean any well used primarily for observing groundwater obtaining samples, or for evaluating hydraulic properties of strata.

“Owner” means the record owner of land.

“Person” shall mean any person, firm, corporation, municipality, district, or public agency.

“Public Nuisance” shall mean any well which threatens to impair, or impairs, the quality of groundwater or otherwise jeopardize the health or safety of the public.

“Repair” shall mean the deepening or enlargement of a well or the perforation or replacement of a casing or sealing-off of aquifers, or other work to improve or maintain the integrity of the well and its water-producing capacity.

“Well” shall mean any artificial case boring for the purpose of extracting water from, or injecting water into, the underground, or for sampling or monitoring groundwater, soil vapor or earth movement. This definition shall not include: (a) oil and gas wells or geothermal wells constructed under the jurisdiction of the Department of Conservation, except those wells converted to use as water wells; or (b) wells used for the purpose of (1) dewatering excavation during construction if they are to be removed as part of the planned excavation, or (2) stabilizing hillsides or earth embankments.

6.88.030 - Jurisdiction.

This Ordinance shall have effect in the unincorporated area of the County of Alameda, except those unincorporated areas subject to a similar well ordinance adopted by a water agency with well permitting authority in force on or before January 1, 2015, and in those incorporated areas which have by ordinance or resolution adopted the provisions of this Ordinance by reference thereto and have designated the Alameda County Public Works Agency as the administering agency.

A. Special Requirement Areas: The administering agency may designate areas where special well construction techniques and/or well seal(s) are required to prevent spreading of contaminants or mixing of water between water-bearing zones. These areas are typically areas where one or more underlying aquifers of differing water quality are separated from each other by a zone of low permeability. The administering agency, in consultation with applicable agencies, shall identify the boundaries of these areas of special concern. Where an applicant proposes well construction, reconstruction, or destruction work in such an area, the administering agency may require the applicant to provide a report prepared by a registered Professional Geologist or registered Professional Civil Engineer (California Business and Professions Code Sections 7850 and 6762, respectively) that identifies the affected water bearing and non-water bearing strata, as well as the zone(s) of contamination or poor quality water, and recommends construction techniques and seal location(s) designed to prevent the spread of the contamination or poor quality water by the well or during well construction.

6.88.035 – Administration.

This chapter shall be administered for this county by the Director. To this end, the Director is authorized to prepare administrative procedures, guidelines, application forms, to tend to other administrative details not inconsistent with the provisions of this chapter, and to implement the provisions of this ordinance.

6.88.040 - Prohibitions.

A. Unpermitted Wells: No person shall, within the area subject to the provisions of this Ordinance, construct, repair, reconstruct, destroy, alter, or abandon any well unless a valid permit has been obtained therefor from the administering agency as provided in this ordinance.

B. Unsecured Well Openings: No person shall permit the existence on premises in his or her ownership or possession and control of any well opening or entrance which is not sealed or secured in such a way as to prevent the introduction of contaminants to underground water supplies through open wells.

C. Abandoned Wells: No person shall permit the existence of any abandoned well on premises in his or her ownership or possession and control.

D. Wasting Groundwater: No person shall engage in the indiscriminate pumping and discharge of groundwater in a wasteful manner.

E. Public Nuisances: No person shall permit the existence of any public nuisances, as defined in this chapter, to exist on property in his or her ownership or possession and control.

6.88.045 – Permit Requirement.

A. General Requirement: Every person within the ordinance jurisdiction proposing to dig, drill, bore, drive, advance by direct push, construct, reconstruct, deepen or destroy any well, or any exploratory hole that may intersect groundwater, shall, before commencing the work, apply for and receive a permit as provided in this ordinance to do the work, unless exempted herein, or by law.

B. Emergency Work: Emergency work required on short notice to ensure uninterrupted operation of drinking water or agricultural supply systems, or work to avoid imminent threats to public health and safety, may proceed without a permit. However, in such cases, the person responsible for the emergency work shall: (a) apply for a permit within three (3) working days after commencement of emergency work, and pay the normal applicable permit fee(s); (b) satisfy the administering agency that such work was urgently necessary; and (c) demonstrate that all work performed was done in conformance with the technical standards established pursuant to Section 6.88.060, Standards, of this ordinance.

6.88.050 - Permit Procedure.

A. Application: Written permits required by this Ordinance shall be issued by the administering agency, subject to conditions set forth in this Ordinance, required by law or established by the administering agency. The administering agency shall prescribe and provide a regular form of application for the use of any applicant for a permit required by this Ordinance. The application form shall contain space for the name and address, together with such detail as in the judgment of the administering agency is necessary to establish the identity of the applicant and the location, description of work to be done, and purpose of the proposed work, or other pertinent information. In addition, drawings and/or specifications of the proposed work shall be submitted in a form approved by the administering agency. The administering agency may also require compliance, at the applicant's expense, with the California Environmental Quality Act for any proposed work to be performed under this Ordinance if, in the administering agency's opinion, there may be significant effect(s) on the environment.

B. Permit Denial: The administering agency shall deny a drilling permit application on the following:

1. The applicant is not a person authorized to perform the work as provided by this Ordinance.
2. The permit application is incomplete.
3. The proposed work does not meet the standard set forth in this Ordinance.
4. The proposed work does not meet the purpose of this Ordinance.
5. The applicant has an outstanding permit compliance issue. No additional permits will be issued until all the compliance issues have been resolved.
6. The drillers C57 license has expired or has been revoked by the Contractors State License Board.

C. Fees and Costs: The schedule of fees and costs will be those recommended by the Director and established and adopted from time to time by resolution by the Board of Supervisors. Before a permit is issued, the applicant shall deposit with the administering agency cash or a certified or cashier's check or any other means of payment acceptable to the administering agency, in a sufficient sum to cover the fees for issuance of the permit, charges for field investigation, and the fee for necessary inspection or other work, all in accordance with schedules established and adopted by the Board of Supervisors. Public utilities or other governmental agencies may, at the option of the administering agency, make payment for the above charges as billed by the administering agency instead of by advance deposit as required above.

If, upon completion of any work under a permit, there remains any excess of deposit or of fees or charges, the administering agency shall so inform the Director, who shall certify the same to the auditor for refund to the permittee or refund the same from any trust fund established under his jurisdiction for such purposes.

D. Waiver of Fees and Costs: Neither the County of Alameda, nor the Alameda County Flood Control and Water Conservation District, together with their departments and contractors shall be required to pay fees for drilling permits, but shall be required to make applications for permits as provided for hereunder, providing an agreed procedure for the mutual clearance of plans and prosecution of the proposed work has been reached between the County or District department heads responsible for such work and the Director. All Federal and State agencies must apply for permits but no permit fee shall be charged to them as long as they are the applicant. All other public agencies, cities, public utilities, and non-governmental agencies must make applications for permits and also pay the required permit and inspection fees. Investigation and inspection costs for such permits may be waived by the Director unless, in his opinion, they would constitute an undue burden upon the County.

E. Term and Completion of Work: The permittee shall begin the work authorized by a permit issued pursuant to this Ordinance within ninety (90) days from the date of issuance unless a different period is stated in the permit. If the work has not begun within ninety (90) days or within the time stated in the permit, then the permit shall become void. The permittee shall notify the administering agency Five (5) working days in advance of beginning his permitted work of the date of said beginning of work. A permit shall be valid for a term of one (1) year from the date of issuance unless a different term is specified in the permit, or the permit is terminated by the earlier of the discontinuance or completion of the work for which the permit was issued, or the permit is revoked. The permittee shall complete the work authorized by a permit issued pursuant to this Ordinance within the time specified in the permit. A time extension to complete the work under the permit may be granted if, in the judgment of the administering agency, a time extension is warranted.

F. Expired Permits: Upon expiration of any well permit issued pursuant to this ordinance, no further work may be done in connection with the construction, repair, reconstruction, or abandonment of a well until such permit has been renewed or a new well permit for such purpose is secured in accordance with the provisions of this ordinance.

G. Suspended or revoked permits: The administering agency may suspend or revoke any permit issued pursuant to this ordinance whenever it finds that the permittee or his/her agent has violated any of the provisions of this ordinance, or has misrepresented any material fact in his/her application or other supporting documents for such permit. Upon suspension or revocation of any well permit issued pursuant to this ordinance, no further work may be done in connection with the construction, repair, reconstruction, or abandonment of a well unless and until such permit has been reinstated or a new well permit is secured. An appeal may be made as set forth below in sub-section P. within ten (10) days of issuance of notice of revocation.

H. Ordered Additional Work: Upon suspending or revoking any permit, the administering agency may order the permittee to conduct any work reasonably necessary to protect the underground waters from pollution or contamination, if any work already done by the permittee has left a well in such a condition as to constitute a hazard to the quality of the underground waters or to the public. No permittee or person who has held any permit issued pursuant to this ordinance shall fail to comply with any such order.

I. Inspection:

1. Whenever necessary to make an inspection in conjunction with the enforcement of the provisions of this chapter, or when an authorized enforcement officer has reasonable cause to believe that there

exists on the premises any condition that could constitute a violation of this chapter, the officer may enter the premises at all reasonable times to perform the said inspection or any other duty imposed by this chapter, provided that the following conditions are met:

a. If such premises be occupied, the authorized enforcement officer shall first present proper credentials and request entry; and

b. If such premises be unoccupied, the authorized enforcement officer shall first make a reasonable effort to locate the owner or other persons having charge or control of the premises and request entry.

2. Any such request for entry shall state that the property owner or occupant has the right to refuse entry and that in the event such entry is refused, inspection may only be made upon issuance of an inspection warrant by a duly authorized magistrate pursuant to Code of Civil Procedure section 1822.50.

J. Waived Inspections: If the administering agency, or his or her representatives wishes to allow a seal to be placed or a well destroyed without a representative of the administering agency being present, the permittee shall seal the well in accordance with the standards of this ordinance and any permit conditions. A request for a waiver of inspection may be granted if the permittee has arranged for a Professional Geologist or Professional Civil Engineer to provide the inspection and submit a signed and stamped letter attesting to the quality of the work. No seal shall be placed or well destroyed until the administering agency gives permission to proceed.

K. Guarantee of Performance: Prior to the issuance of a permit, the applicant shall post with the administering agency a cash deposit or bond guaranteeing compliance with the terms of this Ordinance and the applicable permit; such bond to be in an amount deemed necessary by the administering agency to remedy improper or uncompleted work, but not in excess of the total estimated cost of the work. Such deposit or bond may be waived by the administering agency where other assurances of compliance are deemed adequate by him or her.

L. Compliance with Other Regulations: The issuance of any permit pursuant to this Ordinance shall not in any manner relieve the permittee from compliance with applicable Federal, State, County, Municipal, and local regulations regarding well work and public health requirements, and from the necessity of obtaining any permits or consents required thereof, nor impose upon the County any obligation with respect to said permits or consents.

M. Liability: Permittee shall agree to a permit term that permittee shall be responsible for all liability imposed by law for personal injury or property damage proximately caused by work permitted and done by permittee under the permit, or proximately caused by failure on permittee's part to perform his obligation under said permit. If any claim of such liability is made against the County, administering agency, or Alameda County Flood Control and Water Conservation District, and their agents, officers, or employees, permittee shall defend, indemnify, and hold them and each of them harmless from such claim.

N. Location of Permit: It shall be the responsibility of the permittee to maintain a copy of the permit on the drilling site during all stages of construction or destruction.

O. Completion Report: A copy of the "Report of Completion" (Water Well Driller's Report, Department of Water Resources) required by California Water code Section 13751, shall be submitted by the permittee to the administering agency within thirty (30) calendar days of construction, alteration, or destruction of any well. This report shall document that the work was completed in accordance with the Well Standards and all additional permit conditions. Any additional information or data required as a permit condition shall be submitted at the same time. This information will become public information to the extent permitted by law.

P. Review and Appeal: Any person aggrieved in any manner under the procedures established under this Ordinance may request in writing that the matter be reviewed by the Advisory Board. If request for review is made, the Director shall schedule the matter for review by said Advisory Board and give reasonable notice of the time and place thereof to the applicant. Recommendations by said Advisory Board shall not be binding and may be appealed to the Board of Supervisors, but shall be binding in the event no such appeal is filed. Such appeals must be submitted in writing and filed with the Board of Supervisors within ten (10) days after said Advisory Board recommendations have been sent to or served upon the applicant. The Board of Supervisors shall hold a hearing of said appeal and shall give reasonable notice of the time and place thereof to the applicant. The decision of the Board of Supervisors shall be binding upon all parties. In the event the Advisory Board is not created under this Ordinance, requests for review of grievances shall be submitted in writing and filed directly with the Board of Supervisors. The Board of Supervisors shall hold a hearing of review of such grievances and shall give reasonable notice of the time and place thereof to the applicant. The decision of the Board of Supervisors shall be binding upon all parties.

6.88.060 - Standards.

Standards for the construction, repair, reconstruction, destruction, or abandonment of water wells, monitoring wells and cathodic protection wells shall be as set forth in Chapter II of the Department of Water Resources Bulletin No. 74-81, "Water Well Standards: State of California," Department of Water Resources Bulletin No. 74-90 (supplement to Bulletin 74-81), and any subsequent supplements or revisions thereof, with the following additions and modifications:

A. Aquifer Exclusions:

1. No wells intended to produce fresh groundwater shall be perforated opposite aquifers producing saline, contaminated or polluted water. It is recognized that in some instances production may be desired from areas and/or depths which contain poor or marginal quality water in all aquifers penetrated. It is not the intent of these standards to preclude such situations so long as the integrity of the fresh water supplies is maintained. Final judgment on well construction that would cause intermingling of waters of different qualities shall be at the discretion of the Director.

2. In wells open to fresh water aquifers, penetrated aquifers producing saline, contaminated or polluted water shall be sealed off as specified in Section 13, Chapter II, and Appendix B, Bulletin No. 74-81.

3. As a guideline, saline water is considered as water which contains more than 250 ppm chloride ion and contaminated or polluted water is considered when the contaminant or pollutant is greater than 80% of its maximum contamination limit (MCL) as established by the State of California. During well construction, the permittee shall provide some provision for the determination of groundwater quality characteristics of the major aquifers penetrated so that a judgment can be made as to whether or not intermingling will take place. Such determination can consist of evaluation of data regarding adjacent wells and evaluation of samples of formation materials encountered. Final judgment as to the probability of intermingling and the need for evaluation of conditions shall be at the discretion of the Director.

B. Abandoned Wells: As a condition of a construction or reconstruction permit, any abandoned wells on the property shall be destroyed in accordance with standards provided in this ordinance.

C. Sealing Exploratory Holes: Backfilling work on exploratory holes, as defined herein, shall be subject to requirements equivalent to those in the destruction of abandoned wells.

D. Sampling Access: All water wells shall be maintained in such a manner that water quality samples can be readily collected. The Director shall be empowered to collect water quality samples and to perform tests on any well at any reasonable time following a reasonable notification attempt.

E. License Requirement: All construction, reconstruction, or destruction work on wells shall be performed by a person who possesses an active C-57 Water Well Drilling Contractor's License in accordance with the provisions of the California Business and Professions Code, Section 7000, et. seq., and Water Code Section 13750.5.

F. Annular Seal: All wells shall be constructed with an annular seal. In no case will an outer casing or conductor casing be an acceptable substitute for a seal.

G. Waste Disposal: Drilling fluids and other drilling materials used in or generated by the permitted work shall be handled safely and their disposal shall be in accordance with the law.

H. Other Requirements: The administering agency shall maintain well standards technical programs or drilling permit policies specific to the jurisdiction, including any "special requirement areas" that may have more stringent requirements to prevent pollution or contamination of the groundwater or otherwise jeopardize the health, safety, or welfare of the people of the County of Alameda.

6.88.070 - Enforcement.

A. Right to Enter and Inspection: The administering agency's authorized representatives shall have the right to enter upon any property at reasonable times to investigate any condition which appears to indicate the existence of a public nuisance as defined in this Ordinance. The administering agency's representative(s) shall, upon first presenting his/her credentials and identifying himself/herself as an employee of the administering agency, be permitted to examine the property, take such samples, make such tests, and take such other steps reasonably necessary for the proper investigation of the suspected nuisance. If the property is unoccupied, a reasonable effort will be made to locate the owner or other person having charge or control of same. If entry is refused, recourse will be had to such remedies as are provided by law to secure entry.

B. Order of Nuisance Abatement: In the event a well subject to this Ordinance is found to be a public nuisance or constructed, repaired, reconstructed, or destroyed contrary to the terms of this Ordinance or a permit issued for such well pursuant to this Ordinance, the administering agency may order the abatement of said well as a nuisance in accordance with the provisions of this Ordinance or pursuant to the provisions of the Water Code of the State of California. Similarly, if a well has been constructed without a Well Permit, the administering agency may order the abatement of said well as a nuisance in accordance with the provisions of this Well Ordinance, or pursuant to the provisions of the Water Code of the State of California. In either case, the administering agency will send written notice to the owner of the land as shown on the most recent equalized assessment roll or to the permittee, at his/her address listed on the permit, which notice shall state the manner in which the well is in violation, what corrective measures must be taken, and the time within which such correction must be made.

C. Abatement by the Administering Agency: If the corrections listed in the notice given pursuant to Section 6.88.070B are not made as required in said notice, the administering agency with the approval of the Board of Supervisors, and after a reasonable opportunity for the person notified to be heard by said Board of Supervisors, may abate the condition and the cost thereof shall be a charge against the owner of the land as shown on the last equalized assessment roll, pursuant to California Government Code Section 25845. Said cost shall be a special assessment on the property tax bill where failure to pay may result in a tax sale of the property.

D. Emergency Abatement: If the administering agency finds that the condition or operation of a well subject to this Ordinance is, by its condition, operation or maintenance, an immediate threat to public health or safety, he may abate the condition without giving notice as required in A. above, and the cost thereof shall be a charge against the owner of the land as shown on the last equalized assessment roll,

pursuant to California Government Code Section 25845. Said cost shall be a special assessment on the property tax bill where failure to pay will result in a tax sale of the property.

E. Failure to Obtain Permit: Any person who does any work for which a permit is required by this Ordinance and who fails to obtain a permit shall be guilty of a misdemeanor punishable by fine not exceeding FIVE HUNDRED DOLLARS (\$500.00) or by imprisonment not exceeding six (6) months, or by both such fine and imprisonment, and such person shall be deemed guilty of a separate offense for each and every day or a portion thereof during which any such violation is committed, continued, or permitted, and shall be subject to the same punishment as for the original offense.

