



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, June 20, 2012
TIME: 6:30 p.m. RECEPTION FOR RETIRING DIRECTOR MOORE
7:00 p.m. CALL REGULAR MEETING TO ORDER
LOCATION: Zone 7 Administration Building
100 North Canyons Parkway, Livermore, California

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

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

A G E N D A

1. Call Meeting to Order
2. Pledge of Allegiance
3. Citizens Forum
This is an opportunity for members of the audience to speak on an item not listed on the agenda. The Board cannot deliberate or take action on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.
4. Minutes of the Regular Meeting of May 16, 2012
5. Consent Calendar
 - a. Recreational Trail Use License Agreement with East Bay Regional Park District
 - b. Easement Area Use Agreement with 7099 Amador Plaza, LLC
 - c. Award of Contract for Embankment Slope Mowing Services
 - d. Professional Services Contract with DTN Engineers, Inc. for Electrical Engineering Support Services
 - e. Professional Services Contract with Biggs Cardosa Associates, Inc. for Structural Engineering Support Services
 - f. Professional Services Contract with Kier & Wright, Inc. for Surveying Support Services
 - g. Consulting Services Contract with Kenneth R. Henneman for SBA Improvement and Enlargement Project
6. Staffing Update:
 - a. Employee of the Month Recognition
7. Solid Waste Disposal Contract with Republic Services, Inc.

Recommended action: Adopt resolution.

8. Annual Report of Sustainable Water Supply for Zone 7 Water Agency

Recommended action: Information only.

9. Consider Adjusting Directors' Compensation

Recommended action: Possibly adopt resolution.

10. July 1-June 30 Fiscal Year Capital Budgets

Recommended action: Adopt resolution.

11. Committees – None.

12. Reports – Directors

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

13. Items for Future Agenda – Directors

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

- a. General Manager's Report
- b. Recent Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Water Sales and Connection Fee Revenue
- f. Verbal Reports

15. CLOSED SESSION

- a) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.
- b) Conference with Legal Counsel – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 3 cases
- c) Government Code Section 549547: Public Employee Performance Evaluation
Title: General Manager

16. Open Session and Report Out of Closed Session

17. Adjournment

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

- a) Special Board Meeting: To be Determined, 7:00 p.m. (if needed)
- b) Regular Board Meeting: July 18, 2012, 7:00 p.m.

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

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

June 20, 2012

President Figuers called the regular meeting to order at 7:10 p.m. (following a reception for retiring Board member Christopher Moore) with a salute to the flag. The following were present:

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

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
JARNAIL CHAHAL, ENGINEERING MANAGER
RHETT ALZONA, SENIOR ENGINEER, FACILITIES ENGINEERING
BRAD LEDESMA, ASSOCIATED CIVIL ENGINEER, INTEGRATED
PLANNING
JAVIA GREEN, STAFF ANALYST, FINANCE
TOM PICO, ACTING HUMAN RESOURCES MANAGER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 3 - Citizens Forum –

Randy Werner, 5890 Arlene Way, Livermore, spoke as a water professional. He wanted to discuss the fourth contractor share and Lake Del Valle: a water supply fixture or a recreation area? The week before in June, the Department of Water Resources (DWR) shut down water and the City of Livermore was the most affected by it because of the proximity to the Patterson Pass Water Treatment Plant. The Board needs to make a decision about the lake because what the Board did in the past was acquiesce to the recreation community to make it primarily a recreational lake. It was built as a water supply lake, part of the State Water Project, and DWR needs to take the lake back for water supply. This is a touchy issue and recreational people wanted the boat ramp below water but there is a need to set a water supply priority with DWR. There may not be enough water in Del Valle due to the Aqueduct construction but when the public needs water, they need to be able to turn the tap and have water come out.

He encouraged the Board to appeal to DWR to keep Lake Del Valle a water supply facility rather than equal parts of recreation and water supply.

Item 4 - Minutes of the Regular Meeting of May 16, 2012

On a motion by Director Palmer with a second by Director Greci, the minutes of the Regular Meeting of May 16, 2012, were approved by a voice vote of 7-0. Director Quigley complimented staff on the minutes from that meeting.

Item 5 - Consent Calendar

Director Palmer moved and Director Quigley seconded a motion to approve the following resolutions by a roll call vote of 7-0. The following resolutions were approved:

- Resolution 12-4195 Authorized the General Manager to negotiate and execute the Recreational Trail Use License Agreement with the East Bay Regional Park District. (Item 5a)
- Resolution 12-4196 Authorized the General Manager to execute a certificate of acceptance causing the Easement Area Use Agreement with 7099 Amador Plaza, LLC, for Line J-2 to be recorded at the Office of the Recorder of Alameda County. (Item 5b)
- Resolution 12-4197 Authorized the General Manager to negotiate and execute a contract for district-wide embankment slope mowing with Bruce Balala Excavating for an amount not to exceed \$95,000; extend the contract up to two times to cover the period July 1, 2013 to June 30, 2015; and issue change orders when required in an amount not to exceed \$9,500 per year. (Item 5c)
- Resolution 12-4198 Authorized the General Manager to negotiate and execute a professional services contract with DTN Engineers, Inc., for electrical engineering support services for FY 2012/2013 in an amount not to exceed \$84,200. (Item 5d)
- Resolution 12-4199 Authorized the General Manager to negotiate and execute a professional services contract with Biggs Cardosa Associates, Inc., for as-needed structural engineering support services for the next three fiscal years in an amount not to exceed \$75,000 per year; and a professional services contract with Biggs Cardosa Associates, Inc., for structural engineering support services for the Del Valle Water Treatment Plant and Patterson Pass Water Treatment Plant aqueous ammonia facilities in an amount not to exceed \$140,000. (Item 5e)
- Resolution 12-4200 Authorized the General Manager to negotiate and execute a professional services contract with Kier & Wright Civil Engineers & Surveyors, Inc., for as-needed surveying support services for each of the next two fiscal years in an amount not to exceed \$165,000 per year. (Item 5f)
- Resolution 12-4201 Authorized the General Manager to negotiate and execute a consulting services contract with Kenneth R. Henneman for \$50,000 plus a contingency amount of \$25,000 to cover further unanticipated project delays and additional unanticipated technical support needs for a total not to exceed amount of \$75,000. (Item 5g)

Item 6 - Staffing Updates

Item 6 (a) – Employee of the Month Recognition

Plant Mechanic Ron Ray from the Maintenance Section is the April Employee of the Month. General Manager Jill Duerig noted that Mr. Ray has a very helpful, positive work attitude and responds promptly to operator work requests which are critical to the Operations crew. While working on the new PPWTP Clarifier Modification Project, it was noticed how detailed his installation of the new chemical feed lines in the Settled Water Channel were. Mr. Ray was not present but the Board applauded him in absentia.

Item 7. Solid Waste Disposal Contract with Republic Services, Inc.

Jarnail Chahal, Engineering Manager, introduced the agenda item regarding a new solid waste contract with Republic Services, Inc. Two proposals were received for a new contract: one from Republic Services and one from Waste Management. Staff reviewed the proposals and determined that Republic Services' proposal was the lowest cost option for Zone 7, therefore staff is recommending approval of a \$215,000 contract for Fiscal Year 2012-2013 with an option to extend the contract for two more years covering the period through Fiscal Year 2015/2016.

Director Palmer commented that there is a problem with the consistency of the centrifuge and she is hoping to see that it will be more consistent in the future. Because there is only a \$14,000 difference between the two vendors, depending upon the consistency, it may not be worth re-evaluating in the future.

Director Moore asked what percentage of dewatering do we do? Mr. Chahal answered that at Del Valle there are eight to nine sludge drying beds plus the centrifuge so maybe 50 percent of the sludge is dried through the centrifuge. That is only 25 percent solids and 75 percent moisture. Even sludge that goes through the centrifuge undergoes additional drying in the sludge drying beds to meet the target moisture content.

Director Stevens asked if there is a possibility of using the Chain-of-Lakes' sedimentation ponds or is this hazardous waste? Mr. Chahal said the solid waste is considered hazardous so it could not be dumped into the Chain-of-Lakes area.

President Figures asked the approximate annual cost of centrifuges? Mr. Alzona replied that the rental cost is approximately \$600,000 per year, including labor to operate.

Ms. Duerig added that the reason Zone 7 went to the centrifuge was because we didn't have the room to expand the capacity of the drying beds so ultrafiltration at PPWTP was added along with the mechanical dewatering to make the most of the drying bed area we have.

President Figures reiterated that \$600,000 is spent to rent centrifuges to get the sludge down to under 50 percent and yet it would cost us only \$400,000 and Waste Management would haul it out and we would not have to dry it. Why are we spending extra money?

Ms. Duerig explained that there is a limit to what can be hauled easily on the roads, it is not just what the landfill will accept. Mr. Alzona and his team have done an excellent analysis that it is more cost effective in the long run to buy the centrifuge and bring the labor in-house. This is one of the projects we chose to defer because of cash flow constraints; we are bringing this back to the Board probably in the next year to move forward and it will pay for itself in a short time. This item allows us to have a place to take the sludge in the meantime.

Director Quigley broke down the three components involved: 1) landfill portion – what it costs to cover the landfill; 2) centrifuge – making the sludge lighter and dryer; and 3) transporting it to the landfill. When this project comes back to the Board, Director Quigley requested that staff put those three components together and breakdown what the sludge costs are to address the Board's concerns.

Director Greci said that when you go to Waste Management or Republic Services, it is not by the yard, it is by weight. If it is really wet, even if we do find a way to haul it without dripping on the road, you are going to pay more to dump it and that means more loads to take to the dump. When figuring the costs, you have to compare the difference between a dry load and a wet load and making more trips.

Ms. Duerig recommended that for the next Board meeting, staff will bring forward a staff report to show a more complete analysis.

Director Palmer moved that the item be approved and Director Moore seconded the motion. Resolution No. 12-4202 was approved by a roll call vote of 7-0.

Item 8. Annual Report of Sustainable Water Supply for Zone 7 Water Agency

In response to the Board of Directors' May 16th request for a staff presentation, Brad Ledesma, Associate Civil Engineer in Integrated Planning, discussed the annual review of the Sustainable Water Supply report which is part of the Reliability Policy for Municipal and Industrial Water Supplies. It is made up of several components such as an estimate of the current water demands for the current year and over the next five year period, and how much supply is available for Zone 7 at the beginning of the year (both supply yields and storage). Those two components are compared to see how Zone 7 will fare over the next five years. There was also a discussion about conservation and other programs necessary to retain long term reliability for Zone 7's customers.

Mr. Ledesma explained the numbers in his slide show presentation. The current allocation from the State Water Project is 65 percent, about 52,400 acre feet, essentially 93 percent of our total yield for this year. The Arroyo del Valle runoff is only 1,000 acre feet and shows the difference between what is going on in the State and locally because of the micro-climates within California. The other two sources are Byron Bethany Irrigation District and the Yuba Accord.

Mr. Ledesma stated that Zone 7 has sufficient supplies to meet projected water demands over the next five years with or without conservation.

Director Quigley said he would like to see the actual "throughput" (a supply and distribution term that means metric numbers are run through a warehouse, i.e, inventory control) of the watershed because it differs seasonally: when it rains we get a lot of water and we lose a lot, we can see it go out to the bay. He believes that using resources such as flow meters will capture that and give us 100 percent "throughput" of our water. Once we get 100 percent, he feels the Board and staff can look at options on how to manage the water better in concert with Chain of Lakes and other opportunities. The next time water sustainability is discussed, he wants to see 100 percent for a year of the water molecules in acre feet that come through the watershed. Director Palmer suggested using the existing flow data available online from the USGS and DWR.