F. Administrative Enforcement

In addition to the other enforcement powers and remedies established by this chapter, an authorized enforcement officer shall have the authority to undertake the following administrative actions:

1. Notice to Appear. When the authorized enforcement officer finds that a violation of this chapter has taken place or is likely to take place, he/she may post a warning notice on the property requiring that owner or any person appear at the offices of the administering agency to review and resolve that violation.
2. Stop Work Notices. Whenever any person has engaged in any violation described in Section 6.88.040, or an owner has allowed such a violation to occur on its property, an authorized enforcement officer shall have the authority to order the work stopped by serving written notice to that effect on any persons engaged in, doing, or causing such work to be done. If there are no such persons on the premises, the enforcement officer shall post the stop work notice in a conspicuous place thereupon. Any person responsible for such a violation having received a stop work notice from an authorized enforcement officer shall forthwith stop that work and immediately proceed to secure the work site, pending further direction from the enforcement officer. Under no circumstance shall the work be resumed except under the express direction of the enforcement officer.
3. Enforcement Fees. The cost of enforcement, including the current pay rate of the authorized enforcement officer (including benefits and overhead) to achieve final resolution of any non-compliance of this Section 6.88.070 shall be borne by the owner of the property or person involved and the cost thereof shall be invoiced to the person or owner of that property. The payment of these fees shall be in addition to any fines levied in accordance with the provisions of Section 6.88.070G of this chapter, and upon collection shall be deposited into a special fund to be used to offset the costs of possible future abatement of violations of this chapter in accordance with the provisions of Section 6.88.070B of this chapter.

All notices or orders issued by the authorized enforcement officer must state the specific nature of the violation, including a reference to the particular provision of this chapter that is being violated.

G. Penalty for Violations:

1. Misdemeanor. Upon conviction of a misdemeanor, a person shall be subject to payment of a fine, or imprisonment, or both, not to exceed the limits set forth in California Government Code Section 25132.
2. A person in administrative violation of this chapter may be subject to the payment of fines and/or fees in accordance with the following schedule, at the discretion of the authorized enforcement officer, except that the authorized enforcement officer shall also have the authority to declare a violation as a hazard, subject to summary abatement in accordance with the provisions of Section 6.88.070C of this chapter.

Fines and Fees for Administrative Violations	
<u>Unpermitted well activity</u>	
• Investigation/Inspection fee, per Section 6.88.050:	• \$250.00. The Director shall have the authority to waive this fee.
• Fine for failure to comply with the directions of the Director following his/her investigation/Inspection.	• \$1,000.00 • Additional \$1,000.00 for each failure to comply with subsequent direction of the Director, except that following the third overall failure to comply, the Director shall have the authority to levy a \$1,000.00 per day fine in accordance with the provisions of Section 6.88.070H of this chapter.
• Fee for review of construction plans:	• Actual cost.
• Permit fee	• See Section 6.88.050 of this chapter.
<u>Permitted well activity</u>	
• Fine for violating the conditions of a permit:	• \$250.00 for initial violation. • Additional \$1,000.00 for each subsequent failed reinspection, except that following the third failed reinspection, the Director shall have the authority to levy a \$1,000.00 per day fine in accordance with the provisions of Section 6.88.070H of this chapter.
<u>All well activity (permitted and unpermitted)</u>	
• Fee for Review and Appeal per Section 6.88.050 of this chapter:	• \$50.00 The Director shall have the authority to waive this fee.
• Fee for processing appeals to the Board of Supervisors:	• \$25.00
• Fee for processing abatement per Sections 6.88.070B, 6.88.070C, and 6.88.070D of this chapter:	See Section 6.88.070B, 6.88.070C, and 6.88.070D.
• Fee for other enforcement actions, per Section 6.88.070F of this chapter:	See Section 6.88.070F
• Fee for civil proceedings, per Section 6.88.070I of this chapter:	See Section 6.88.070I.

The Director shall notify, in writing, any person subject to the imposition of a fine in accordance with the Section 6.88.070, and, if appropriate, shall provide that person with a reasonable opportunity to correct the violation prior to the levy; any person receiving such a notice may appeal the fine in accordance with the provisions of Section 6.88.050 of this chapter.

Unless otherwise specified by law, the invoice for any fine levied in accordance with this Section 6.88.070 not paid to the County within sixty (60) days of such levy may be sent to County Collections for action. In the event that such an invoice is not paid promptly to County Collections, the Director shall have the authority to place a lien upon and against the property involved in the violation.

All references in this Section F to the Director shall include a similar official of the administering agency.

H. Continuing Violation: Any person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this chapter is committed, continued, or allowed by such person and verified by the authorized enforcement officer, and may, at the discretion of the officer, be subject to the specified penalties accordingly, except that the officer shall provide any person

responsible for a continuing violation with a reasonable period of time to correct, eliminate, or otherwise remedy that violation prior to the imposition of an administrative penalty or penalties, provided that the said violation does not constitute an immediate danger to health or safety.

I. Civil Enforcement: In addition to being subject to prosecution, any person who violates the provisions of this ordinance may be made the subject of a civil action to be filed by the County Counsel or other counsel for the administering agency. Appropriate civil action includes, but is not limited to, injunctive relief and cost recovery.

J. Well Status Determination: The determination as to the status of a well will be made by the administering agency.

K. Remedies Cumulative: The remedies available to the administering agency to enforce this ordinance are in addition to any other remedies available under ordinance or statute, and do not replace or supplant any other remedy but are cumulative thereto.

6.88.080 - Conflicts.

Whenever the regulations of this ordinance impose more restrictive standards than are required in or under any other statute or ordinance, the requirements of this ordinance shall govern. Whenever the provisions of any other statute or ordinance require more restrictive standards than are required by this ordinance, the provisions of such more restrictive statute or ordinance shall govern.

6.88.090 - Severability.

If any section, sub-section, paragraph, sub-paragraph, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; and the Board of Supervisors declares that this Ordinance and each section, sub-section, paragraph, sub-paragraph, sentence, clause, and phrase thereof would have been adopted irrespective of the fact that one or more of such section, sub-section, paragraph, sub-paragraph, sentence, clause, or phrase be declared invalid or unconstitutional.

SECTION II

This ordinance shall take effect and be in force thirty (30) days from and after the date of passage and before the expiration of fifteen (15) days after its passage it shall be published once with the names of the members voting for and against the same in the Inter-City Express, a newspaper published in the County of Alameda.

Adopted by the Board of Supervisors of the County of Alameda, State of California, on _____, 2015, by the following called vote:

AYES:

NOES:

EXCUSED:

SCOTT HAGGERTY
President of the Board of Supervisors
County of Alameda, State of California

ATTEST: ANIKA CAMPBELL-BELTON
Clerk of the Board of Supervisors, County of Alameda

By: _____

Approved as to Form:
DONNA R. ZIEGLER, County Counsel

By: 
Deputy County Counsel

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, Zone 7 staff have been working with Alameda County Public Works Agency to update a well ordinance.

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 Memorandum of Understanding with the Alameda County Public Works Agency to accept the administrative function, powers and duties to regulate the construction, repair, reconstruction, destruction or abandonment of wells for the area of Alameda County within the jurisdictional boundaries of Zone 7.

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 April 15, 2015.

By: _____
President, Board of Directors



DRAFT 4-2-15

**Tri-Valley Water Roundtable
Held February 5, 2015
Discussion Notes**

On Thursday, February 5, 2015, the Tri-Valley Water Policy Roundtable met from 5:00 – 7:00 pm at the City of Pleasanton Operations Center at 3333 Busch Road in Pleasanton.

Agencies represented included the Cities of Livermore, Pleasanton, San Ramon and Dublin; Zone 7 Water Agency; Dublin San Ramon Services District (DSRSD); and the California Water Service Company. Pat O’Keeffe and Brittany Gabel of Management Partners served as the facilitator and recorder respectively. The following is a write up of the discussion ideas that were captured on flip charts.

Four objectives were established for the session, as follows:

- Understand existing policies governing reliable quality water supply
- Discuss of an acceptable level of reliability
- Recommend elements of reliability that should be pursued immediately
- Understand current efforts for recycling water

Participants

Elected/Designated Representatives

- Mayor John Marchand, Livermore
- Council Member Doug Horner, Livermore
- Council Member Karla Brown, Pleasanton
- Council Member Kathy Narum, Pleasanton
- Council Member Harry Sachs, San Ramon
- President Georgean Vonheeder-Leopold, DSRSD
- Director Richard Halket, DSRSD
- Director Jim McGrail, Zone 7
- Director Dick Quigley, Zone 7
- Frank Vallejo, General Manager Cal Water

Staff

- Daniel Smith, Operations Services Director, Pleasanton
- Bert Michalczyk, General Manager, DSRSD
- Dan Gallagher, Operations Manager, DSRSD
- Brian Bornstein, City Engineer, San Ramon
- Roger Bradley, Assistant to the City Manager, Dublin
- Dan McIntyre, Public Works Director, Livermore
- Darren Greenwood, Assistant Public Works Director (Operations Manager), Livermore
- Jill Duerig, General Manager, Zone 7
- Nelson Fialho, City Manager, Pleasanton

Setting the Context for Workshop Discussion

In order to set the context for the workshop presentations and group discussions, facilitator Pat O’Keeffe reviewed the list of six policy issues, summarized below, that the group settled on during the last session on November 17, 2014.

- A. Improved reliability through diversification of supply, storage, and facilities
- B. Increased use of recycled water
- C. Increased “structural” conservation
- D. Planned growth to proceed when reliability criteria are being met
- E. Coordinated legislative and regulatory outreach and lobbying to enhance valley water
- F. Governance changes that lead to or are needed for implementation of the above policy points

The group was reminded that this workshop session was designed to focus on the first two policy issues: improved reliability and increased use of recycled water.

Presentation of Zone 7 Reliability Policy

On behalf of the Zone 7 Water Agency, Brad Ledesma, an Associate Engineer in the Integrated Planning Section, delivered a presentation on the existing reliability standard and discussed how it relates to current drought conditions and the potential effects of various water supply portfolios. Attachment A includes the slides from this presentation. Workshop participants were invited to provide comments and ask clarifying questions about the presentation.

Comments and clarifications included:

- The \$469 million portfolio cost, as cited in the presentation, includes all water supply and infrastructure costs, but relies on assumptions based on 2011 conditions (not severe drought conditions).
- State water is relied upon in all three 2011 portfolios presented; all portfolios moving forward will include some reliance on state water project.
- Zone 7 is currently looking at a combination of the three portfolios presented; they expect to complete this analysis in June 2015 and will prepare an amendment to propose portfolio alternatives that better handle water level uncertainties that the



region is currently experiencing.

- There was agreement that it is important to look at a combination of the three portfolios, with particular emphasis on water supply sources that are under local control.
- The state water project will take decades; decisions will be made outside of the Tri-Valley; the Tri-Valley has more decision making power for the back-up portfolios presented.
- There was concern over the reliability of state water project entitlements; should we try to minimize our reliance on this source? Could reducing our reliance on state water generate capital for Tri-Valley specific water projects?

Discussion of Reliability Elements and Priorities

In order to facilitate workshop discussion, participants were asked to address two issues in small groups. First, participants were asked to discuss the current reliability standard of 85% reliability for 99% of the time and reach consensus on whether to recommend a different standard. Second, participants were asked to discuss water reliability elements from last meeting. Comments made during workshop discussions included:

Current reliability standard (85% for 99% of the time)

- It is a moving target
- 2014 has tested the assumptions
- If the climate is changing, it is more and more difficult to meet the standard; we may need to lower the standard
- How comfortable are we with running out of water?
- Are people willing to spend more to increase reliability? Comments ranged from its OK to go dry/brown lawns periodically to it should never happen, especially if its not happening to neighboring districts (e.g. EBMUD, etc)
- How much more customers can or will pay is unknown, and probably varies by community/retailer
- The current reliability standard is “OK” but requires another level of detail; it should delineate between state reliability versus local reliability
- The standard itself is not the important part; we should be asking ourselves what portfolios are in our control? We need less variability in our water supply; we need portfolios that reduce volatility
- In large swings (severe drought conditions) reliability standards are not meaningful; we need more supply and more storage

Elements of water reliability

- We have local control over recycling
- Who would pay for Recycled Water (RW) improvements?
- Delta fix won't happen quickly
- Pick choices we can control



- Need to educate customers
- Irrigation versus indirect potable reuse (IPR): water quality concerns
- A portfolio approach with many different elements will reduce volatility; we need to diversify our portfolio
- How can we capitalize on interties with East Bay Municipal Utility District (EBMUD) and San Francisco Public Utilities Commission (SFPUC)? Will water be available?
- Vaqueros holds much promise, (many upsides, with some drawbacks as well); and yet groundwater recharge storage is much larger storage capacity than Vaqueros
- Expanded use of Lake Del Valle (although it is controlled by the state)
- Chain of Lake(s) for surface storage (although it is not happening until 2058, it will make a big difference)
- Recycled water is preferred over state water
- Need to have maximum conservation in extreme outlier events; our portfolio needs to set us up to survive outlier events; some level of conservation is “OK” for one year in a single decade
- Extreme volatility in ability to meet standard hurts the economy
- We cannot continue to conserve at 25% for multiple years
- There needs to be some recognition that it will cost to diversify the portfolio
- Is it possible to pull water from state water project for ground water basin?
- All water supply sources are interrelated; as state water availability decreases, it becomes more difficult to store water in our locally controlled storage facilities, as all excess water currently goes into the groundwater basin
- Should we focus our infrastructure investments in expanding our capacity to recharge?

Presentation by the Santa Clara Valley Water District

A presentation was delivered by Jim Fiedler, the Chief Operating Officer of the Santa Clara Valley Water District about recent efforts in Santa Clara County to develop the infrastructure to support expanding the use of recycled and purified water. Attachment B includes the presentation slides. Afterwards, the City of Livermore, DSRDS, and the City of Pleasanton reviewed their existing recycled water programs and services. Comments that were generated by these presentations included:

- The Silicon Valley Advanced Water Purification Center (SVAWPC) facility took approximately 4 years to build; it was paid for primarily through local funds from the Santa Clara Valley Water District (\$52 million); City of San Jose (\$8.5 million) and funds from federal and California State Department of Water Resources (DWR) (\$13.5 million)
- There is currently no state regulation to treat wastewater for a potable system; direct potable reuse standards are currently being looked at by the State.
- Groundwater basin in South Bay is being impacted by current drought; they are looking at injection and surface spreading of advanced purified water from a future facility similar to the technology being used at the SVAWPC.



Wrap Up Discussion

To conclude the roundtable discussions, facilitator Pat O’Keeffe asked participants to identify what they liked about the meeting. Comments included:

- Good discussion; narrowed options (local)
- Good water
- Good discussion of path moving forward
- Focused discussion on reliability and portfolio of sources
- Consensus building; diversity of supply (no conflicts)
- Santa Clara information was helpful
- Water = Quality of life / economy

Presentation Attachments:

1. Attachment A -Zone 7 power point slides re: reliability standards and water portfolios
2. Attachment B – Santa Clara Valley Water District power point slides re: Purification Center



Water Resources Committee

Summary Notes

Meeting Date:	March 25, 2015	Start Time:	4:00 p.m.
Directors Present:	John Greci Bill Stevens Jim McGrail	Staff Present:	J. Duerig, K. Arends, M. Katen, J. Chahal, Tom Rooze

Director Greci called the meeting to order at 4:00 p.m.

1. Public Comment on Items Not on the Agenda

None.

2. Update on Status of Draft Nutrient Management Plan (NMP)

Staff provided information on the status of the NMP project in three parts:

- 1) A recap of the presentation made to the Areas of Concern (AOC) Stakeholders on March 23, 2015.
- 2) A summary of the stakeholder's feedback from the March 23 meeting.
- 3) A review of the Regional Water Quality Control Board (RWQCB) NMP comment letter dated February 9, 2015 along with the results of staff's meeting with RWQCB staff on March 18.

The presentation summarized the following:

- the purpose, methods and conclusions of the draft NMP,
- identification of the key nutrient sources of the Livermore Groundwater Basin;
- characteristics of the high nitrate AOCs,
- a new, simplified version of the septic tank permitting criteria proposed for unsewered AOCs;
- stakeholder and public outreach efforts conducted by staff; and
- some "Myths and Facts" about the NMP.

Staff then summarized the comments and questions received at the stakeholders' meeting which was attended by 30 to 35 homeowners living near the four unsewered Areas of Concern near Livermore. Staff stated that most of the attendees at the March 23rd meeting had not attended the previous stakeholder's meeting held in April 2014. Staff grouped the stakeholder comments and questions into four major categories:

- costs of installing and operating advanced septic systems;
- other sources of nitrate such as historical chicken ranching, equine facilities, vineyards, etc.;
- scenarios when the proposed special septic tank requirements would be applicable; and,
- county regulations, requirements and permit approval procedures regarding septic systems.

Staff reported that Alameda County Environmental Health (ACEH) staff in attendance at the March 23 meeting responded to the comments and questions from the latter category.

Staff then reviewed the RWQCB's February 9th letter commenting on the November draft of the NMP and the results of their meeting with RWQCB staff. Staff maintained that most of the RWQCB questions and comments could easily be addressed with edits to the NMP draft and by adding detail in appendices; however, there were four comments in particular that staff discussed with RWQCB staff on March 18. The four comments in question and the outcome of staff's discussion with the RWQCB were reported as follows:

- 1) RWQCB requested supporting detail in the form of cross sections and data points on the maps. At the meeting, staff gave the RWQCB digital files containing the requested map detail and offered to include hard copies in a NMP appendix, but explained how the lack of well logs with reliable geologic information precluded the creation of accurate scaled cross-sections specific to the Areas of Concern. However, staff agreed to prepare conceptual cross sections to help RWQCB understand the hydrogeologic setting in the areas of concern.
- 2) RWQCB questioned the volume-weighted calculation of average nitrate concentrations and a supposed discrepancy between the Area of Concern boundaries and the polygons used for calculating average nitrate concentrations. Staff explained that the polygons (nodes) were created in 1974 by DWR for calculating groundwater inventory and that they are still used today as a convenient way to calculate the volume of groundwater in storage from monitoring well water level data. For the NMP, staff maintains they were used appropriately for the calculation of average nitrate concentrations and assimilative capacities for each subbasin group, and that by definition, the Areas of Concern are above the basin objective and have zero assimilative capacity. However, staff agreed to re-check their average nitrate determinations.
- 3) RWQCB questioned the nitrogen loading factors and water application rates used in the NMP's nitrogen loading evaluations. Staff provided RWQCB staff with the reference documents and reports that formed the basis of the values used in the NMP. RWQCB will review the information provided, and staff agreed to analyze the sensitivity of the results for the loading factors in question.
- 4) RWQCB requested that the OWTS loading restrictions proposed in the NMP specify the upper limit of acceptable nitrogen loading. In response to the RWQCB and other similar stakeholder comments, staff simplified the special requirements table, added maximum allowable loading rates, and explained how the table was developed and how it could be used by the planning and permitting agencies. RWQCB staff indicated that they were going to review the new proposal and respond later.

Staff said they also asked what else is necessary for the RWQCB to endorse Zone 7's NMP. RWQCB indicated that they endorse the steps presented in the meeting to move the NMP forward, but were reluctant to give a full endorsement of the NMP until the extent of nitrate contamination was known and the NMP had more assurances of achieving its goals. Staff explained that the NMP was a "plan" that includes further investigation of the contamination and an adaptive management approach for the clean-up of local "hot-spots" while cautiously allowing reasonable but careful development to proceed in the unsewered areas.