Item 9. Consider Increasing Director's Compensation

Ms. Duerig introduced Tom Pico, Acting Human Resources Manager, who was present to answer any questions the Board had on the agenda item. Mr. Pico stated that board members currently make \$159.99 per meeting and are eligible for a maximum of four meetings which is \$639 per month. Under the County system, the Board is currently not eligible to receive medical or retirement benefits. The mean based on a survey of agencies is \$174.41 per meeting and the average number of meetings attended is 9.6 per month for a total of \$1,548.88 per month. In terms of benefits, compensation ranges from \$2,186.09 to \$3,494.38 per month. Different options available are:

- o Option 1: maintain the compensation at the current \$159.99 per meeting.
- o Option 2: set the compensation for FY 12/13 and FY 13/14 at the mean derived from the current market compensation salary survey (\$170.41 per meeting, an increase of approximately 6.5%.)
- o Option 3: since the board has taken no increase since 2008, and per the Water Code Section 20202 (attached) a 5% per year increase is allowed, up to 20% increase could be granted this year (up to \$191.98 per meeting.)
- o Option 4: retain current compensation but add compensation for attendance at any meeting approved by Board up to a maximum of ten per month by modifying Compensation Policy.

Director Palmer asked if the Board got more money per meeting, would a public hearing be needed? The response was affirmative.

Director Machaevich's question regarding Option 4 was about the wording "up to a maximum of ten per month." He asked if that meant 10 days or 10 events, i.e., if a Director attended an ACWA conference for ten days? General Counsel David Aladjem answered that would be for ten days, not ten events, and if a meeting went for ten days, it would be the ten meetings for the month.

General Manager Jill Duerig further clarified that if you go to ACWA for three days, it is a single event, and you would get paid for each of the three days as if it were three meetings, even though it is a single meeting.

President Figuers said that most things Directors attend are single day with the exception of ACWA and a couple of others.

Director Palmer added that she liked the idea of being compensated for meetings that Board members attend. If it is Zone 7 business, the Board could approve a type of meeting up to a ten maximum rather than approve each meeting, i.e., if Director Greci is meeting with elected officials, the Board should not have to approve or disapprove of the meeting because it is Board business and he should be compensated for it.

Director Machaevich asked if it is written that it has to be pre-approved? Director Palmer replied that it is not stated either way.

President Figuers says he disagrees with that philosophy because if you meet with a local public official and it takes an hour or two, it is part of the duties of a Board member unless the Director leaves Alameda County to go to Sacramento for an ACWA committee meeting that involves a time commitment.

Director Palmer respectfully disagreed because she feels it is a time commitment for any meeting as the Director must prepare for the meeting, transport themselves to the meeting, and whether it takes three hours or six hours, it is a meeting. A Director's time should be valued and they should be compensated.

In following that logic, President Figuers asked if the President comes in and meets with staff two or three times a month, would those be considered meetings? Director Palmer replied that this depends upon what is considered to be a meeting and the Board needs to be sensible about the definition of a meeting.

Director Moore agreed with Director Palmer and he respected the fact that the Board currently approves meetings, but it is about taking care of business and Directors should be compensated. He also likes the idea of a ten-meeting limit. Because this concept is new to this Board and they have not historically done this, if there are concerns moving forward, they will have the opportunity to change it.

Director Quigley liked Option 4 but suggested that the General Manager and Board President be the referee if a Director goes to something legitimate for the benefit of Zone 7, and he agrees that there should be some kind of compensation. A Director also has a duty either verbally or in writing to report back and there is a check-and-balance system in place.

Director Machaevich feels that if a Board member is giving a written or verbal report about a meeting, that meeting should be compensable. If the meeting is important enough to go to and share with the Board in an open forum, comments can be kept simple and it should be a paid meeting.

Director Stevens recommended Options 1 and 2. He agrees that the Board needs to decide the definition of what a meeting is and not have to get permission beforehand but that could be done in a subcommittee. Director Palmer mentioned the Administrative Committee, which is rarely used, but the Administrative Committee could review a list of meetings.

Ms. Duerig referred to the redline part of the policy attached to the agenda item and it reads:

“Board members will be compensated for attendance at each at each board-approved meeting, event and activity.”

Instead it could say:

“Board members will be compensated for attendance for each day of a Zone 7-related meeting, event or activity.”

That would open it up and eliminate the need for Board approvals up to a maximum of ten or for each day of each activity related to Zone 7.

President Figuers also agrees with Option 4 but would like to see the number of days in a month reduced to four. He suggests starting off small because four covers ACWA and very few Board members historically go four days or more; it can be increased later.

Director Palmer suggested an addendum such as “or as reviewed by the Administrative Committee” and that Committee could monitor whether the meetings are necessary.

Director Moore asked for clarification on how often the policy can be amended. Ms. Duerig responded that the policy can be amended at the board's pleasure but, in terms of the compensation itself, the number of dollars for compensation can be amended every other year. General Counsel David Aladjem agreed. Director Moore said that now that the Board is talking about Delta issues and separation issues, Board member involvement in the last year has necessitated more than four so he thinks the policy should be for ten meetings.

President Figuers asked if it is ten meetings per Board member or ten total for the Board? Ms. Duerig said it is currently written as four per Board member. Staff did a comparison to show what the other agencies have and Zone 7 is the only one at the four-meeting level. The other agencies are between eight and ten with an average of 9.46. Director Palmer stated that it was four per Board member but four meetings, not someone meeting with another public official.

President Figuers said he is interpreting it as above-and-beyond regularly-scheduled Board or committee meetings. Ms. Duerig said that if they had a Board meeting tonight and a Special Board meeting in a couple of weeks, you could not do more than two others. Director Palmer said that if you are on a committee, too, you could not go meet with an official or you couldn't do a meeting with Metropolitan Water if they had a couple of meetings a year. President Figuers said that in that case he would modify the number of meetings to six. Director Palmer countered with ten because the Board is getting more politically involved and the option is there.

Directors Machaevich and Quigley agreed with the ten meeting maximum.

President Figuers asked for public comments. Angela Ramirez Holmes from Pleasanton pointed out that in last month's and this month's discussion, the biggest bone of contention despite the six versus ten meetings issue, is what defines a meeting. Both DSRSD and CCWD have language in the agenda item that clearly captures what the Zone 7 Board is trying to include and perhaps that it can be done all at once instead of bringing it back again.

Director Stevens moved to approve Recommended Actions A and B, but not C, on the staff agenda report. Recommended Action A was for no compensation increase for meeting attendance and deleting the language regarding changing the policy for FY 12/13 and FY 13/14. Recommended Action B was to amend the Compensation Policy allowing compensation for attendance at any meeting approved by the Board up to a maximum of ten per month. The policy language would be changed to reflect that Board Members shall not be paid for more than a total of 10 days per Director in any calendar month. Board members will be compensated for attendance at each day of a Zone 7 related meeting, event and activity. The Directors agreed to a roll call vote on the motion by Director Stevens and seconded by Director Palmer. Resolution No. 12-4203 was passed by a roll call vote of 6-1 with President Figuers voting no.

Mr. Aladjem said the Board just adopted a policy revision but can always amend that policy if it so chooses by a motion, a second, and a vote.

Director Palmer wanted to amend the "approval by Board" language. The Board could approve types of meetings, things that are defined as benefiting Zone 7 and serving the Zone 7 Board's purposes. The current policy is only for agendaized Board meetings and she wanted to re-state what would be an "approved" meeting. President Figuers suggested that it go to the Administrative Committee.

Mr. Aladjem suggested a couple of ways this could be handled. The definition of a meeting for DSRSD is in the agenda packet but what the General Manager suggested and what was incorporated in Director Stevens' motion was that the compensation would be for events, meetings and activities that would relate to Zone 7. That is broad language and covers Director Palmer's concerns so if the Board is comfortable that it is covered, no other action is needed. Mr. Aladjem read out loud the DSRSD language. Although Director Palmer agreed, it is DSRSD language so she wants to confirm that Zone 7 can apply it to Zone 7 policy under the present circumstances.

Mr. Aladjem responded that the simplest way would be for the minutes to show that it is the District's intent in adopting the policy to define a meeting, activity or event, in the same way that it is interpreted by DSRSD.

8. Notwithstanding other sections of this Policy, Board Member compensation for attendance at each day of a Zone 7-related meeting, event or activity, shall not be paid for more than a total of ten (10) days per Director in any calendar month.

C. Amount of Compensation for Attendance:

The amount of compensation to Board Members for attendance at each meeting, event and activity authorized pursuant to Sections A & B above, shall be reviewed on a biennial basis. The amount of compensation shall be established in accordance with the provisions of Water Code Section 20200, *et seq.*, and shall be adopted by ordinance. Board members will be compensated for attendance for each day of a Zone 7-related meeting, event or activity.

There was general concurrence with this approach. President Figuers urged that if issues arise with the amended policy, it should be put to the Administrative Committee for review because this is a complex subject.

Item 10. July 1 – June 30 Fiscal Year Capital Budgets

Tom Hughes, Assistant General Manager, Administration, explained to the Board that a FY 12/13 capital budget for Funds 72, 73 and 76 for July 1, 2012 – June 30, 2013 was needed due to the delay in transitioning to a calendar fiscal year. The Board had adopted an 18-month capital budget on April 18, 2012, but a twelve-month budget for operating funds 50, 51 and 52 was needed for FY 12/13 to incorporate in the county budget. Because capital fund 72 – (Renewal/Replacement and System-Wide Improvements), 73 (Expansion Fund) and 76 (Flood Protection and Stormwater Drainage Development Impact Fee) budgets were not a County requirement, the Board did not adopt 12-month FY12/13 budgets for these funds, only the 18-month transition budgets.

A draft budget book was provided to the Board members for information only and Mr. Hughes offered that staff could meet with the Directors if they had individual questions. Mr. Hughes also complimented his staff for putting the budget book together in two weeks due to the delay of the transition from the County.

JaVia Green, Staff Analyst in Finance, presented a short presentation explaining the need for a twelve month capital funds budget extending six months for FY 12/13. The proposed capital funds budget is \$37.8 million dollars.

Directors Moore and Quigley thanked staff for putting the numbers together so quickly. Director

Quigley noted the expense involved in leasing the North Canyons building and recommended that staff think about using options for the future concerning the lease of the North Canyons building, perhaps discussed at the Board retreat.

President Figuers asked for public comments but there were none.

Director Machavich moved and Director Palmer seconded a motion to approve the resolution.

After a roll call vote of 7-0, Resolution No. 12-4204 was adopted authorizing and directing the General Manager to adjust accounts as the General Manager may deem necessary to account for any changes in available fund balances, revenues or expenditures.

Item 11. Committees – None.

Item 12. – Reports – Directors

- a. Verbal comments by President – none.
- b. Written report by Director Quigley

Director Quigley noted that there was an incorrect attachment to his written comments in the agenda packet. The correct attachment was made available to Directors which was an attachment on Hetch Hetchy and O'Shaughnessy Dam. He also mentioned the new Irvington Tunnel from Sunol and that he was not previously aware of the 146 mgd treatment facility in Sunol. He also attended a San Francisco Habitat Conservation Plan meeting in Dublin and Zone 7 staff was also present. He will present information next month on a recreation and water meeting he plans to attend in Walnut Grove the week after this Board meeting.

Director Moore said that after the May Board meeting he had an opportunity to speak to the Santa Clara Valley Water District Board on the issue of homeless encampments in creeks. He was able to do dual duty as a Zone 7 board member and as the San Jose Police Chief. Zone 7 staff members were also present. There is an issue everywhere with homeless encampments including potentially Zone 7's own watershed.

Item 13. – Items for Future Agendas – Directors

President Figuers referred to the term "cut" used in the General Manager's staff report about the pumping in the DWR water supply. He asked for clarification on how the water supply was interrupted.