Following staff's presentation, President Greci asked if Zone 7 has records of all domestic wells in the Buena Vista (BV) area, such as well depths, screens, and samples. Staff responded that they believe they have records for most of the wells, but that many don't include the reliable geological and well screen information needed to create accurate cross sections. President Greci then asked how many wells in the Buena Vista area does staff reference in its nitrate evaluations. Staff indicated that they use data from about ten wells in the Buena Vista area. Staff also explained that domestic water supply wells are often over 150 feet deep and pump from different levels than the shallow nitrate-impacted ones.

Director McGrail asked whether there is direct evidence that shows septic tank effluent is causing some of the high nitrate problems. Staff explained that the NMP identified multiple nitrate sources, and that on a mass loading basis, septic tank effluent is one of the major contributors for some of the Areas of Concern. Staff mentioned however, that an isotope study conducted by Lawrence Livermore National Laboratory in 2006 failed to identify septic tank effluent as an identified source of the Buena Vista area nitrate contamination.

Director McGrail also expressed concern about the RWQCB comment letter. He said that he sees it as a discouraging statement, and hopes that staff will be able to straighten out any misinformation or disagreement that the RWQCB may have, and eventually gain their support for the NMP. Staff reiterated that that was the purpose of the March 18 meeting and that a follow-up meeting was already scheduled to further discuss the issues.

Director McGrail commented that the permitting process may be confusing to some stakeholders. Staff explained that although ACEH has the permitting authority, the Zone 7 Board has historically adopted wastewater management policies (Resolutions No. 1037 and 1165), such as one Rural Residential Equivalent (RRE) per five acres for new development on septic systems. Staff stated that ACEH has added the Zone 7 requirements into the County regulations.

Director Stevens expressed concerns with adding Appendices to the NMP as it would add unnecessary complexity.

Director McGrail asked how much it would cost to drill three wells to further assess the nitrate contamination in an Area of Concern. Staff responded that the costs are variable depending on the depth and method of drilling. Director Stevens expressed concerns about Zone 7 spending public funds to investigate local nitrate conditions for new development's benefit. President Greci said it seemed to him that the RWQCB's main criticism was more about methodology used in the NMP and then talked about his experience at the LLNL and how much money they spent characterizing the contamination there. General Manager Jill Duerig stated that Zone 7 staff is willing to work with others to collect additional data necessary to improve characterization of the nitrate plumes, but that she thought it might be a better approach to work with the City of Livermore to extend the sewer to these Areas of Concern.

Director Stevens asked about the next step for addressing the RWQCB's concerns. He feels that staff should press them for an endorsement of the NMP so that there would be no question regarding State grant eligibility. He also suggested that if Zone 7 adopts the NMP in 2015, that they should think about delaying implementation of the special septic tank requirements until January 1, 2016. Director McGrail supported the idea of delaying its effective date until January. General Manager Duerig reiterated that the next planned steps are to meet again with RWQCB in April to see if we can make more progress towards

gaining their endorsement, rather than writing a response to their letter. Staff hopes to bring the NMP back to the full Board for consideration at the June Board meeting.

President Greci asked for any public comments. A member of the public, Mr. Tim Johnston, commented that this impacts his business since he works with property owners to design their septic systems for permitting approval and construction. He expressed that clearer requirements would be better to eliminate the confusion. Staff explained that the revisions made to the special OWTs requirement table was for that purpose. Mr. Johnston agreed that the new table is better. No other members of the public provided comments

3. Verbal Comments – No verbal comments.

4. Adjournment

Meeting was adjourned at 5:37 p.m.

SUMMARY NOTES OF THE WATER RESOURCES COMMITTEE
ZONE 7 BOARD OF DIRECTORS

Thursday, April 9, 2015
4:00 p.m.

Directors present: John Greci
 Jim McGrail
 Bill Stevens

Staff present: Jill Duerig, General Manager
 Kurt Arends, Assistant General Manager - Engineering
 Carol Mahoney, Integrated Planning Manager
 Brad Ledesma, Associate Engineer

Director Greci called the meeting to order at about 4 p.m.

1. Public Comment - No public comment.

2. Annual Sustainability Report

Staff member Brad Ledesma provided a presentation that summarized the report prepared for the April 15, 2014 regular board meeting, which states that Zone 7 can meet 100% of the 2015 delivery requests for M&I and untreated customers, and 96% of the 2016 delivery requests – even if there is no conservation in 2015 and 2016 should also be a critically dry year (i.e., 1977 hydrology). The estimates for water availability and storage for 2015 and 2016 used a conservative approach to provide maximum flexibility in planning. The Annual Sustainability Report is a tool in creating a water operations plan but does not act as the operations plan, itself. A similar presentation was provided to the retailers on April 7, 2015 and will be presented at the April 15, 2015 Board Meeting. Staff highlighted the completed drought projects that had been approved to move forward by the Board in January 2014 as a part of the original drought declaration, and introduced two projects that staff are working on to meet future water supply needs: 1) The reliability intertie with East Bay Municipal Utility District; and 2) Phase I of Busch Valley Well with the potential for the installation of a mobile pump station in the event that moving water from east to west in the valley becomes necessary under limited surface water conditions.

Questions from directors and the public were received. Don Kahler asked about acre-foot conversions. Director Stevens asked how the state calculates the long-term average reliability of deliveries on the State Water Project (SWP), and if Zone 7 should be exploring alternatives to using long-term average. Staff indicated that the Department of Water Resources (DWR) provides the reliability estimates and long-term averages based on overall SWP modeling, climate change estimates, regulatory constraints, and other information available to them, and since all other State Water Contractors use these estimates for reliability, it may be difficult for Zone 7 to justify using alternative methods. Director Stevens also noted that in discussions with our retailers and cities over the next summer, Zone 7 should be prepared to discuss the impacts

of development and include this in the 50 year planning horizon of the Water Supply Evaluation (WSE). Director Greci closed the discussion by thanking the community for successful conservation during 2014 that has positioned the Valley so well for 2015.

3. Continued Support of Statewide Emergency Water Conservation Efforts

Staff member Brad Ledesma provided a presentation. A staff item and resolution will be brought before the Board on April 15, 2015, that recommends lifting Stage 2 Actions from Resolution 14-4361, supporting statewide emergency water conservation mandates, directing staff to continue the local drought state of emergency, and to work close the with retailers on conservation messaging.

Director Greci noted the importance that storage in San Luis Reservoir and good operations on the part of DWR played a key role in demonstrating that storage projects are critical for the wise handling of water in California as a whole. Don Kahler asked if Zone 7 was worried if stating the agency can meet 100% of water demands in the Annual Sustainability Report would cause people to waste water or stop conserving water. Director McGrail expressed a concern that outreach and messaging needs to be carefully crafted to explain water availability, state requirements, and that it's important to be prudent and save water during the continuing drought. Director Greci stated that community pressures to conserve and conform along with clear messaging would likely rule the majority. Directors again noted the great job and prudent efforts of the community members in previous conservation that helped to put the valley in such a good standing this year for water supplies by allowing water conserved last year to be carried over for use this year. Ms. Duerig noted that this is also why staff will be recommending that the Board adopt a resolution next week to continue the drought emergency and send a clear message to the public that we are not out of the woods yet, by also authorizing staff to provide support for achieving conservation and crafting such drought messaging. Director Stevens queried retailers present if the concerns over economic vitality had subsided given the public's strong response and success of conservation during the drought restrictions last year. He noted that Pleasanton's Vice Mayor Brown had expressed concerns of back-to-back restrictive years during a Liaison Committee meeting but that nobody from Pleasanton was present at this meeting to comment. Ms. Duerig stated that the proposed requirements were still draft and that comments were welcome. Once the statewide standards are finalized, Zone 7 would be working with the retailers to help them meet the requirements.

4. Water Supply Evaluation Amendment

Staff member Brad Ledesma provided a verbal update. The amendment will largely examine changed conditions and new data points such as: Dry conditions, in addition to a catastrophic loss from earthquake, causing outage in delta; Inability to call back banked water at extremely low allocations (less than 10%); and little to no local control due to other political factors within the State. Staff are also exploring more about water demand management and what was learned from the recent conservation measures and the response of the Valley residents and coordination of the retailers. Likewise, the extension of mining in the quarry area to 2058 will limit use of the Chain of Lakes until much later. A kickoff meeting with the retailers was held in December 2014 and one-on-one meetings with each retailer were conducted in January and February 2015. The

goal is to complete the effort by the end of summer 2015 by evaluating the pros and cons of various options and working closely with the retailers.

A retailer Liaison Committee meeting on April 27, 2015 will discuss the Annual Sustainability Report as well as provide more information about the Water Supply Evaluation Amendment, conservation, and the plan for the year. Director Greci stated that he would like staff to explore management of water levels in Lake Del Valle, but acknowledged that this facility was owned and operated by DWR and could be a challenge to effect change. No public comments were made.

5. Verbal Reports

Assistant General Manager Kurt Arends gave an update on Zone 7's Well Ordinance. Alameda County has agreed to incorporate Zone 7's ordinance language into a countywide ordinance and completed a first reading on April 7, 2015. The goal will be to have the Board of Supervisors authorize County Public Works Agency staff negotiate an MOU with Zone 7 whereby the County will delegate authority to administer the Well Ordinance Program to Zone 7 within Zone 7's service area. Fees and authority to set fees will have to be negotiated separately, but the County is not opposed to adopting the Zone 7 fee structure.

6. Adjournment

Since there were no further issues or comments, the meeting was adjourned at 4:55 p.m.

4/15/15 Board written/narrative comments by Dick Quigley

Feb 24-27 - Attended ACWA annual Washington DC Conference.

March 19 - Thursday evening attended a CEMEX public presentation held at the LARPD community center. The meeting purpose seemed to be, present “three options for the scope of work at Lake B; with option 1 as CEMEX’s preference. CEMEX will make the final decision on the scope of work at Lake B after consultations with various local, state, and federal agencies whose approval is required for the proposed rerouting of the Arroyo del Valle.” It was a poster and discussion session with strong neighborhood, recreation, county, and water enrolment. A time line and more information are on web site community@cemexeliotmine.com. I was delighted to see Director Palmer, Colleen Winey, and Ann Brown from Morrison & Associates.

March 21 - Saturday - Proudly participated as a judge at Annual Alameda County Science & Engineering Fair. About 650 middle and high school kids participate and about 100 judges rank over 400 projects. Zone 7, DSRSD, ACWD have special category judging for water centric projects. Having judged for many years, I can share that this year more water energy and environmental projects were in the competition. Winners emerged in water at the County level: Winners and runner up water centric: 38% of total awards were water centric and many of the 420 projects were water energy and environmental projects! A pleasant surprise to me! I am sure our Zone 7 Judging team will bring us some great local winners! Thanks Amparo Flores, and Emily Moshier.

Vanessa Wang

Grade 9 — American High School

Project: Little Insect Project (Inspired by DARPA LittleDog Project)

Neal Shipman

Grade 8 — Albany Middle School

Project: Marsh Invasion: Testing if early germination gives an edge to Algerian Sea Lavender

Vikram Bhagavatula

Grade 8 — Horner Junior High

Project: Dynamic Data Flow Processor (DDP)

Sidharth Bommakanti

Grade 11 — Amador Valley High School

Project: Project Wellness Water

Jamie Hau-Riege

Grade 6 — Joshua Chadbourne Elementary School

Project: Jamie and the Beanstalk

Kaanthi Pandhigunta

Grade 8 — Challenger School

Project: Water-Saving Soil

Reetam Ganguli
Grade 8 — Horner Junior High
Project: Aquaponics-The story of fish and plants

Adelpha Chan
Grade 8 — William Hopkins Junior High School
Project: Which Showerhead Really Saves the Most Water?

For more information see: http://acsef.org/subpages/2015_archive/winner_2015.html.

March 22 & 23 - Attended and Chaired Region 5 ACWA event “Silicon Valley Water Forum” hosted by Santa Clara Valley Water Agency. It was very educational, and responses from attendees, board and staff members from many of our neighboring agencies, including DSRSD, EBMUD, ACWD, SFPUC, CCWD, and many others as far south as Goleta and Carpinteria. A Sunday afternoon tour of SCVWD’s new 72 MGD Advanced Water Purification Center was an educational highlight. They seem to be taking the Bay Area lead on recycled water and bring an Orange County model north. They have the firm support of the corporate tech giants Apple, Google, Net flicks, Levi Stadium and others for they’re out reach on recycled water during the prolonged drought.

The County Solid waste treatment plant is directly across the street. I took pictures and can share. Senior VP of the Silicon Valley Leadership Group and the Mayor of San Jose, Sam Liccardo gave compelling supportive presentations. Sunday Eve at a Networking reception, Peer Dreke, Policy Director, Tuolumne River Trust, spoke on collaboration between water agencies and environmental groups to achieve mutual benefits, followed by Jim Fiedler, COO-SCVWD led a round table discussion on water district drought response efforts & impact on rates. A lively enlightening discussion among 50-60 water wonks ensued. Monday Beau Goldie CEO-SCVWD welcomed all and gave a snippet of Santa Clara projects, water supply and challenges.

Tim Quinn Ex Director of ACWA gave an up date of key issues, including status of Prop 1 funding, Ground water activity, Headwaters plan roll out, and new storage task force. Tim was followed by two panel sessions of water experts, the first discussed Groundwater Management, Water Sustainability=Thriving Economy, Hollister Urban Area Water Project, and Alternative Supplies for Hetch Hetchy Customers.

Panel 2, focused on Disaster Preparedness: Napa Quake Operational Response Efforts (lessons learned), Dam Safety Programs (checks and balances), and the Neary Tank Project. We were then given a waking tour of the SCVWD Water Quality Lab & Perc Ponds surrounding the water district headquarters.

I was honored and humbled to introduce speaker’s panel moderators, my friends Kathy Tieg, ACWA Vice Pres, and Anson Moran, Commissioner, SFPUC and BCWA Reg 5 Board Member.

March 26 & 27 - attended an ACWA full quarterly board meeting at Sacramento headquarters.

2014 successes, amidst the ongoing drought crisis, provide a foundation for action in 2015 that we must be determined to take advantage of. ACWA will lead a major drought briefing/webinar. ACWA will continue to move forward on implementation of SGMA, Sustainable Groundwater Management Act of 2014. The *ACWA Headwaters Framework Document*, approved by the Board in November, was formally released. The ACWA Water Storage Policy Task Force has finalized its recommendations, and the board unanimously accepted. Save Our Water – California’s conservation education program – has launched a new statewide public education campaign called Keep Saving CA that is intended to help Californians make lasting and permanent reductions in the water they use. ACWA's spring conference – titled “Mission: Possible, Taking Charge of Change” – is set for May 5-8 in Sacramento and will examine issues ranging from drought to implementation of Proposition 1. Registration is open!

Let me know if you have any questions or suggestions.
Thanks DQ



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: ADMINISTRATION

CONTACT: Jill Duerig

AGENDA DATE: April 15, 2015

ITEM NO. 15a

SUBJECT: GENERAL MANAGER'S REPORT

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

Environmental & External Affairs:

- The US House of Representatives passed a bill in March which would amend the Safe Drinking Water Act to require that USEPA develop a "strategic plan for assessment and managing risks associated with cyanotoxins in water." Cyanotoxins are found in some blue-green algae and were in the local news in January, <http://sanfrancisco.cbslocal.com/2015/01/31/warning-3-dogs-fatally-poisoned-after-drinking-water-algae-bloom-from-oaklands-lake-chabot/>. Zone 7 is participating in a study with the other South Bay Contractors to determine the best treatment methods for cyanotoxin removal, should it ever appear at significant levels in our source water.
- UC Davis Fish Biologist Dr. Peter Moyle testified in front of the Delta Stewardship Council that it's time to prepare for the extinction of the Delta smelt. The latest state trawl in the Sacramento/ San Joaquin Delta collected only six of the endangered fish (compared to hundreds usually found) but the US Fish and Wildlife Service says it's too soon to use the term "extinction."
- The California Department of Water Resources (DWR) released a compendium of drought data, http://www.water.ca.gov/waterconditions/docs/California_Significant_Droughts_2015_small.pdf.

Engineering and Flood Control:

- Some settlement was identified adjacent to the thrust block on the Cope Lake side of the new Cope Lake-Lake I connector piping. The contractor was notified and repairs are scheduled to be completed this month.
- The Power and Water Resources Pooling Authority's (PWRPA) contractor began pot holing at the Mocho Groundwater Demineralization Plant (MGDP) in anticipation of the planned construction.
- With the dry weather, Zone 7's contractors resumed repairs to bioengineered areas exhibiting toe erosion along reaches in Dublin and Pleasanton using willow stakes. A total of 14 sites needing repairs have been identified. Willow stakes planted in December 2014 are already beginning to show growth.

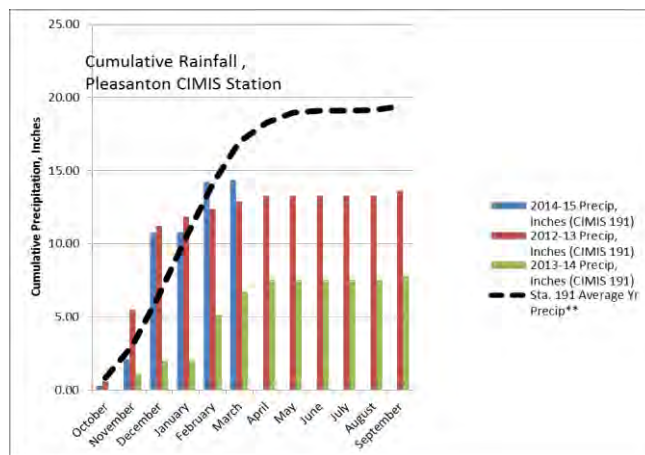
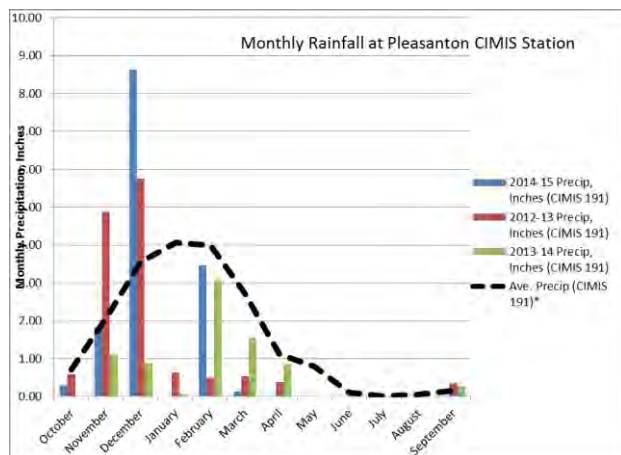
Administration:

- Under a Tri-Valley Utility Coordination Agreement Task Order, DSRSD will be repaving the access road to the Dougherty Tank, with Zone 7 reimbursing them for half the cost (Zone 7's share will be

under \$20,000). Work should be completed in May. A similar cooperative paving agreement was previously executed with the City of Livermore for the Del Valle Access Road.