General Manager Jill Duerig replied that the South Bay Aqueduct had gone dry three times. The first time there was a planned project where WAPA (Western Area Power Authority) and PG&E were doing heavy duty work on lines that crossed some of the South Bay Aqueduct's pumping plant lines. Although there was advance notice given to DWR, the line fell on DWR's line and they had to power down for several hours to go through the safety steps after the repair. The second time was almost an identical situation. This was on a Tuesday and Thursday night and staff was scrambling, along with the retailers, to turn on pumps and help out. After this happened twice to DWR during the hottest week of the year, they finally put a contingency plan into place on Friday and realized that they had Lake Del Valle valved so that the lake could fill because it was recreationally at a low level. This meant that if there was a shutdown, they couldn't pull out of the lake to give Zone 7 a supply. In case there was another outage and before the hot weekend, DWR decided to turn the valves so that if something happened over the weekend they could draw out of the lake. When it happened a third time on Sunday, Zone 7 staff was able to keep the Del Valle plant running at half the rate. There continue to be discussions

with DWR and Zone 7 would like to encourage them to use contingency plans, recognize that they have a water supply that they can use in emergencies, and make sure that they don't shut Zone 7 down for hours because they failed to put those safety plans in place. The Operations team has met several times and came up with ideas, not only contingency plans but using mutual aid. DWR couldn't get anyone out in the middle of the night with their reduced State staffing to turn the valves at Lake Del Valle. There have been operational team meetings with all of the retailers.

President Figuers asked if the Board should sign a letter to DWR both chiding and complimenting them or is what is going on sufficient? Ms. Duerig asked if she can get back to him on this subject. Director Palmer noted a bigger issue of communications between different agencies not only on water, but police and fire.

Ms. Duerig noted the new staff report on the status of Water Sales and Connection Fee Revenue.

Item 14. – Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Water Sales and Connection Fee Revenue
- f. Verbal Reports

The Board went into closed session at 8:50 p.m.

Item 14. – Closed Session

- a) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.
- b) Conference with Legal Counsel – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 3 cases
- c) Government Code Section 549547: Public Employee Performance Evaluation
Title: General Manager

Item 15 - Open Session and Report Out of Closed Session

The Board came out of closed session at 10:25 p.m. President Figuers said there was nothing to report out of closed session.

There was a brief continuation of the discussion on sending DWR a letter concerning recent South Bay Aqueduct shutdowns. Staff was directed to prepare a letter for President Figuers' signature.

Item 16 - Adjournment

The meeting was adjourned at 10:30 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: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: June 20, 2012

ITEM NO. 5a

SUBJECT: Recreational Trail Use License Agreement with East Bay Regional Park District

SUMMARY:

- The East Bay Regional Park District (EBRPD) has a Trail Master Plan that includes a 1.6 mile addition to the Iron Horse Regional Trail from the Dublin/Pleasanton BART station to Santa Rita Road in Pleasanton.
- Two segments of the trail fall on Zone 7-owned property, one on the Arroyo Mocho and the other on Tassajara Creek.
- A Recreational Trail License Agreement with Zone 7, similar to the recreational use license agreement Zone 7 has with the Cities of Livermore and Dublin, will provide EBRPD the rights necessary to construct a portion of the trail at the two locations.
- The EBRPD License Agreement overlaps the Pleasanton Agreement for the portion of the trail that lies within the City of Pleasanton on Zone 7 channel property.
- A License Agreement has been drafted which would authorize EBRPD to provide for improvements, maintenance and operation of a trail for general public use subject to the primary use of the right of way for flood control and water supply purposes at no cost to Zone 7 for a term of 25 years, renewable for an additional 25 years.

FUNDING:

There is no funding impact.

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the General Manager to negotiate and execute the Recreational Trail Use License Agreement with the East Bay Regional Park District.

ATTACHMENTS:

1. Memo providing additional background and discussion
2. Resolution
3. Location Map
4. Draft Recreational Trail Use License Agreement

INTEROFFICE MEMO

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer
Subject: Recreational Trail Use License Agreement with East Bay Regional Park District

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

BACKGROUND:

Zone 7 has a long history of making its flood control rights of way available to the public for park and recreational purposes beginning with its first License Agreement in 1968 with the City of Livermore. Zone 7 currently has License Agreements for use of its flood control rights of way with the cities of Livermore, Pleasanton and Dublin. Through these License Agreements, flood control rights of way have been made available to each of these local cities, which have dedicated staff and resources to provide park and recreational services.

The License Agreements authorize the Cities to provide improvements, maintenance and operation of park and recreation facilities for general public use subject to the primary use of the right of way for flood control and water supply purposes. The License Agreements do not grant permanent interest in the right of way. The License Agreements are at no cost to Zone 7 and are for a term of 25 years, renewable for an additional 25 years. The License Agreements are predicated upon Zone 7 being free from any liabilities associated with the use of these rights of way for recreational purposes. In the absence of such License Agreements, the flood control channel rights of way would be fenced and inaccessible to the public.

DISCUSSION:

In cooperation with the City of Pleasanton, the EBRPD developed a Trail Master Plan for a proposed 1.6 mile addition to the Iron Horse Regional Trail from the Dublin/Pleasanton BART station to Santa Rita Road. The EBRPD is currently proceeding with the design and right of way work for this trail project, which is funded in part through a federal grant. In order to satisfy the Federal Highway Administration requirements for the grant funds, EBRPD must demonstrate that it has obtained the right of way necessary to construct and maintain the new trail segment.

Most of the proposed trail alignment is located within a former Southern Pacific Railroad right of way called the Iron Horse Trail, which is now owned by Alameda County. Two segments of the trail fall on Zone 7 channel right of way: the Arroyo Mocho Channel and Tassajara Creek. A license agreement with Zone 7 will provide EBRPD the rights necessary to construct the portion of the trail at the two locations where the trail intersects Zone 7 channels.