Operations and Maintenance:

- The first delivery of carbon dioxide (CO₂) was received at the Del Valle plant in mid-March so the pilot project will commence soon. In theory, CO₂ will stabilize pH and allow coagulant (ferric chloride) doses to be reduced, which could have the ancillary benefits of minimizing caustic soda (NaOH) needed for pH readjustment and reducing treatment residuals (sludge) production.
- Although March was more dry than an average March, cumulative local rainfall for this water year remained near average as measured at Pleasanton CIMIS Station 191.



Monthly List of GM Contracts

March 2015

Contracts:

Management Partners	\$50,000	Management Consulting Services for temporary Assistant General Manager, Human Resources support
Yorke Engineering, LLC	\$25,000	Environmental Compliance
NexLevel Information Technology, Inc.	\$47,210	Information Technology Master Plan
Total March 2015	\$122,210	



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 DIVISION: ADMINISTRATIVE SERVICES
CONTACT PERSON: MIKE WALLACE / TAMARA BAPTISTA

AGENDA DATE: April 15, 2015

ITEM NO. 15b

SUBJECT: Monthly Budget Report

SUMMARY:

This report provides a summary of FY 14/15 budget performance and explanations of any major variances for the period July 1, 2014 through March 31, 2015.

The following provides explanations and additional details concerning this report:

The period of July 1, 2014 through March 31, 2015 is approximately nine months or 75% of the fiscal year. However, Zone 7's revenue and expense cycles do not follow this pattern because of the nature of our business, which is seasonal and as-needed. For example, the first installment of property tax revenue is not received until December and capital project expenses vary based on construction schedules. By March, we typically expect somewhere between 65-70% of the budget to have been used. This is because services rendered/goods purchased in March would typically be billed and paid for in April.

The FY 14/15 Budget shown is the amended budget which includes any additional Board-approved appropriations, prior-year encumbrance carryovers and unspent capital project balances carried forward to this fiscal year.

The attached Fund Balance Changes Report details year-to-date changes in fund balance by fund type and category. Note the overall fund balance of the Proprietary Fund Category (Water Enterprise Funds), decreased by \$21.4M and the Governmental Fund Category (Flood Control Funds), increased by \$2.6M. The decrease for the Water Enterprise Funds is partially due to the timing differences between the receipt of property tax/connection fee revenue and DWR payments for fixed costs, which are the bulk of Fund 110 and 130 expenses and partially due to Board approved planned use of reserves.

Debuting in this report is an attachment that depicts in chart-form, historical information covering the past seven years of total revenues, expenses and the ending balances for funds 100, 110, 120, 130, 200, and 210's, and is being provided at the request of Director Figuers.

The information in the following tables summarizes, by fund, the attached Annual Budget by Account Classification Report:

Water Enterprise Fund – Fund 100 (formerly Fund 52):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 34,461,062	\$ 17,943,966	52%
Expenses	\$ 50,157,219	\$ 29,745,806	59%

This fund provides financing for the acquisition and conveyance of raw water, treatment and delivery to the Zone 7 service area. The main source of revenue for this fund is water sales. FY 14/15 YTD revenue is primarily from the sale of 17,579 acre-feet of treated water through February 2015. The month of February 2015 treated water sales of \$1.6M are approximately 87% of the February 2014 amount of \$1.8M, which reflects the revenue impacts of drought conservation efforts. March water sales revenue is not reported because the meter reading data that generates the monthly water billing was not available at the time of this report. Other revenue is from grant proceeds and DWR refunds; both are greater than the budget estimates.

YTD expenses include the first, second and third quarter transfers to Fund 120, water production costs, maintenance, miscellaneous services/supplies and memberships and dues. While imported water purchases were low due to the low allocation and minimal access to transfers, they have since increased due to the purchase of Semitropic water. Utility and chemical costs remain within the normal range. Rental expenses remain significantly less than budget because the potential use of portable generators for the wells during the drought has not been required to date. Organizational memberships are due and paid at the beginning of the fiscal year, resulting in the 77% as shown in the attached report.

State Water Facilities Fund – Fund 110 (formerly Fund 51):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 14,060,937	\$ 8,564,108	61%
Expenses	\$ 14,227,251	\$ 14,377,553	101%

This is a pass-through fund for fixed charges associated with the State Water Project, assessed as a property tax override. YTD revenue is from DWR refunds and the first installment of property tax payments, which should represent about half of the projected revenue. YTD expenses reflect payments to DWR for fixed costs through March 2015. DWR charges are both monthly and semi-annual - Transportation Capital charges are paid in January/July and the SBA Improvement and Enlargement debt service payments are paid in March/September. In June 2014, DWR announced that they were experiencing cash flow issues and presented the State Water Contractors (SWC) with a 2015 Statement of Charges (SOC) proposing to cover the majority of the shortfall. Zone 7's share of this is approximately \$3M. DWR stated that the primary reason for the cash flow issue was a large salary increase for DWR employees as well as an increase in the number of full time employees. The

other factor affecting this fund is a reimbursement/credit of approximately \$1.2M that we expected to receive in 2015 for the SBA Enlargement/Improvement project, but wasn't in the 2015 SOC. Zone 7 prepaid the initial costs of the project around \$6M to launch it and DWR had stated that we would in turn be reimbursed via the 2015 SOC. This project is split 20% in this fund (110) and 80% in Fund 130. We have, as of yet, not received the credit. Staff has been following up with DWR and learned that the reimbursement/credit is now planned to be included in the 2016 SOC. However, a partial credit will be given to us in July 2015. There currently exists enough cash in the fund to cover this fiscal year's unexpected increase; however at the end of this fiscal year, the fund's balance will drop below the Board approved minimum reserve level. We plan to discuss this situation further during the FY 15/16 budget process.

Water Renewal/Replacement & System-Wide Improvements – Fund 120 (formerly Fund 72):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 13,129,324	\$ 10,081,206	77%
Expenses	\$ 13,236,048	\$ 5,578,251	42%

This fund pays for capital projects including the replacement and improvement of the current water treatment and delivery system. The primary source of funding is a quarterly transfer from Fund 100 – Water Enterprise; the first, second and third quarter transfers have been posted. Other revenue is from the sale of plans and specifications, grant proceeds and Dougherty Valley Facility Use Fees.

FY 14/15 YTD expenses reflect capital project expenses such as a portion of the Chain of Lakes Well 5 costs, Cope Lake Slope Repair, Groundwater Model Upgrade, AV Water Right Permit Extension, Busch Valley Well #1 project, DVWTP Sludge Handling Improvements, DVWTP Superpulsator Rehabilitation, the DVWTP Caustic Soda System, Filter 1 Media Replacement projects at DVWTP, PPWTP Ferric Chloride & Caustic Improvement project, Nutrient Management Plan and this fund's share of the North Canyons Building Lease. Capital project expenses are tied to construction schedules. Projects related to the existing treatment facilities are typically done during the fall and winter when water demands are lower, and plant flows can be reduced or interrupted to facilitate construction, with invoicing following.

Water Expansion – Fund 130 (formerly Fund 73):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 22,042,020	\$ 12,084,831	55%
Expenses	\$ 22,352,045	\$ 20,367,503	91%

This fund is intended to provide funding for new facilities and supplies to meet the demands of new development, many of them fixed (i.e., bond payment obligations for debt incurred by others). The

primary source of revenue is connection fees. YTD revenue is primarily comprised of connection fee revenue from 449 connections. Since July 1, 2014, a total of 155 connection fee credits have been used totaling \$3.7M, while 294 credits remain outstanding, valued at \$7.3M at the 2015 connection fee level (see Chart 1 attached). The total revenue received to date remains less than anticipated because the most recent disbursement received from the City of Livermore was in September.

FY 14/15 YTD expenses reflect this fund's portion of capital project expenses such as Chain of Lakes Well 5 costs, Nutrient Management Plan Update, Busch Valley Well #1 project, Cope Lake Slope Repair and the SBA Improvement and Enlargement debt service payment (\$9.8M). The SBA payment is made twice a year (March and September), with September always being the higher payment per the DWR debt service schedule. DWR's cash flow issue mentioned above in Fund 110 also impacts this fund. Until we receive the reimbursement/credit of \$4.8M (80% of the \$6M prepay) for this fund, the SBA Enlargement/Improvement project will be over budget. Again, DWR is now projecting that this reimbursement/credit will be processed partially in July 2015 and the remaining balance in calendar year 2016.

Flood Protection Operations – Fund 200 (formerly Fund 50):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 6,505,936	\$ 3,742,576	58%
Expenses	\$ 14,279,561	\$ 3,147,908	22%

This fund provides for general administration and the maintenance and improvement of the existing flood protection system. The primary source of revenue is property taxes. YTD revenue represents the first installment of property tax payments and other charges for services. Expenses include labor, a fraction of the North Canyons lease payment, flood protection maintenance activities and capital project expenses such as the Cope Lake Slope Repair Project, Arroyo Mocho – Stanley Reach R. 3.5, Arroyo Las Positas Reach 1-7 Improvement Project, Living Arroyos Program, Sediment Study – SFE 2010, Flood Control Hydrology Study, and the Stream Management Master Plan Update. Budgeted projects (e.g., Arroyo Las Positas Treatment Wetland and Chabot Canal Regional Stormwater Detention projects) have yet to commence. Note these projects are funded by both Fund 200 and Fund 210.

Flood Protection and Stormwater Drainage (DIF) – Fund 210 (formerly Fund 76):

<i>Category</i>	<i>FY 14/15 Amended Budget</i>	<i>FY 14/15 YTD Actual</i>	<i>FY 14/15 % Used/Received</i>
Revenue	\$ 2,646,500	\$ 2,363,689	89%
Expenses	\$ 7,022,157	\$ 382,162	5%

This fund pays for flood protection facilities required for new development. The primary source of revenue is from development impact fees. Zone 7 tends to receive most development impact fee revenue in the spring/early summer; however, this fiscal year we have received 89% year to date. FY 14/15 YTD capital project expenses are for the Cope Lake Slope Repair, Arroyo Mocho – Stanley Reach R. 3.5, Living Arroyos Program, Sediment Study – SFE 2010, Flood Control Hydrology Study, SMMP Update and the Arroyo Las Positas Reach 1-7 Improvement Project. Budgeted projects that are split with Fund 200 (e.g., Arroyo Las Positas Treatment Wetland and Chabot Canal Regional Stormwater Detention projects) have yet to commence.

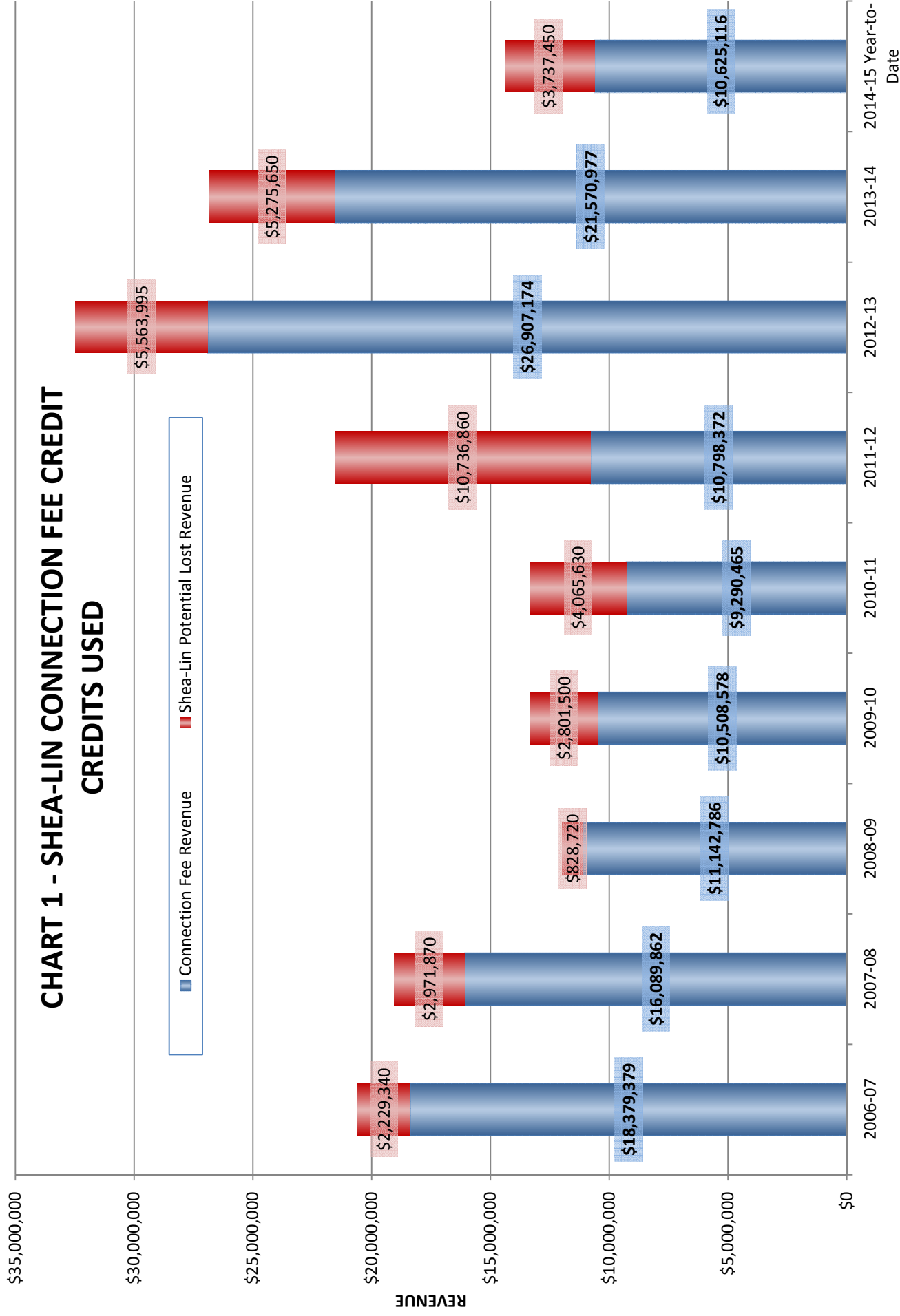
RECOMMENDED ACTION:

Information only.

ATTACHMENTS:

- CHART 1 – Shea-Lin Connection Fee Credit Estimated Potential Lost Revenue
- Zone 7 Water Agency Annual Budget by Account Classification Report
- Zone 7 Water Agency Fund Balance Changes Report
- Historical Revenue, Expense and Fund Balances

CHART 1 - SHEA-LIN CONNECTION FEE CREDIT CREDITS USED



NOTES:
 Shea-Lin Credit Data as of 02-28-2015, 1741 Redeemed & 294 Remaining.
 Revenue as of 09-30-2014 for Livermore, 02-28-2015 for Pleasanton and DSRSD
 Initial Calendar Year 2000 Payment of \$10,000,000 for Credits is Not Reflected in This Graph

ZONE 7 WATER AGENCY
Budget vs Actual by Account Classification Report
For the period 7/1/2014 - 3/31/2015

	FY 14/15 Amended Budget	FY14/15 YTD Actual	% Used/Rec
FUND: 100 Water Enterprise Operations			
Revenue			
411 - Water Sales & Service	\$34,246,611.00	\$17,283,191.79	50%
441 - Charges for Services	\$0.00	\$1,450.00	-
452 - Aid from Governmental Agencies - State	\$0.00	\$220,575.49	-
461 - Investment Earnings	\$75,000.00	\$48,072.92	64%
462 - Rents and Royalties	\$65,263.00	\$49,725.38	76%
464 - Fines and Penalties	\$0.00	\$62.77	-
481 - Other Revenue	\$74,188.00	\$340,887.27	459%
Revenue Totals	\$34,461,062.00	\$17,943,965.62	52%
Expenditures			
511 - Personal Services - Salaries and Wages ¹	\$13,859,924.00	\$8,604,747.49	62%
512 - Personal Services - Overtime ¹	\$215,074.00	\$102,460.42	48%
513 - Personal Services - Benefits ¹	\$7,120,240.00	\$4,253,207.71	60%
600 - Labor & Overhead Distributed ²	(\$7,961,534.00)	(\$2,603,130.47)	33%
611 - Purchased Services	\$4,456,603.00	\$1,663,283.27	37%
621 - Water	\$9,014,831.00	\$3,160,491.92	35%
631 - Chemicals	\$2,250,973.00	\$1,268,490.02	56%
641 - Utilities	\$1,922,616.00	\$1,193,979.04	62%
643 - Communications	\$174,124.00	\$125,089.61	72%
651 - Cleaning Services	\$50,931.00	\$32,463.20	64%
652 - Repairs and Maintenance	\$2,833,012.00	\$1,087,952.91	38%
653 - Rental Services	\$792,900.00	\$70,676.46	9%
661 - General Office Services/ Supplies	\$610,897.00	\$267,444.26	44%
662 - Organizational Membership/ Participation	\$467,783.00	\$360,160.35	77%
665 - Other Services/ Supplies	\$399,078.00	\$94,635.57	24%
667 - Training and Travel	\$399,195.00	\$83,400.30	21%
669 - Special Departmental Expense	\$698,948.00	\$247,821.95	35%
671 - Equipment, Furniture and Vehicles	\$27,700.00	\$12,188.73	44%
691 - Transfers	\$12,823,924.00	\$9,720,443.01	76%
Expenditure Totals	\$50,157,219.00	\$29,745,805.75	59%
Revenue Less Expenses Fund 100 Total	(\$15,696,157.00)	(\$11,801,840.13)	
FUND: 110 State Water Facilities			
Revenue			
411 - Dougherty Valley Surcharge	\$1,311,950.00	\$1,648,304.77	126%
421 - Property Taxes	\$11,350,000.00	\$6,038,525.07	53%
452 - Aid from Governmental Agencies - State	\$45,000.00	\$0.00	0%
453 - Aid from Governmental Agencies - Local	\$610.00	\$0.00	0%
461 - Investment Earnings	\$15,000.00	\$11,999.15	80%
481 - Other Revenue	\$1,338,377.00	\$865,278.60	65%
Revenue Totals	\$14,060,937.00	\$8,564,107.59	61%
Expenditures			
621 - Water	\$14,227,251.00	\$14,377,552.79	101%
Expenditure Totals	\$14,227,251.00	\$14,377,552.79	101%
Revenue Less Expenses Fund 110 Total	(\$166,314.00)	(\$5,813,445.20)	

ZONE 7 WATER AGENCY
Budget vs Actual by Account Classification Report
For the period 7/1/2014 - 3/31/2015

	FY 14/15 Amended Budget	FY14/15 YTD Actual	% Used/Rec
FUND: 120 Water Enterprise Capital IR&R			
Revenue			
431 - Facility Use Fees	\$250,000.00	\$359,509.40	144%
441 - Charges for Services	\$2,500.00	\$150.00	6%
452 - Aid from Governmental Agencies - State	\$0.00	\$70,269.59	-
461 - Investment Earnings	\$52,900.00	\$33,334.03	63%
499 - Transfers	\$12,823,924.00	\$9,617,943.00	75%
Revenue Totals	\$13,129,324.00	\$10,081,206.02	77%
Expenditures			
600 - Labor & Overhead Distributed ¹	\$1,177,962.00	\$919,849.85	78%
611 - Purchased Services	\$2,875,329.00	\$367,067.53	13%
643 - Communications	\$0.00	\$18.03	-
653 - Rental Services	\$549,198.00	\$416,700.12	76%
661 - General Office Services/ Supplies	\$150,000.00	\$7,744.36	5%
665 - Other Services/ Supplies	\$8,595.00	\$13,909.33	162%
669 - Special Departmental Expense	\$978,698.00	\$0.00	0%
671 - Equipment, Furniture and Vehicles	\$120,000.00	\$0.00	0%
672 - Land and Facility Improvements	\$7,376,266.00	\$3,852,961.35	52%
Expenditure Totals	\$13,236,048.00	\$5,578,250.57	42%
Revenue Less Expenses Fund 120 Total	(\$106,724.00)	\$4,502,955.45	