The existing license agreements with Dublin and Livermore served as the template for drafting the license with the EBRPD, as they cover specific areas. The proposed EBRPD License Agreement overlaps the Pleasanton Agreement for the portion of the trail that lies within the City of Pleasanton on Zone 7 channel property. The license agreement with Pleasanton differs in that it is a blanket license for all Zone 7 channels in Pleasanton. The License Agreement with Pleasanton was entered into 1971 and subsequently renewed and now expires in 2021. It is expected that this license would be renewed with terms similar to the license agreements with Livermore, Pleasanton and the EBRPD draft license when it expires.

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

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO

INTRODUCED BY
SECONDED BY

Recreational Trail Use License Agreement with East Bay Regional Park District

WHEREAS, Alameda County Flood Control and Water Conservation District, is the owner of the property commonly known as Arroyo Mocho Channel (Line G) and Tassajara Creek (Line K); and

WHEREAS, an extension of the East Bay Regional Park District's Iron Horse Regional Trail in Pleasanton requires use of a segment of Line G and Line K.

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 Recreational Trail Use License Agreement with East Bay Regional Park District for such use.

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 June 20, 2012.

By: _____
President, Board of Directors



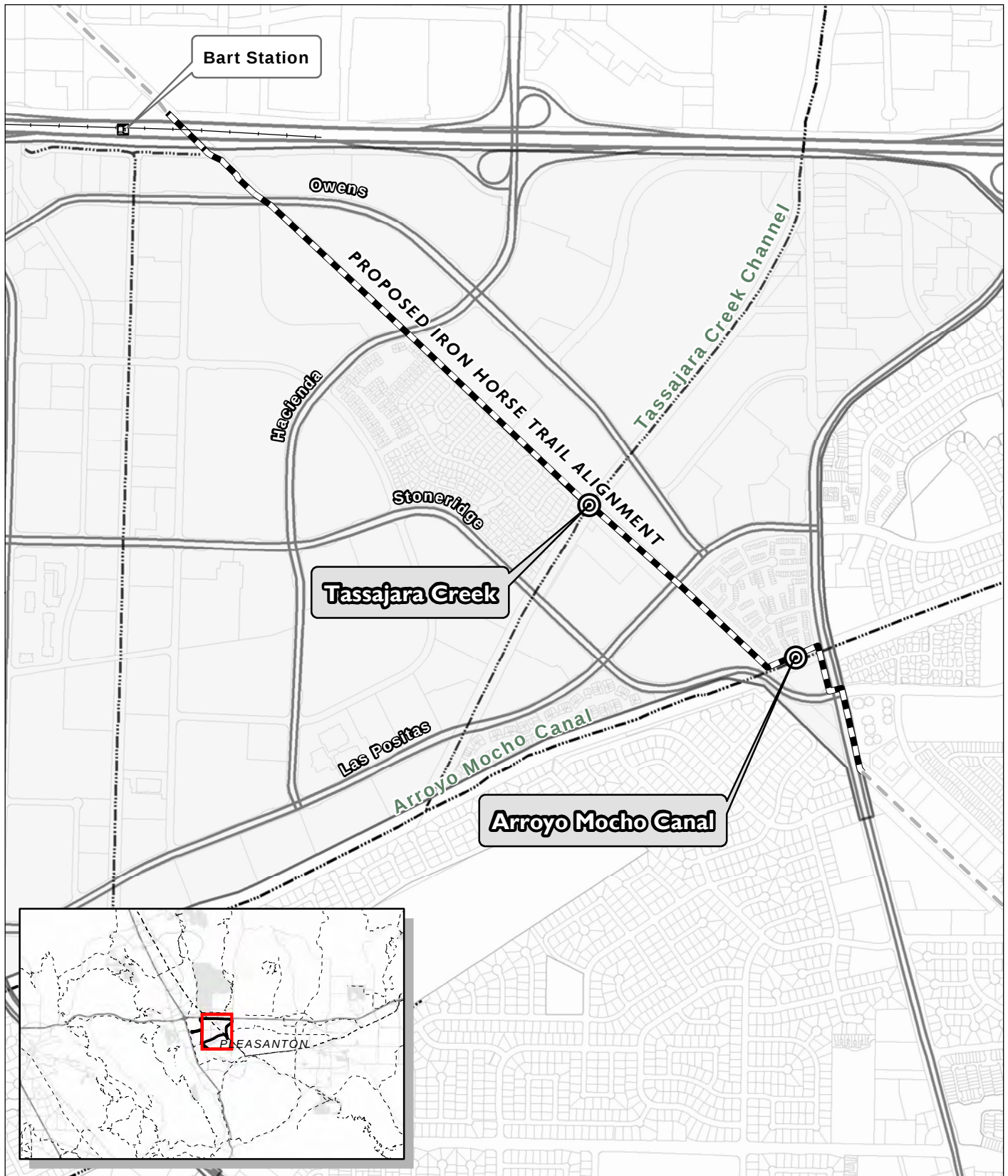
Environmental Programs
& GIS Applications
June 06, 2012
t:/bstone/mxd/projects
/trails/ironhorse/
irho_ ExhibitA/Pleasanton
2SantaRitaSeg-b+w_2012jun06.mxd

EXHIBIT A LICENSED AREA LOCATIONS ON ZONE 7 WATER AGENCY LANDS

Iron Horse Regional Trail:
Dublin/Pleasanton BART Station to Santa Rita Road Segment



0 500 1,000 2,000 Feet



RECREATIONAL TRAIL USE LICENSE AGREEMENT

THIS LICENSE AGREEMENT (hereinafter "LICENSE"), is made and entered into this ____ day of _____, 2012, by and between Zone 7 of Alameda County Flood Control and Water Conservation District, a body corporate and politic ("ZONE 7") and the East Bay Regional Park District, a California special district ("PARKS").

RECITAL

- A. Both parties are authorized by the acts governing them to plan, improve, maintain and operate facilities and parks for public recreation;
- B. PARKS has indicated its desire to construct and maintain public recreational trail improvements for the passage of pedestrians, equestrians and bicycles within Zone 7-owned property as part of PARKS' planned Iron Horse Trail extension; and
- C. ZONE 7 is agreeable to such use by PARKS on specific portions of Zone 7-owned property ("LICENSED AREAS") and hereby grants a non-exclusive LICENSE for said use upon the following terms and conditions.

NOW, THEREFORE, BE IT MUTUALLY AGREED as follows:

- 1. Permitted Use. Subject to the terms of this LICENSE, PARKS is permitted to construct, improve, maintain and operate the LICENSED AREAS for public recreational trail purposes.
- 2. Licensed Areas. The LICENSED AREAS are identified in Exhibit A (Location Map) and more particularly described and delineated in Exhibits B-1 and B-2, which are attached hereto and made a part hereof.
- 3. Additional Licensed Areas. Additional LICENSED AREAS, as mutually agreed upon by PARKS and ZONE 7, may be added by written amendment to this LICENSE.
- 4. License Fee. This LICENSE shall not require payment of any rent or other charges to ZONE 7 by PARKS for the use of the LICENSED AREAS for the purposes for which it is permitted.
- 5. Term of License.
 - a. The term of this LICENSE shall be for twenty-five (25) years from the date of execution of this LICENSE with an option to PARKS of renewal for additional periods of twenty-five (25) years thereafter upon application to Zone 7 accompanied by a showing of faithful exercise to the covenants herein; either this original LICENSE or any renewal thereof shall be subject to termination as provided herein. Renewals of this LICENSE may be subject to updating the conditions on use of the LICENSED AREAS.
 - b. PARKS's obligations under Section 11 ("Indemnity") and Section 13 ("Waiver of Claims") shall survive the termination of this LICENSE.

6. Limitations.

- a. This LICENSE is granted solely for the purpose of authorizing PARKS to provide recreational trail uses at the LICENSED AREAS for general public use without discrimination as to place of national origin, ancestry, ethnicity, race, color, gender, age, marital status, pregnancy, sexual orientation (real or perceived), medical condition, physical or mental disability, or religion.
- b. It is understood and agreed by PARKS that the primary purpose for which ZONE 7 has acquired and owns the LICENSED AREAS is for flood control and water management and that operations in furtherance of said purpose must take precedence over any and all other uses of the subject LICENSED AREAS.
- c. ZONE 7 shall have all reasonable and necessary rights of entry to the subject LICENSED AREAS, including the right to alteration or repair and maintenance and operation for flood control and water management purposes. Use of the LICENSED AREAS by PARKS or the public in general, shall be at all times subject to the primary use of the aforesaid LICENSED AREAS for flood control and water management purposes.
- d. PARKS shall obtain and comply with all required permits, agreements and/or regulatory approvals relating to the improvement, maintenance or operation of the LICENSED AREAS for recreational trail purposes including all federal, state, or local government requirements. This requirement includes compliance with CEQA as well as any necessary construction, building or use permits, including any progress inspections that may be required by any regulatory body.
- e. Prior to installation of any permanent facilities or landscape improvements, PARKS shall submit plans and specifications and any related approvals required in 6.d. to ZONE 7 for review. The facility or improvements shall not be installed by PARKS without first obtaining written approval from ZONE 7's General Manager. Written approval shall not be unreasonably withheld and said approval shall be given unless ZONE 7, in its sole discretion, determines that such structures, facilities or improvements would interfere with the primary use of said areas for flood control and water management purposes. Zone 7 hereby acknowledges that all proposed permanent facilities and landscape improvements on the Licensed Areas as of [REDACTED], 2012 have been approved by Zone 7 and do not require further approvals under this subsection 6.e.
- f. Should ZONE 7, in its sole discretion, reasonably determine that any of PARKS' activities or improvements interfere with any ZONE 7 activities or operations, ZONE 7 may require PARKS to eliminate said interference, by providing PARKS with written notice of ZONE 7's requirement and the reasons therefore. Within 30 days of its receipt of such notice, the Parties agree to meet in an effort to resolve the identified conflict in a manner that is satisfactory to both Parties. If no mutually satisfactory resolution is reached, PARKS shall have 30 days after said meeting to remedy the problem, as directed by ZONE 7. In the event PARKS fails to remedy or correct the problem within such thirty day period, ZONE 7 may take such action as is reasonably necessary to remedy such interference at PARKS' sole expense.

- g. PARKS agrees to abide by any future LICENSED AREAS Rules and Regulations which may be adopted by ZONE 7's Board of Directors so long as said rules are consistent with the purposes for which this License has been granted. In the event that ZONE 7's Rules and Regulations conflict with PARKS' Ordinance 38 which governs the general public's use of PARKS' recreational facilities, PARKS may enforce Ordinance 38 unless ZONE 7 has given notice pursuant to section 7.f. below.
- h. PARKS agrees to accept this LICENSE to the LICENSED AREAS on an "as-is" basis, and ZONE 7 has no obligation for maintenance or repair of LICENSED AREAS during the term of this LICENSE, excepting only such damage caused to PARKS' improvements as a result of the sole active negligence or willful misconduct of ZONE 7 and/or its contractors when such actions were not necessary for the use of the property for flood control purposes.
- i. PARKS shall be solely responsible for any damage or loss to PARKS' improvements resulting from theft or vandalism or resulting from any other cause. ZONE 7 shall not provide security for PARKS' improvements nor LICENSED AREA in general. ZONE 7 shall not be responsible for any loss or damage suffered by PARKS (including direct or indirect loss or damage, or incidental or consequential loss or damage) resulting from any damage to PARKS' improvements or loss of use thereof suffered in connection with this LICENSE, excepting only damage caused to PARKS improvements as a result of the sole active negligence or willful misconduct of ZONE 7 and/or its contractors when such actions were not necessary for the use of the property for flood control purposes.
- j. Suspension or Limitation of Use: ZONE 7 shall have the right, without liability to PARKS, to suspend any licensed uses temporarily or to limit this LICENSE and the use of the LICENSED AREAS by the PARKS during such periods of time as ZONE 7 determines that such suspension or limitation is necessary in the interest of public safety, national security, or the operation or maintenance of its flood or water facilities. Zone 7 will provide notice of its determination to suspend or limit use to PARKS pursuant to Section 15 of this License Agreement.