FUND: 130 Water Enterprise Cap Expansion			
Revenue			
431 - Development Fees	\$19,020,120.00	\$10,625,115.67	56%
441 - Charges for Services	\$0.00	\$0.00	-
452 - Aid from Governmental Agencies - State	\$0.00	\$30,115.53	-
461 - Investment Earnings	\$81,100.00	\$54,033.70	67%
481 - Other Revenue	\$2,940,800.00	\$1,375,566.40	47%
Revenue Totals	\$22,042,020.00	\$12,084,831.30	55%
Expenditures			
600 - Labor & Overhead Distributed ¹	\$636,105.00	\$222,032.50	35%
611 - Purchased Services	\$1,808,744.00	\$190,732.00	11%
621 - Water	\$16,744,211.00	\$18,435,910.82	110%
643 - Communications	\$0.00	\$18.02	-
653 - Rental Services	\$426,376.00	\$324,100.11	76%
661 - General Office Services/ Supplies	\$0.00	\$2,114.92	-
662 - Organizational Membership/ Participation	\$694.00	\$2,211.00	319%
665 - Other Services/ Supplies	\$0.00	\$322.05	-
669 - Special Departmental Expense ³	\$472,643.00	\$38,872.31	8%
672 - Land and Facility Improvements	\$2,263,272.00	\$1,151,188.80	51%
Expenditure Totals	\$22,352,045.00	\$20,367,502.53	91%
Revenue Less Expenses Fund 130 Total	(\$310,025.00)	(\$8,282,671.23)	

ZONE 7 WATER AGENCY
Budget vs Actual by Account Classification Report
For the period 7/1/2014 - 3/31/2015

	FY 14/15 Amended Budget	FY14/15 YTD Actual	% Used/Rec
FUND: 200 Flood Protection Operations			
Revenue			
421 - Property Taxes	\$6,307,731.00	\$3,510,554.69	56%
441 - Charges for Services	\$13,000.00	\$111,219.29	856%
452 - Aid from Governmental Agencies - State	\$54,000.00	\$46,562.67	86%
453 - Aid from Governmental Agencies - Local	\$10,700.00	\$5,784.70	54%
461 - Investment Earnings	\$25,000.00	\$26,392.06	106%
462 - Rents and Royalties	\$60,505.00	\$42,062.15	70%
481 - Other Revenue	\$35,000.00	\$0.00	0%
Revenue Totals	\$6,505,936.00	\$3,742,575.56	58%
Expenditures			
600 - Labor & Overhead Distributed ¹	\$2,098,094.00	\$1,313,141.75	63%
611 - Purchased Services	\$6,178,344.00	\$275,291.55	4%
643 - Communications	\$3,000.00	\$1,945.61	65%
651 - Cleaning Services	\$10,000.00	\$2,255.85	23%
652 - Repairs and Maintenance	\$2,355,491.00	\$1,234,586.00	52%
653 - Rental Services	\$159,322.00	\$110,374.54	69%
661 - General Office Services/ Supplies	\$19,550.00	\$6,112.02	31%
662 - Organizational Membership/ Participation	\$175,584.00	\$13,782.50	8%
665 - Other Services/ Supplies	\$516,902.00	\$130,753.12	25%
667 - Training and Travel	\$31,400.00	\$2,365.00	8%
669 - Special Departmental Expense	\$13,333.00	\$0.00	0%
672 - Land and Facility Improvements	\$2,718,541.00	\$47,300.00	2%
691 - Transfers	\$0.00	\$9,999.99	-
Expenditure Totals	\$14,279,561.00	\$3,147,907.93	22%
Revenue Less Expenses Fund 200 Total	(\$7,773,625.00)	\$594,667.63	
FUND: 210 Flood Protection/Drainage DIF			
Revenue			
431 - Development Fees	\$2,530,000.00	\$2,243,345.03	89%
441 - Charges for Services	\$0.00	\$17,000.00	-
452 - Aid from Governmental Agencies - State	\$0.00	\$32,357.11	-
461 - Investment Earnings	\$91,500.00	\$70,987.24	78%
481 - Other Revenue	\$25,000.00	\$0.00	0%
Revenue Totals	\$2,646,500.00	\$2,363,689.38	89%
Expenditures			
600 - Labor & Overhead Distributed ¹	\$665,730.00	\$148,106.37	22%
611 - Purchased Services	\$5,166,799.00	\$81,095.78	2%
643 - Communications	\$0.00	\$5.72	-
653 - Rental Services	\$121,822.00	\$92,698.22	76%
661 - General Office Services/ Supplies	\$0.00	\$56.17	-
669 - Special Departmental Expense	\$250,000.00	\$0.00	0%
672 - Land and Facility Improvements	\$817,806.00	\$60,200.00	7%
Expenditure Totals	\$7,022,157.00	\$382,162.26	5%
FUND Total: Flood Protection/Drainage DIF	(\$4,375,657.00)	\$1,981,527.12	-45%
Revenue Grand Totals:	\$92,845,779.00	\$54,780,375.47	59%
Expenditure Grand Totals:	\$121,274,281.00	\$73,599,181.83	61%
Net Grand Totals:	(\$28,428,502.00)	(\$18,818,806.36)	

Notes:

1. Agency-wide salaries, wages, overtime and benefits are budgeted in Fund 100, then distributed to other funds based on assignments and work demands.
2. This is a credit to Fund 100 for salaries, wages, overtime and benefits charged to other funds.

Fund Balance Changes Report

Through 03/31/15

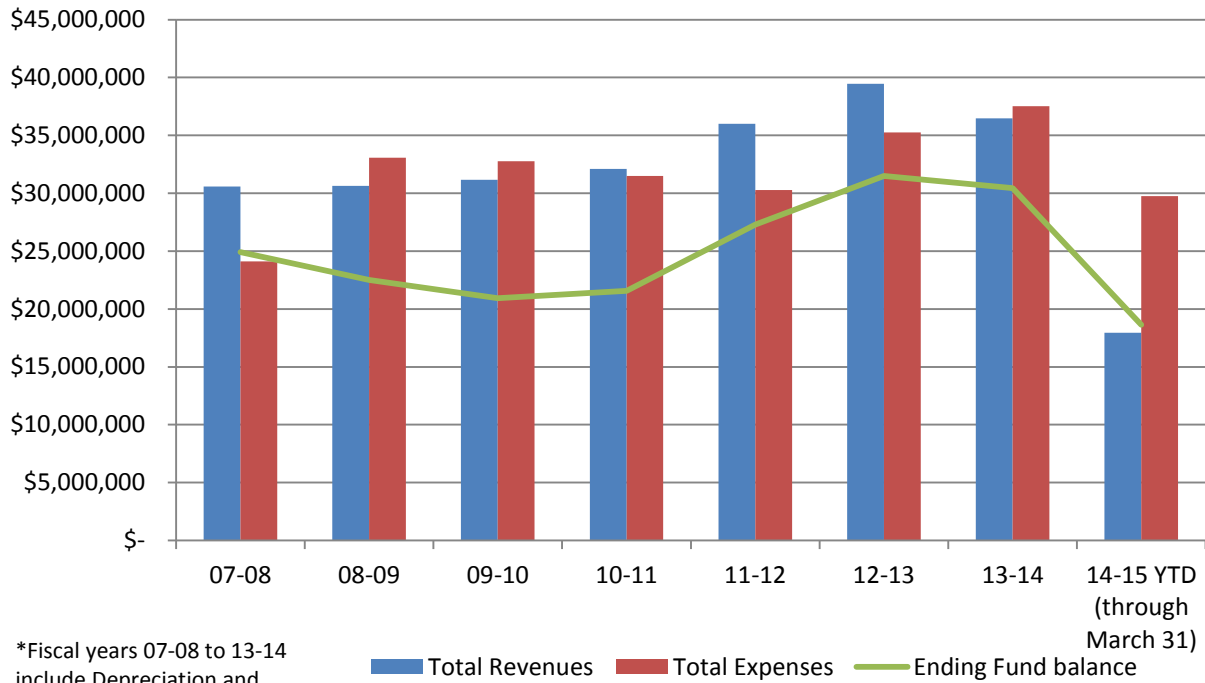
Summary Listing

FUND	FUND Description	July 1, 2014 Audited Fund Balance	YTD Revenues	YTD Expenses	March 31, 2015 Estimated Fund Balance
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
100	Water Enterprise Operations	30,450,709	17,943,966	29,745,806	18,648,869
110	State Water Facilities	8,849,889	8,564,108	14,377,553	3,036,444
120	Water Enterprise Capital IR&R	18,690,974	10,081,206	5,578,251	23,193,929
130	Water Enterprise Cap Expansion	33,346,252	12,084,831	20,367,503	25,063,581
Fund Type Enterprise Funds Totals		91,337,825	48,674,111	70,069,112	69,942,823
Fund Category Proprietary Funds Totals		91,337,825	48,674,111	70,069,112	69,942,823
Fund Category Governmental Funds					
Fund Type Special Revenue Funds					
200	Flood Protection Operations	15,260,267	3,742,576	3,147,908	15,854,934
210	Flood Protection/Drainage DIF	41,506,429	2,363,689	382,162	43,487,956
Fund Type Special Revenue Funds Totals		56,766,696	6,106,265	3,530,070	59,342,891
Fund Category Governmental Funds Totals		56,766,696	6,106,265	3,530,070	59,342,891
Grand Totals		148,104,521	54,780,375	73,599,182	129,285,714

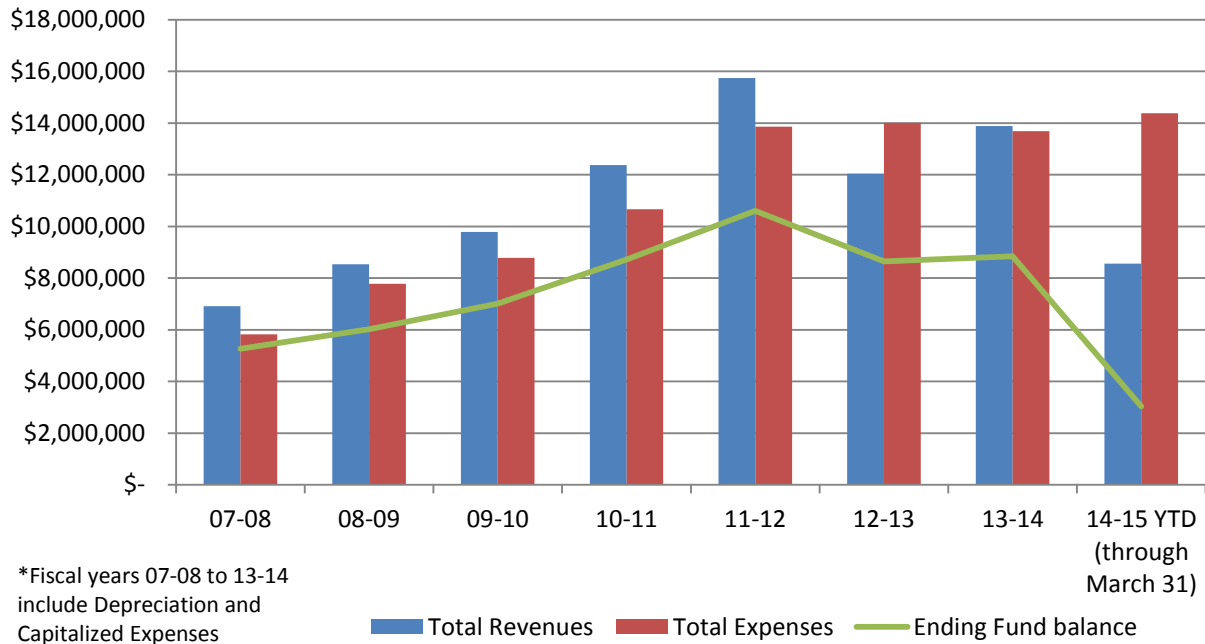
Please note:

This report shows the total reserves or fund balance for each fund on a cash basis. Annually after making accruals for revenues and expenses and closing the books, individual reserves are calculated and reported in the audit. Individual reserves are not calculated on a monthly basis because the timing differences in the receipt of revenues and payment of expenses as well as lack of accruals are likely to produce misleading results.

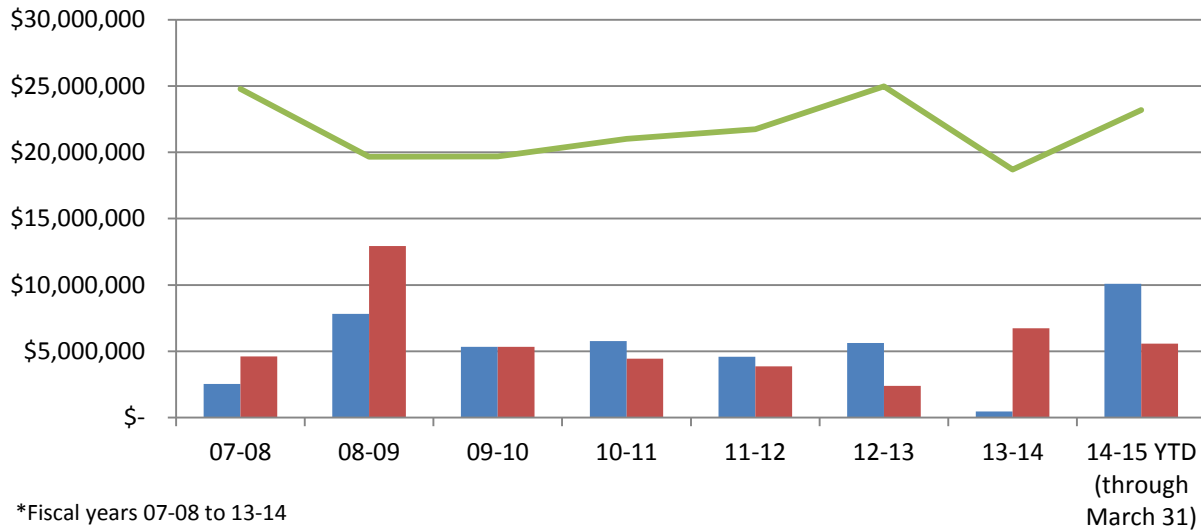
Fund 100 -- History of Revenues, Expenses and Ending Fund Balance



Fund 110 -- History of Revenues, Expenses and Ending Fund Balance



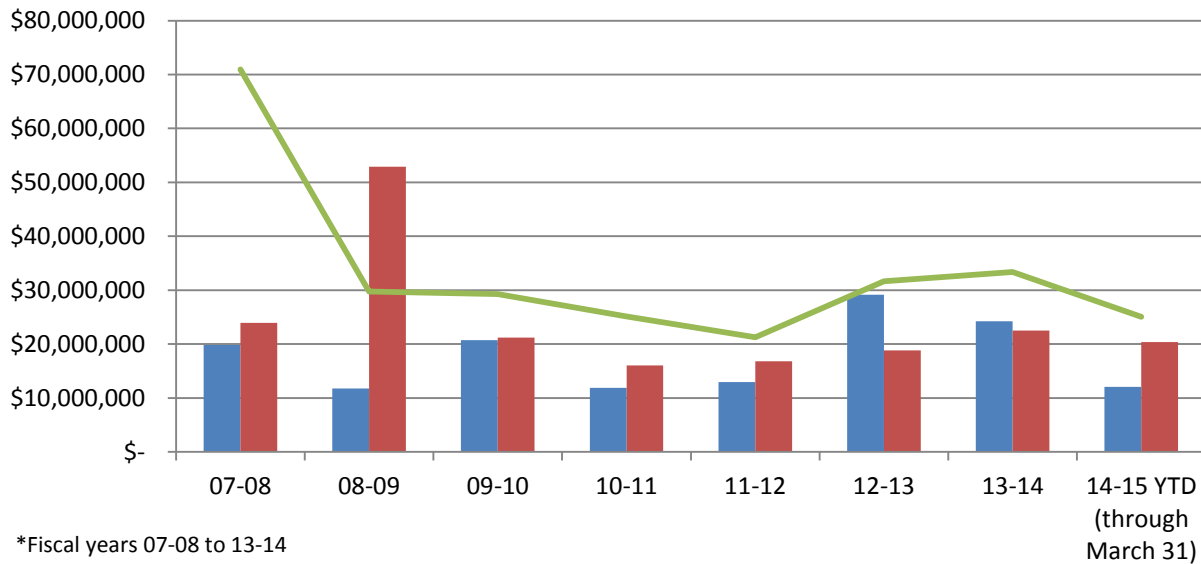
Fund 120 -- History of Revenues, Expenses and Ending Fund Balance



*Fiscal years 07-08 to 13-14 include Depreciation and Capitalized Expenses

■ Total Revenues ■ Total Expenses — Ending Fund balance

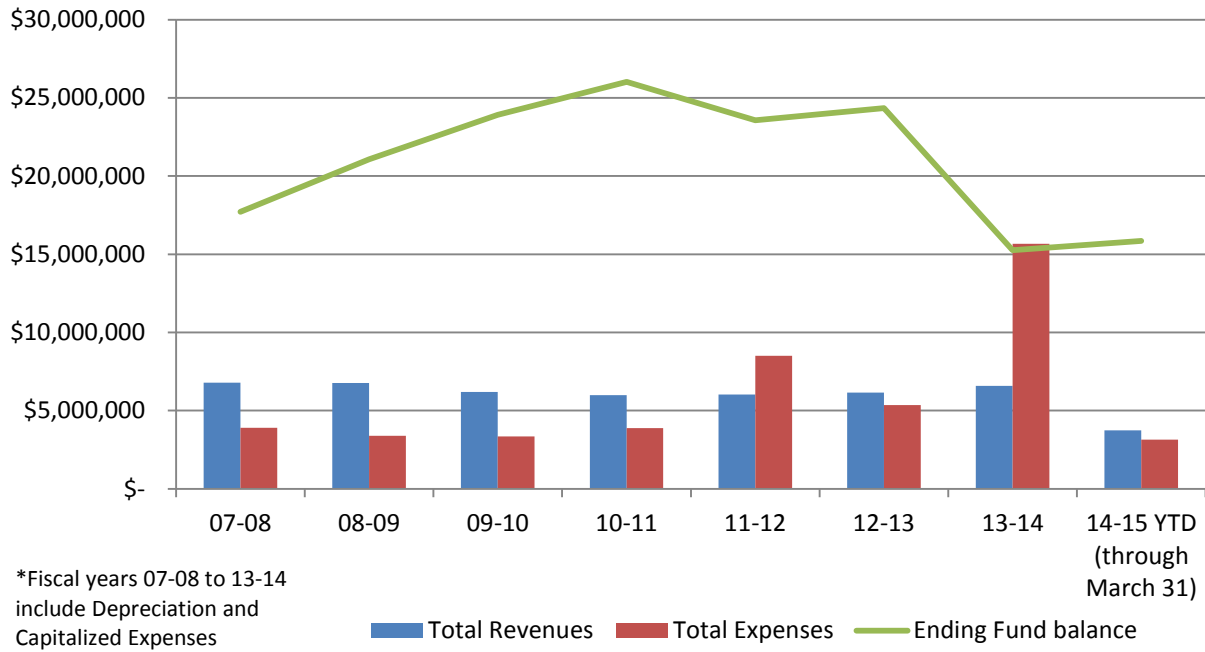
Fund 130 -- History of Revenues, Expenses and Ending Fund Balance



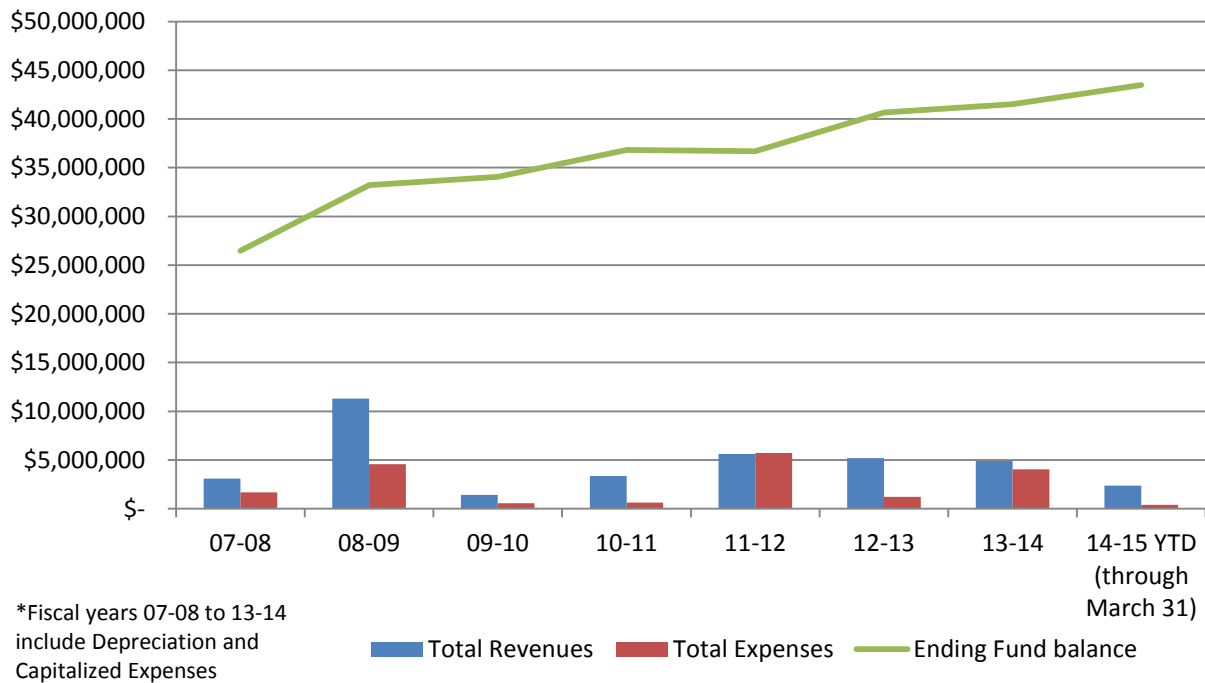
*Fiscal years 07-08 to 13-14 include Depreciation and Capitalized Expenses

■ Total Revenues ■ Total Expenses — Ending Fund balance

Fund 200 -- History of Revenues, Expenses and Ending Fund Balance



Fund 210 -- History of Revenues, Expenses and Ending Fund Balance





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 PICO

AGENDA DATE: April 15, 2015

ITEM NO. 15c

SUBJECT: Legislative Update

SUMMARY:

- Zone 7 staff, with the support of Agency consultants, monitors legislation that is being considered in Sacramento, as well as other political activities of interest to the Agency.
- On April 1st, following the lowest snowpack ever recorded at Phillips Station in the Sierras, Governor Jerry Brown directed the State Water Resources Board to mandate 25 percent reductions over 2013 water usage levels. He also directed the Department of Water Resources to develop a program to replace 50 million square feet of lawns and ornamental landscaping with drought-tolerant landscaping.
- Governor Brown signed a \$1 billion drought emergency bill March 27 just a week after he and legislative leaders announced the package. It takes effect immediately. AB 91, the funding bill, received near unanimous support, while AB 92 to implement the spending plan passed on a party-line vote with Republicans objecting to new permanent powers given to the Department of Fish and Wildlife to investigate and levy fines for illegal water diversions. Most of the spending package (\$660 million) appropriates flood control funds from a bond measure approved by voters in 2006. The governor said the flood control measures are needed because future storms are likely to be intense and cause flooding. The measure also includes funding for emergency water supplies to communities with failing wells.
- Joe Byrnes, chair of the California Water Commission, outlined the commission's plan for allocating the \$2.7 billion in Proposition 1 bond funds for water storage. The measure specifies that money can only be spent on "public benefits" associated with storage projects. These may include ecosystem improvements, improved water quality, recreation opportunities, flood management and emergency response provisions. The state's share cannot exceed 50 percent, and half of the state money must go to ecosystem public benefits. The commission cannot allocate money before Dec. 15, 2016. To develop criteria, the commission plans both a stakeholder engagement process and a public input campaign.
- Currently, there are 10 bills pending in the Legislature dealing with groundwater issues. In addition, Senator Fran Pavley has introduced a bill (SB 20) for the third year in a row that would require public access to well logs that are currently closed. Sen. Lois Wolk introduced SB 44 that would require water loss audits for agencies supplying drinking water.

RECOMMENDED ACTION: Information only.



EXECUTIVE SUMMARY State Legislation



Prepared for the Zone 7 Water Agency
by The Gualco Group, Inc.

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
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Water Management

AB 149 (Chavez)	Urban water management plans	This bill, commencing January 1, 2017, would require an urban water supplier to update its plan at least once every five years, on or before December 31 in years ending in 6 and 1. The bill would also require the Department of Water Resources to submit its report to the Legislature, on or before December 31, in years ending in 7 and 2.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 935 (Salas)	Integrated Regional Water Management Plans: conveyance projects: grants and expenditures	This bill would require the Department of Water Resources to provide grants and expenditures, consistent with an integrated regional water management plan, for the planning, design, and construction of local and regional conveyance projects that support regional and interregional connectivity and water management and provide certain benefits	Watch	In Assembly Committee on Water, Parks and Wildlife

Groundwater

AB 617 (Perea)	Groundwater	This bill would authorize a combination of one or more local agencies and one or more mutual water companies to enter into an agreement to form a groundwater sustainability agency and would authorize a groundwater sustainability agency formed by a joint powers agreement to exercise the powers granted in the Sustainable Groundwater Management Act.	Watch	In Assembly Committee on Water, Parks and Wildlife
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Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
AB 936 (Salas)	Groundwater monitoring	This bill would create an exception from an eligibility restriction if the entity submits to the Department of Water Resources for approval documentation demonstrating the water grant or loan project includes actions needed to comply with groundwater monitoring functions.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 937 (Salas)	Groundwater storage: beneficial use	This bill would declare that the recharging of a groundwater basin by a local groundwater management agency or a local groundwater sustainability agency for the purposes of repelling saline intrusion or recovering basin groundwater levels and the flowing of waters on lands or other similar means necessary for the accomplishment of groundwater recharge for these purposes, constitutes a beneficial use of water if the recharge is consistent with the local agency's groundwater management plan or groundwater sustainability plan.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 938 (Salas)	Groundwater: basin reprioritization: establishment of groundwater sustainability agency	This bill would impose a requirement to establish a groundwater sustainability agency or submit an alternative after reprioritization on a local agency or combination of local agencies overlying a groundwater basin.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 939 (Salas)	Groundwater sustainability agency: financial authority	The Sustainable Groundwater Management Act authorizes a groundwater sustainability agency to impose fees to fund the costs of a groundwater sustainability program and requires a groundwater sustainability agency to hold at least one public meeting prior to imposing or increasing a fee. This bill would require a groundwater sustainability agency to make the data upon which the proposed fee is based available 20 days prior to the public meeting to impose or increase a fee.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 1242 (Gray)	Water quality: impacts on groundwater basins: mitigation measures	This bill would require the State Water Resources Control Board to evaluate impacts on groundwater basins, consider alternatives and mitigation measures to avoid or mitigate any adverse impacts on groundwater quality or supply, and avoid or mitigate those adverse impacts to the extent feasible before adopting or approving water quality objectives or a program of implementation that requires instream flows for protection of instream beneficial uses.	Watch	In Assembly Committee on Water, Parks and Wildlife

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
AB 1243 (Gray)	Groundwater recharge: grants	This bill would establish the Groundwater Recharge Grant Fund and would provide that money in the fund is available, upon appropriation by the Legislature, to the State Water Resources Control Board to provide grants to local governments and water districts for groundwater recharge infrastructure projects.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 1390 (Alejo)	Groundwater: adjudication	This bill would establish special procedures for adjudication actions, which are defined as actions filed in superior court to determine the rights to extract groundwater within a basin or store water from a basin, as specified. The bill would authorize the court to determine all rights to groundwater in a basin whether based on appropriation, overlying right, or other basis of right. The bill would require these special procedures to govern all adjudication actions except in specified cases not involving allocation of a basin's groundwater supply.	Watch	In Assembly Committee on Water, Parks and Wildlife
SB 13 (Pavley)	Groundwater	This bill would specify that the State Water Resources Control Board is authorized to designate a high- or medium-priority basin as a probationary basin. This bill would provide a local agency or groundwater sustainability agency 90 or 180 days, as prescribed, to remedy certain deficiencies that caused the board to designate the basin as a probationary basin. This bill would authorize the board to develop an interim plan for certain probationary basins one year after the designation of the basin as a probationary basin.	Watch	In Senate Committee on Appropriations
SB 173 (Nielsen)	Groundwater: de minimis extractors	This bill would define a de minimis extractor as a person who extracts, for domestic purposes, 10 acre-feet or less per year.	Watch	In Senate Committee on Natural Resources and Water
Well Reports				
SB 20 (Pavley)	Wells: reports: public availability	This bill would require the Department of Water Resources to, upon request, make the report of any person who digs, bores, or drills a water well, cathodic protection well, or a monitoring well, or abandons or destroys a well, or deepens or re-perforates a well, available to the public.	Watch	In Senate Committee on Environmental Quality

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
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CEQA

AB 311 (Gallagher)	Environmental quality: Water Quality, Supply, and Infrastructure Improvement Act of 2014	This bill would require the public agency, in certifying the environmental impact report and in granting approvals for specified water storage projects funded, in whole or in part, by Proposition 1. The bill would authorize the public agency to concurrently prepare the record of proceedings for the project.	Watch	In Assembly Committee on Natural Resources
AB 455 (Bigelow)	Groundwater sustainability plans: environmental impact reports	This bill would require the Judicial Council, on or before July 1, 2016, to adopt a rule of court to establish procedures applicable to actions or proceedings brought to attack, review, set aside, void, or annul the certification of an EIR for projects covered by a groundwater sustainability plan that require the actions or proceedings be resolved within 270 days of certification of the record of proceeding.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 1398 (Wilk)	Environmental quality: the Sustainable Environmental Protection Act	This bill would enact the Sustainable Environmental Protection Act and would specify the environmental review required pursuant to CEQA for projects related to specified environmental topical areas. The bill would provide that the act only applies if the lead agency or project applicant has agreed to provide to the public in a readily accessible electronic format an annual compliance report prepared pursuant to the mitigation monitoring and reporting program.	Watch	In Assembly Committee on Natural Resources
SB 127 (Vidak)	Environmental quality: Water Quality, Supply, and Infrastructure Improvement Act of 2014	This bill would require the public agency, in certifying the environmental impact report and in granting approvals for projects funded, in whole or in part, by Proposition 1, including the concurrent preparation of the record of proceedings and the certification of the record of proceeding within 5 days of the filing of a specified notice, to comply with specified procedures.	Watch	In Senate Committee on Environmental Quality

Public Works

AB 251 (Levine)	Public Works: public subsidies	This bill would provide that a public subsidy is de minimis if it is both less than \$25,000 and less than 1% of the total project cost. The bill would specify that those provisions do not apply to a project that was advertised for bid, or a contract that was awarded, before January 1, 2016.	Watch	On Assembly Floor
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Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
AB 1315 (Alejo)	Public contracts: water pollution prevention plans: delegation	This bill would prohibit a public entity, charter city, or charter county from delegating to a contractor the development of a plan, as defined, used to prevent or reduce water pollution or runoff on a public works contract, except as provided. The bill would also prohibit a public entity, charter city, or charter county from requiring a contractor on a public works contract that includes compliance with a plan to assume responsibility for the completeness and accuracy of a plan developed by that entity.	Watch	In Assembly Committee on Local Government

Invasive Species

AB 300 (Alejo)	Safe Water and Wildlife Protection Act of 2015	This bill would enact the Safe Water and Wildlife Protection Act of 2015, which would require the conservancy to establish and coordinate the Algal Bloom Task Force.	Watch	In Assembly Committee on Appropriations
SB 223 (Galgiani)	Division of Boating and Waterways: oversight committee: invasive aquatic plants	This bill would require the Division of Boating and Waterways, no later than January 1, 2017, to establish an advisory and oversight committee to monitor the activities of the division relating to the management and control or eradication of invasive aquatic plants in the Sacramento-San Joaquin Delta.	Watch	In Senate Committee on Natural Resources and Water

Governance

AB 386 (Dahle)	Tulelake Irrigation District	This bill would provide that, for the Tulelake Irrigation District, every owner of real property assessed by the district, but no others, is authorized to vote at district elections for director, as prescribed. The bill would provide that a director of the Tulelake Irrigation District, at the time of his or her nomination or appointment and through his or her entire term, is required to be a registered voter in California, reside within the district or within 10 miles of the exterior boundaries of the district and within California, and be a landowner, or a specified legal representative of a landowner, within the division he or she represents.	Watch	In Assembly Committee on Local Government
AB 402 (Dodd)	Local agency: services: contracts	This bill would additionally allow a commission to authorize a city or district to provide new or extended services outside its jurisdictional boundaries to support existing or planned uses involving public or private properties, subject to approval at a publicly noticed hearing where the commission makes specified determinations.	Watch	In Assembly Committee on Local Government

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 03/31/15
AB 656 (Garcia)	Joint powers agreements: mutual water companies	This bill would specifically authorize 2 or more mutual water companies, or 2 or more mutual water companies and one or more public agencies that operate a public water system, to participate in joint powers agreement for risk-pooling, technical support, and other similar services.	Watch	In Assembly Committee on Local Government
SB 272 (Hertzberg)	The California Public Records Act: local agencies: inventory	This bill would require each local agency, in implementing the California Public Records Act, to conduct an inventory of data gathered by the agency that discloses what data is maintained by the agency, by whom, and with what frequency it is collected.	Watch	In Senate Committee on Governance and Finance
SB 554 (Wolk)	California Water Commission: disqualifying financial interest; removal from office	This bill would remove a member of the California Water Commission from office if after trial a court finds that the commission member has knowingly participated in any commission decision in which the member has a disqualifying financial interest in the decision.	Watch	In Senate Committee on Elections and Constitutional Amendments
SB 704 (Bates)	Public officers and employees: conflict of interest	This bill would establish an additional situation in which an official is not financially interested in a contract as applied to an owner or partner of a firm serving on an advisory board or commission to the contracting agency if the owner or partner recuses himself or herself from all participation in reviewing a project that results from a contract between the firm and the contracting agency.	Watch	In Senate Committee on Governance and Finance

Sacramento-San Joaquin Delta

AB 501 (Levine)	Resources: Delta research	This bill would require a person conducting Delta research, whose research is funded, in whole or in part, by the state, to take specified actions with regard to the sharing of the primary data, samples, physical collections, and other supporting materials created or gathered in the course of that research.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 1325 (Salas)	Delta smelt	This bill would enact the Delta Smelt Preservation and Restoration Act of 2016. The act would require the Department of Fish and Wildlife to develop a Delta smelt hatchery program to preserve and restore the Delta smelt.	Watch	In Assembly Committee on Water, Parks and Wildlife

Energy

AB 568 (Dodd)	Reclamation District No. 108: hydroelectric power	Existing law authorizes Reclamation District No. 1004, in conjunction with the County of Colusa, to construct, maintain, and operate a plant, transmission lines, and other necessary or appropriate facilities for the generation of hydroelectric power. This bill would grant the above-described hydroelectric power authority to Reclamation District No. 108.	Watch	In Assembly Committee on Local Government
SB 471 (Pavley)	Water, energy, and reduction of greenhouse gas emissions: planning	This bill would require the Strategic Growth Council to give special consideration to awarding funds to eligible projects that, in addition to existing objectives and goals, would also result in reduced energy use by a water supplier, an end user of water, or both.	Watch	In Senate Committee on Natural Resources and Water
SB 758 (Block)	Atmospheric Rivers Research and Mitigation Fund	This bill would establish the Atmospheric Rivers Research and Mitigation Fund in the State Treasury for the purposes of funding research, demonstration, and development of an atmospheric rivers program to mitigate the effects of climate change associated with atmospheric rivers.	Watch	In Senate Committee on Environmental Quality

Water Efficiency

AB 585 (Melendez)	Outdoor Water Efficiency Act of 2015: income tax credits: outdoor water efficiency	This bill, for taxable years beginning on or after January 1, 2015, and before January 1, 2021, or an earlier specified date, would allow a credit equal to 25% of the amount paid or incurred by a qualified taxpayer for water-efficiency improvements made to outdoor landscapes on qualified real property in this state, not to exceed \$2,500 per taxable year, as specified.	Watch	In Assembly Committee on Revenue and Taxation
SB 553 (Wolk)	Water Conservation	This bill would require the Department of General Services to identify each public property in the department's state property inventory where it is feasible for water consumption to be reduced and water efficiencies to be achieved through implementation of the relevant recommendations made in the model water efficient landscape ordinance and would require the department to implement the relevant recommendations where feasible.	Watch	In Senate Committee on Governmental Organization

Disadvantaged Communities

AB 615 (Rendon)	The Center for Community Water Projects	This bill would establish The Center for Community Water Projects, to be administered by the Division of Financial Assistance within the State Water Resources Control Board. The bill would declare the purpose of the center is to provide a centralized, multidisciplinary technical assistance program for disadvantaged communities and to assist those communities in designing and building clean and sustainable water projects.	Watch	In Assembly Committee on Water, Parks and Wildlife
SB 552 (Wolk)	Public water systems: disadvantaged communities: drinking water standards	This bill would require, by January 1, 2017, the State Water Resources Control Board to develop a plan, including enforcement mechanisms, to ensure that disadvantaged communities have water systems that are in compliance with state and federal drinking water standards. The bill would require the plan to identify strategies to help bring disadvantaged communities into compliance with safe drinking water standards.	Watch	In Senate Committee on Environmental Quality

Water Use

AB 647 (Eggman)	Beneficial use: diversion of water underground	This bill would declare that the diversion of water underground constitutes a beneficial use of water for which an appropriation may be made if the diverted water is stored and thereafter applied to beneficial use or if beneficial use of the water, including, but not limited to, protection of water quality or recovery of groundwater levels, is made while the water is underground.	Watch	In Assembly Committee on Water, Parks and Wildlife
AB 1244 (Gray)	Water rights: small irrigation use	This bill would require the State Water Resources Control Board to adopt general conditions, in consultation with the Department of Food and Agriculture, the University of California Cooperative Extension, and others, including, but not limited to the Department of Fish and Wildlife, for small irrigation use, unless the board determines that sufficient funds are not available for that purpose.	Watch	In Assembly Committee on Water, Parks and Wildlife
SB 555 (Wolk)	Department of Water Resources: urban retail water suppliers: water loss audits	Existing law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, in accordance with specified requirements. This bill would require each urban retail water supplier, on or before July 1, 2017, to conduct a water loss audit as prescribed by rules adopted by the Department of Water Resources on or before July 1, 2016.	Watch	In Senate Committee on Natural Resources and Water

Well Stimulation (Fracking)

AB 1490 (Rendon)	Oil and gas: well stimulation treatments: seismic activities	This bill would prohibit a well operator from conducting a well stimulation treatment following the occurrence of an earthquake of magnitude 2.0 or higher on a well that is within a radius of an unspecified distance from the epicenter of the earthquake until the division completes a certain evaluation and is satisfied that the well stimulation treatment does not create a heightened risk of seismic activity. The bill would also prohibit wastewater disposal wells and all well stimulation treatments within 10 miles of a recently active fault.	Watch	In Assembly Committee on Natural Resources
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Drinking Water

AB 1173 (Williams)	Water equipment: backflow prevention devices testing: certification	This bill would require, if a local health officer does not maintain a program for certification of backflow prevention device testers, the testing and maintenance of a backflow prevention device be performed by a person who has received a California-specific certification for testing backflow prevention devices from one of specified entities or a similar certification provider deemed acceptable by the state board or the local health officer.	Watch	In Assembly Committee on Environmental Safety and Toxic Materials
AB 1376 (Perea)	State Water Resources Control Board: appropriation: drought-related drinking water projects	This bill would make nonsubstantive changes to water-quality-related investigation provisions.	Watch	In Assembly Committee on Water, Parks and Wildlife
SB 385 (Hueso)	Primary drinking water standards: variances: hexavalent chromium	This bill would authorize, until January 1, 2020, the State Water Resources Control Board, at the request of a public water system, to grant a variance from the primary drinking water standard for hexavalent chromium if the public water system prepares and submits a compliance plan, the state board approves the compliance plan, the public water system provides specified notice requirements regarding the compliance plan to its customers, and the public water system sends annual reports to the state board that updates the status of the approved compliance plan.	Watch	In Senate Committee on Environmental Quality

Water Quality

AB 1454 (Wagner)	State policy for water quality control: California Ocean Plan.	The Porter-Cologne Water Quality Control Act requires the State Water Resources Control Board to formulate and adopt a water quality control plan for ocean waters of the state, which is known as the California Ocean Plan, and requires the plan to be reviewed at least every 3 years. This bill would instead require the plan to be reviewed at least every 4 years.	Watch	In Assembly Committee on Water, Parks and Wildlife
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Spot Bills

AB 478 (Harper)	Desalination	Current law provides that it is the intention of the Legislature that the Department of Water Resources shall undertake to find economic and efficient methods of desalting saline water so that desalted water may be made available to help meet the growing water requirements of the state. This bill would make a nonsubstantive change in these provisions.	Watch	Introduced
AB 1128 (Jones-Sawyer)	Water conservation	This bill would make nonsubstantive changes to existing law that declares the intent of the Legislature to promote urban water conservation standards.	Watch	Introduced
AB 1473 (Salas)	California Environmental Quality Act	This bill would make technical, nonsubstantive changes to provisions relating to the California Environmental Quality Act.	Watch	Introduced
AB 1499 (Gray)	Property tax: revenue allocations	This bill would make a nonsubstantive change to the provision relating to allocation of property tax revenues to local jurisdictions.	Watch	Introduced
SB 568 (Fuller)	Groundwater management	This bill would declare the intent of the Legislature to enact legislation relating to the Sustainable Groundwater Management Act.	Watch	Introduced
SB 615 (Berryhill)	Groundwater basin adjudication	This bill would state the intent of the Legislature to enact legislation to streamline the process for the adjudication of groundwater rights.	Watch	Introduced
SB 664 (Hertzberg)	Water: Department of Water Resources	This bill would make technical, nonsubstantive changes to provisions regarding the appointment of the director of the Department of Water Resources.	Watch	Introduced

SB 756 (Stone)	California Environmental Quality Act	This bill would state the intent of the Legislature to enact legislation to amend CEQA.	Watch	Introduced
SB 768 (Wieckowski)	Water-conserving plumbing fixtures	This bill would make technical, nonsubstantive changes to these findings and declarations regarding the replacement of plumbing fixtures that are not water conserving	Watch	Introduced
SB 772 (Stone)	Bay Delta Conservation Plan: judicial review	This bill would state the intent of the Legislature to enact legislation establishing judicial review procedures for the Bay Delta Conservation Plan.	Watch	Introduced



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: BONI BREWER/TOM PICO

AGENDA DATE: April 15, 2015

ITEM NO. 15d

SUBJECT: Outreach Activities

E-Newsletter, March 2nd

The e-newsletter had articles on 1) the state's increased allocation to Zone 7 and other State Water Contractors to 20 percent, 2) Zone 7's work on a draft Nutrient Management Plan, 3) planned Water Conservation Plant & Gardening Events at Home Depot stores in Livermore and Pleasanton, and 4) recently-approved Zone 7 projects to enhance local drought operations.

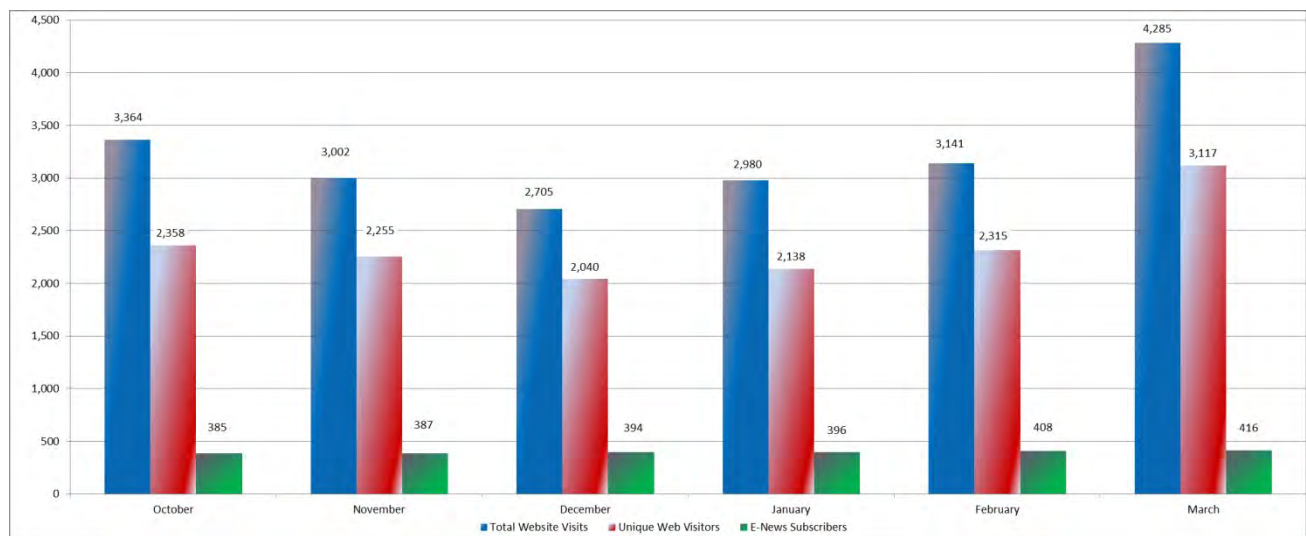
Donlon Science Fair, March 5th

Zone 7 had a booth at the Donlon Elementary School Science Fair, reaching more than 500 students and family members with messaging on water conservation and stormwater pollution prevention.

Water Conservation Plant & Gardening Event, March 7th

Zone 7 joined with the Valley's participating water retailers and Home Depot to sponsor this event at the Home Depot store in Livermore. Water conservation education and tips were provided at more than 20 specialty booths.

Website & E-news Subscription Activity





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: Rhett Alzona

AGENDA DATE: April 15, 2015

SUBJECT: Drought Update

ITEM NO. 15e

SUMMARY:

- Lake Del Valle's water level is holding steady, with releases to the Arroyo Valle continuing at 11 cubic feet per second (cfs) including 2.5 cfs to Shadow Cliffs. The current lake level in Del Valle is 698.7' (36, 900 AF).
- Raw water TOC concentrations were observed to be around 6.0 mg/L to 6.3 mg/L at the treatment plants in March, slightly higher than last month. As a result, coagulant demand continues to be higher than normal to combat the elevated TOC levels.
- Following is the status of the ongoing emergency projects approved by the board:
 1. Busch Valley Well No. 1, Phase 1 – Zone 7 entered into a Progressive Design-Build (D/B) contract with Conco West, Inc. (with Stantec as sub-consultant). The D/B contract was initially for the Basis of Design for the well facility. Phase 1 work from the Basis of Design provides a connection for the new well to the Zone 7 transmission system. In the near term, in case of limited to no surface water, this connection gives Zone 7 the option of using a temporary booster pump station to pump well water from the west side to the east side of the Zone 7 transmission system. A change order for Phase 1 construction work has been finalized for a total not-to-exceed amount of \$1,370,000. Conco has performed potholing to verify the connection points on Zone 7's Vineyard Pipeline. Special pipe and valves have been ordered and are expected to arrive around mid-April. Along with the Basis of Design, this will be the final work to be undertaken before the remainder of the Busch Valley Well project is deferred. The Zone 7 Board has approved up to \$2.15 million which includes Zone 7 staff time, PG&E service, right-of-way engineering, and contingencies for the remaining work.
 2. Stoneridge Cross Valley Isolation Valve – Stoneridge Well is Zone 7's highest producing well. By itself, the well produces water that is just below the current hexavalent chromium (Cr6) drinking water standard maximum contaminant level (MCL). Moreover, by blending with surface water, water at the turnouts can be easily managed below the Cr6 MCL. This new isolation valve enables Zone 7 to direct Stoneridge Well water in the westerly direction in the event the well water exceeds the hexavalent chromium and there is limited surface water. During times of limited to no surface water, Stoneridge Well water can stay below the

MCL by blending with other wells and water from the Mocho Groundwater Demineralization Plant on the west side of the Zone 7 transmission system. Zone 7 entered into a Progressive Design-Build contract with Conco West, Inc. (with Stantec as sub-consultant) for a not-to-exceed amount of \$452,000. Conco has ordered the isolation valve, which is expected to arrive around mid-April. The Cross Valley Pipeline is approximately 14 feet below ground surface along the edge of the Arroyo Mocho access road. While waiting for the valve to arrive, Conco has begun excavation and construction of the valve vault. Electrical and control systems design is also being undertaken so that the new valve and the vault sump pump can operate remotely.

During the month of March both Treatment Plants were online so groundwater use made up only 11% of supply. Cawelo and Semitropic Water Districts continue to recover water for Zone 7. Zone 7 is making releases on Arroyo Valle to maintain a live stream and recharge the groundwater basin. The Mocho Groundwater Demineralization Plant (MGDP) operation was limited to minimum reverse osmosis (RO) feed to maintain the membranes. Minimal MGDP use avoids discharge of the concentrate and minimizes water loss (waste stream is approximately 15% of the amount of groundwater pumped).

- As of April 6, the State Water Project Table A allocation has remained at 20%. The *final* allocation is typically issued in April. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions, although there has been no indication that the allocation will be revised.
- Lake Del Valle has increased 6,900 AF since last December. Zone 7 has a claim to about 3,000 AF minus a portion that is lost to evaporation. If additional rain does not fill the lake to 40 TAF, DWR will pump in water to make up the difference.
- Zone 7 continues to store any excess surface water supply (i.e., surface water from the State Water Project that could not be used directly at this time) in San Luis Reservoir.

BACKGROUND:

Calendar Year 2013 was the driest year in recorded state history. 2013 also set a new record as the driest year measured in the Livermore-Amador Valley, with total precipitation of only 4.5 inches out of the average yearly rainfall of 14.47-inches (only 31% of average at Livermore Station 15e). In early January 2014, the snowpack's statewide water content was estimated at about 20% of average for this time of year. On January 17, 2014, Governor Jerry Brown declared a State of Emergency in California due to the current drought conditions and asked all citizens to cut back water use by 20%. On January 29, 2014 at a Special Meeting of the Zone 7 Board, a Local Drought Emergency was declared and a Drought Emergency Response Plan was accepted. In addition, on January 31, 2014, the California Department of Water Resources (DWR) announced they were reducing State Water Project allocations from 5% to zero for the first time in history.

On January 29, 2014 the General Manager was authorized and directed to establish an appropriate level of conservation for the Livermore-Amador Valley, consistent with the governor's proclamation of a drought emergency (20% or greater). The initial conservation level was set at 20%.

On April 16th, the Zone 7 Board received the annual Sustainability Report and authorized the General Manager to implement Stage Two Actions under the 2010 Urban Water Management Plan to achieve 25% demand reductions. On April 25th, Governor Jerry Brown issued a second drought proclamation.

On July 29th, a State Water Resources Control Board emergency regulation to increase conservation practices for all Californians went into effect. The new conservation regulation targets outdoor urban water use and mandates conservation reporting by retail water agencies.

On August 14th, the California Public Utilities Commission ordered the water companies under its jurisdiction to provide notice to their customers of the July 29th emergency regulation.

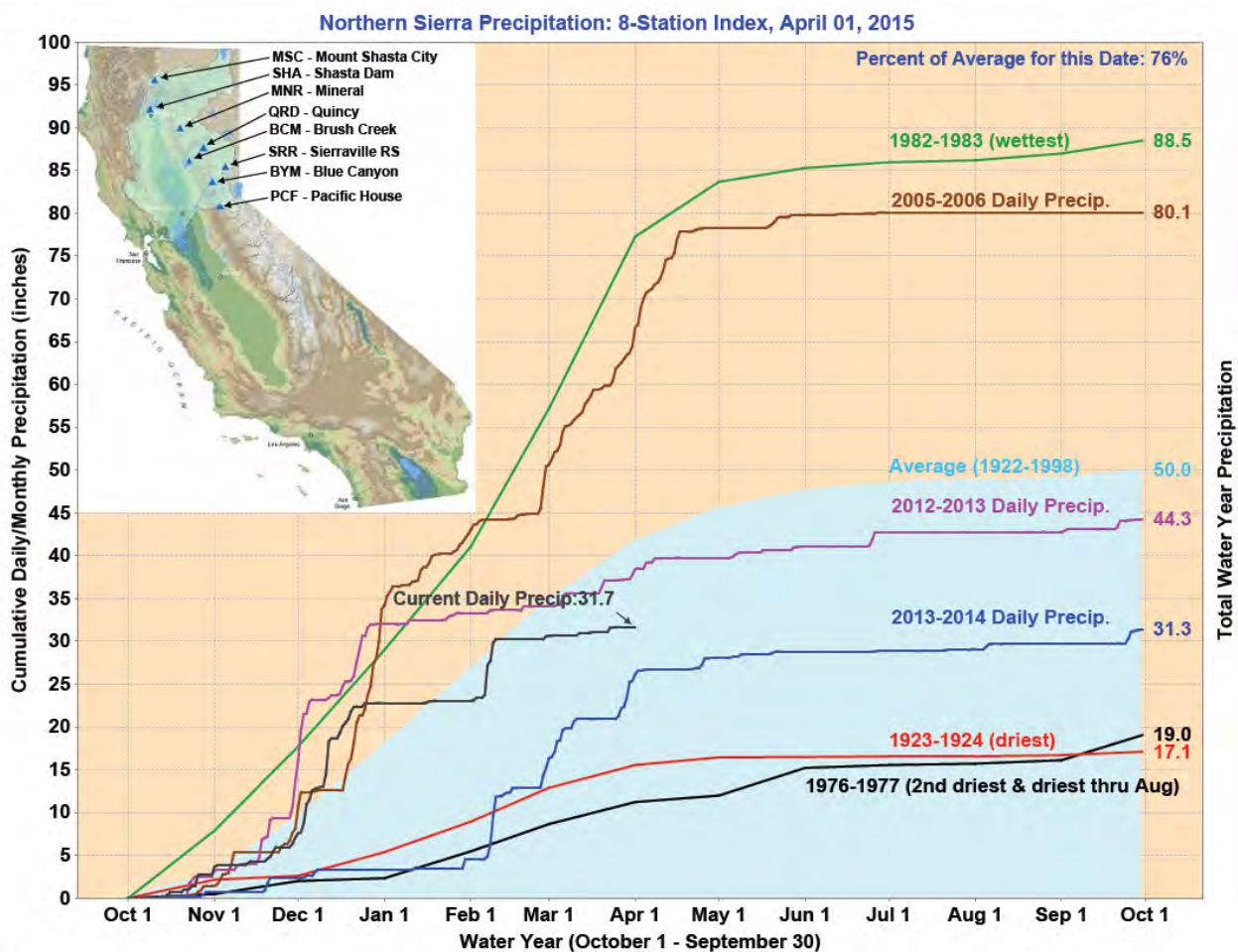
While conditions have improved from Calendar Year 2013, the drought still continues. The fall season of 2014 was relatively dry. A wet December 2014 was followed by a record dry January 2015, the driest January in recorded history for the State and Bay Area.

On April 1, 2015, DWR's manual the snow survey found the statewide snowpack with less water content today than any April 1st since 1950. The dismal snow survey results were followed by a new Executive Order from the Governor mandating 25% demand reduction across California underscoring the continued severity of the drought. The SWRCB is currently developing regulations to implement the Order.

DISCUSSION:

There was very little precipitation in March as the Northern Sierra hydrology average is at 31.7 inches compared to an average of 42 inches for this time of year (see graph; or for updates see http://cdec.water.ca.gov/cgi-progs/products/PLOT_ESI.pdf).

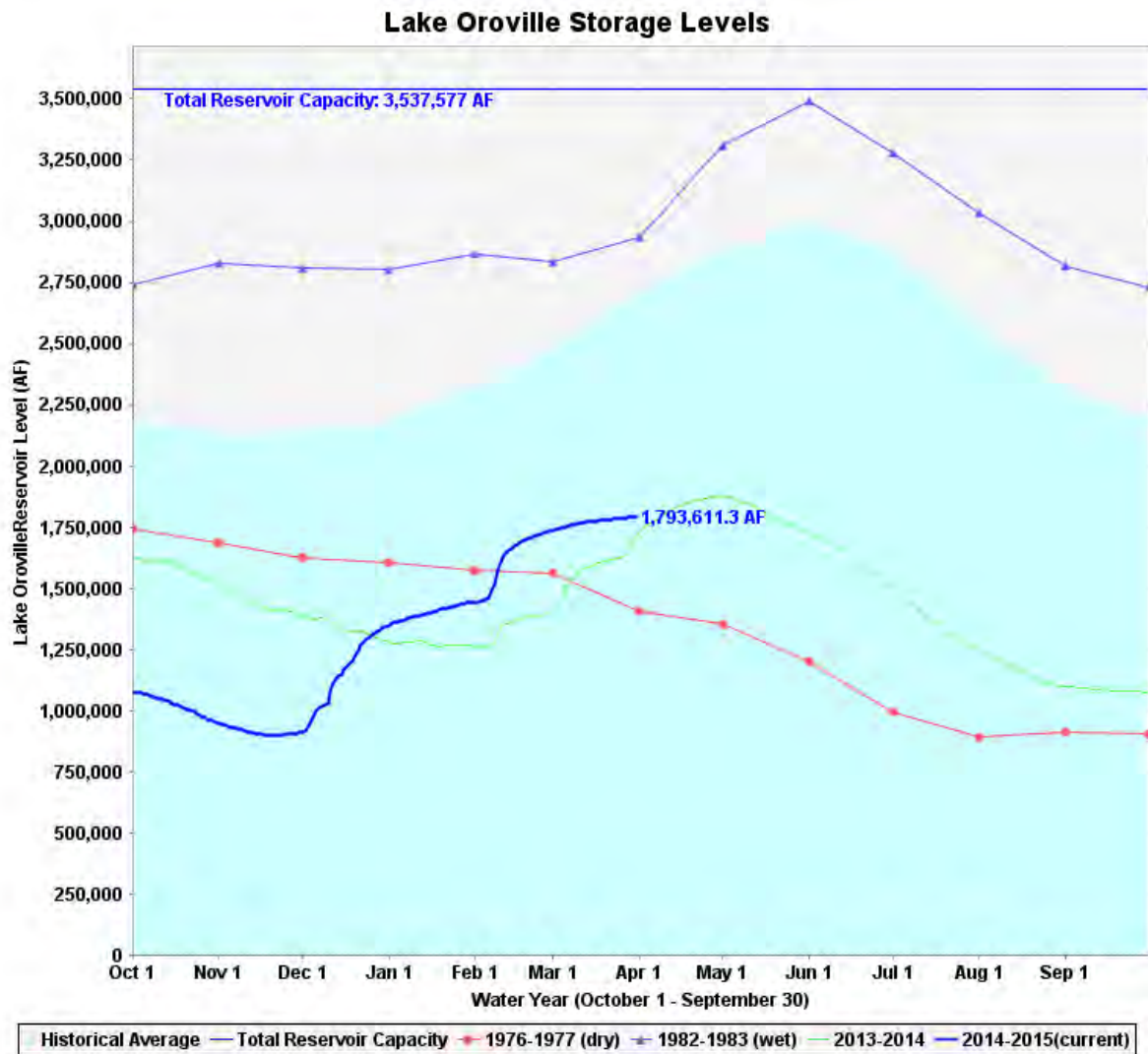
Northern Sierra precipitation is critical as it determines DWR's ability to refill Lake Oroville, which is the primary source of water for Zone 7 (water is released from Lake Oroville into the Feather and then the Sacramento River and from there it is conveyed through the Delta by a series of levees that direct the Oroville releases to the South Delta pumps which bring water to the Livermore Valley and to other State Water Contractors).



The local hydrology for the current Water Year (October 1, 2014-March 31, 2015) is currently at 92% of average conditions to-date at 11.46 inches. This is still 21% below the annual average so more rain is needed during the remainder of the wet season.

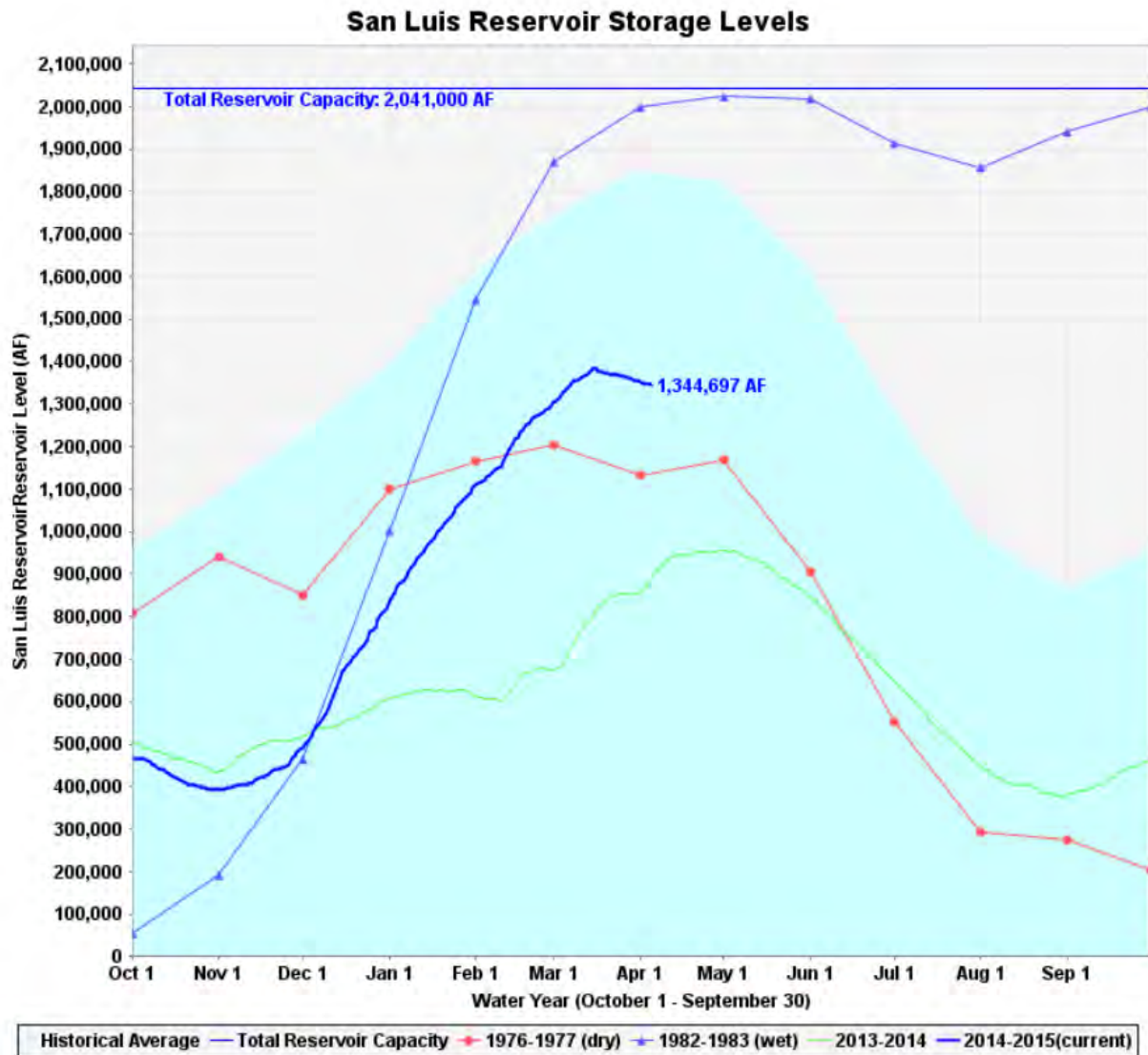
Due to low precipitation in March, Lake Oroville levels are only slightly higher than last month and continue to be higher than at this time last year and above the 1976-1977 critical dry year conditions (see Oroville graph, below). However, Lake Oroville storage levels are not showing much difference from levels observed in the Water Year 2013-2014 drought. The current 1,793,611 AF of storage represents 51% of Lake Oroville's total capacity and approximately 67% of the historic average.

Lake Oroville storage levels can be tracked on the DWR data website at <http://cdec.water.ca.gov/cdecapp/resapp/resDetailOrig.action?resid=ORO>



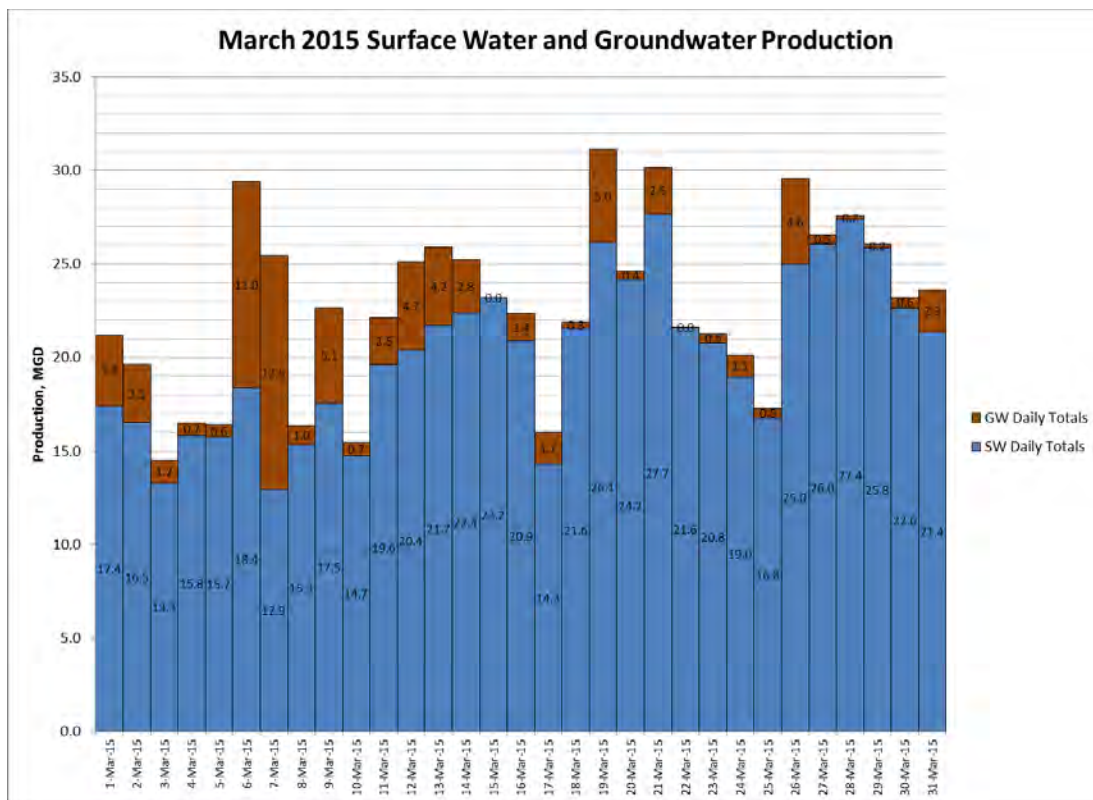
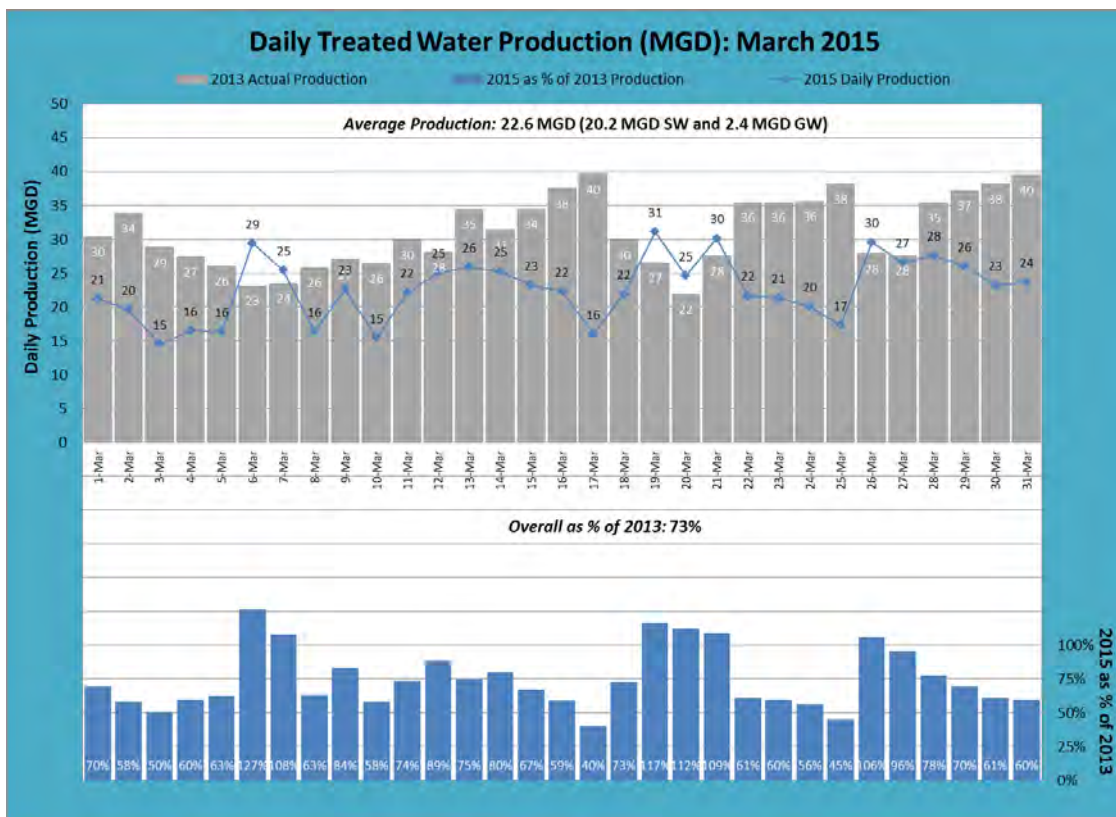
While Lake Oroville levels remain low, as shown in the graph below San Luis Reservoir storage levels are much higher in the Water Year 2014-2015 than the Water Year 2013-2014 drought. The current 1,344,697 AF of storage represents 66% of San Luis Reservoir's total capacity and approximately 73% of the historic average.

San Luis Reservoir storage levels can be tracked on the DWR data website at <http://cdec.water.ca.gov/cdecapp/resapp/resDetailOrig.action?resid=SNL>



The California Department of Water Resources (DWR) conducted a snow survey on April 1, showing snow levels have decreased in the month of March. Statewide, 105 electronic sensors in the Sierras detected 5% of the multi-year average.

Local demands in March increased from 20 MGD to 23 MGD. Surface water made up 90% of the water supply in March, consisting primarily of banked water from Semitropic Water Storage District (Semitropic) and Cawelo Water District (Cawelo). Del Valle Water Treatment Plant and the Patterson Pass Water Treatment Plant produced an average of 20.2 MGD with wells supplying 2.4 MGD for a total average production of 22.6 MGD.



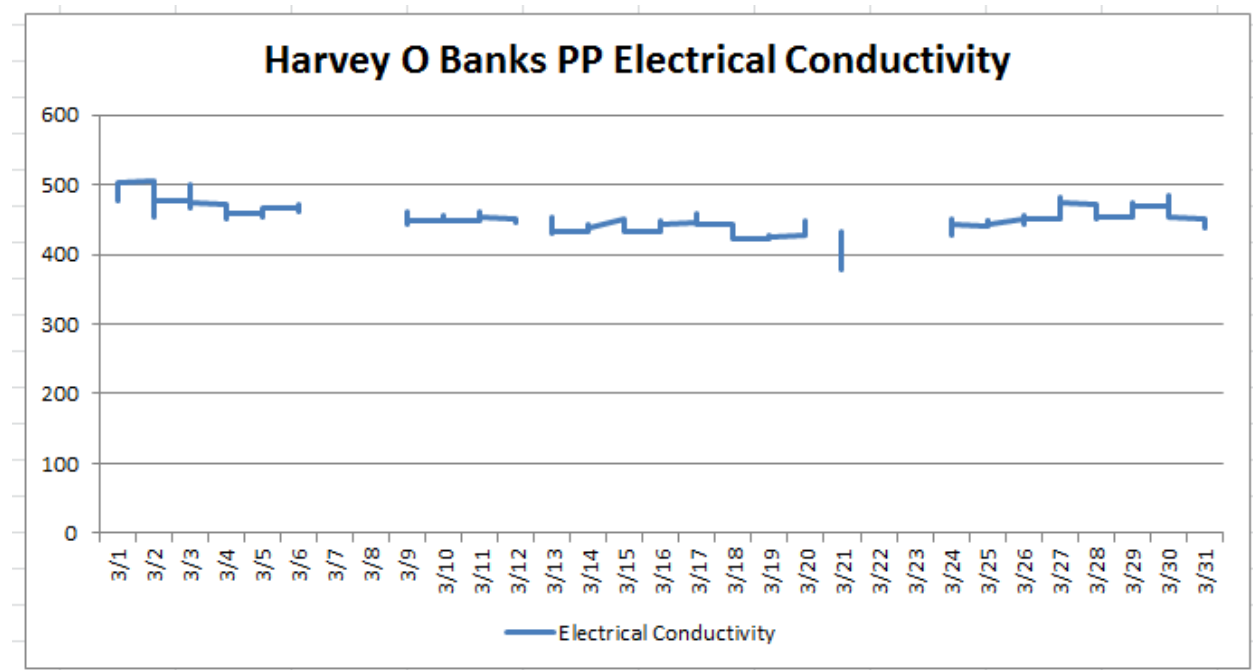
As of April 6, the State Water Project Table A allocation has remained at 20%. The *final* allocation is typically issued in late April. DWR may revise allocations if warranted by the

year's developing hydrologic and water supply conditions, although there has been no indication that the allocation will be revised, largely because of San Luis Reservoir storage levels.

Semitropic continues recovering water for 2015 and is planning on returning almost 10 TAF by December and an additional 1 TAF in January 2016. Cawelo continues to recover banked water to fulfill Zone 7's 2014 delivery request and is expected to begin 2015 recovery in September.

To be conservative, Zone 7 has been preparing for another drought year in 2016. Zone 7 continues to store any excess surface water supply (i.e., surface water that could not be used directly at this time) in San Luis Reservoir. Zone 7 also continues to work with Contra Costa Water District on an exchange that would allow storage of 2,500 AF in Los Vaqueros Reservoir, located upstream of the Tri-Valley service area.

Electrical conductivity ($\mu\text{S}/\text{cm}$) is measured as a surrogate for TDS (TDS is approximately equal to 0.58 times EC):



Based on the above data, in the month of March, raw water at Harvey O Banks Pumping Plant has total dissolved solids (TDS) ranging around 250 to 300 mg/L which is typical.

Higher TOC levels continue to impact treatment at the plants requiring higher ferric chloride dosages and more pH adjustments. Ferric chloride dosages have been around 50 to 60 mg/L in March. In the past, Zone 7 treatment plants have operated with ferric chloride dosages in the neighborhood of 25 mg/L.