7. Trail Maintenance and Operation.

- a. PARKS shall cause any public recreational trail improvements to be constructed, maintained and operated in an orderly, safe, and sanitary manner at all times. Said public recreational trail improvements may include but are not limited to: pathways for bicycle, pedestrian or equestrian uses, bollards, benches, and information & warning signs and landscaping.
- b. The removal of litter, vegetation and other items from the LICENSED AREAS shall be the responsibility of PARKS.
- c. The LICENSED AREAS may be subject to slides, erosion, subsidence, flooding and other damages. In the event that PARKS' use of the LICENSED AREAS is impacted by such damage, ZONE 7 will make its best efforts to repair ZONE 7's

facilities to ZONE 7 standards; however, such repairs will be subject to available funding and other maintenance priorities as determined by ZONE 7 in its sole discretion. Repair of damage to public recreational trail facilities shall be the responsibility of PARKS and at PARKS' sole cost. PARKS shall perform such repair, as PARKS may deem necessary for proper and safe operation of the LICENSED AREAS.

- d. In the performance of routine and/or emergency repair activities ZONE 7 will exercise reasonable care to avoid removal or damage to existing PARKS installed structures and improvements and PARKS, at its sole cost, shall be responsible for any reinstallation, repair or reconstruction work, excepting ZONE 7 shall be responsible for damage caused to PARKS' improvements as a result of ZONE 7 and/or its contractors' sole active negligence or willful misconduct.
 - e. PARKS agrees to give ZONE 7 reasonable notice of its major maintenance activities that may conflict with ZONE 7's maintenance of its flood control channel, unless immediate action is necessary to preserve public safety, in which case notice of PARKS' activity shall be provided to Zone 7 as soon as practical. Major maintenance activities include but are not limited to work on any permanent structure, facility and/or significant vegetation work that may conflict with ZONE 7's environmental stewardship or maintenance of its flood control channel properties.
 - f. PARKS shall adopt such rules and regulations as it deems necessary to facilitate the orderly and safe operation and control of the use of the LICENSED AREAS by the public for recreational trail purposes. If any such rule or regulation is contrary to the primary interest of flood control and water management, or is deemed by ZONE 7 to be adverse to its interest, ZONE 7 may give 60 days notice of such fact to PARKS and PARKS shall change such rule or regulation in conformance with ZONE 7's request. The Parties agree to meet and discuss in an effort to resolve any such rule conflicts prior to notice being given by ZONE 7.
8. License Agreement with City of Pleasanton. Zone 7 has a License Agreement with the City of Pleasanton (CITY) for use of its flood control properties for recreational purposes. The properties in Exhibits B-1 and B-2 under this License are also LICENSED AREAS under the License Agreement with the CITY. PARKS acknowledges the License Agreement between ZONE 7 and the CITY and agrees to coordinate any issues which may be in conflict between PARKS and the CITY including: rules on the use of ZONE 7 property for recreational purposes, maintenance and operation of recreational improvements and approvals of recreational improvements.
9. Violations of Permitted Use. Should PARKS, its employees, contractors, subcontractors, agents, or the general public construct, install, operate or maintain any recreational trail improvements in violation of the terms of this LICENSE, or in violation of any of the approvals granted hereunder, ZONE 7 may direct PARKS, at PARKS' sole cost, to remove the improvements from the LICENSED AREAS or to take other remedial action, as ZONE 7 may, in its sole discretion, determine to be reasonably appropriate. PARKS shall be afforded a period of thirty (30) days within which to cure any such violations and comply with ZONE 7's directive. In the event PARKS fails to cure within the above

stated period or immediate action is necessary to preserve public safety, ZONE 7 shall have the right to take any and all actions to remediate the LICENSED AREAS and PARKS shall reimburse ZONE 7 for all costs associated therewith. Zone 7, as it reasonably determines, may extend the period as may be necessary to cure the default, provided that the PARKS has commenced the cure within the thirty (30) day period.

10. Assignment. PARKS may assign all of its rights, duties and liabilities under this LICENSE to another public agency provided that such assignment is agreeable to ZONE 7 and provided further that such agency gives written notice to ZONE 7 that it accepts all of the rights, duties and liabilities imposed upon PARKS under this LICENSE.
11. Acknowledgment of Title. It is understood and agreed that PARKS, by the acceptance of this LICENSE and by the use or occupancy of said LICENSED AREAS, has not acquired and shall not acquire hereafter any property rights or interest in or to said LICENSED AREAS through this LICENSE, and that PARKS may use the LICENSED AREAS only as herein provided. ZONE 7 shall retain the right to sell or change areas, but in the event that PARKS is damaged by such action, PARKS shall be compensated for any damage to facilities which it has installed based on an agreed upon value.
12. Indemnity. PARKS shall indemnify, defend, reimburse and hold harmless Zone 7, its officers, agents, contractors and employees (collectively, "Indemnitees") from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damage and liabilities of any kind (collectively, "Liabilities"), arising in any manner out of: (a) any injury to or death of any person or damage to or destruction of any property occurring in, on or about the LICENSED AREAS, or any part thereof, whether the person or property of PARKS, its officers, agents, employees, contractors and subcontractors (collectively, "Agents"), its invitees, guests or business visitors or third persons (collectively, "Invitees"), relating in any manner to any use or activity under the LICENSE and modifications thereto; (b) any failure by PARKS to faithfully observe or perform any of the terms, covenants or conditions of this LICENSE; or (c) the use of the LICENSED AREAS or any activities conducted thereon by PARKS, its Agents or Invitees. This provision applies except to the extent of Liabilities resulting directly from the sole negligence or willful misconduct of Indemnitees.

The foregoing indemnity shall include, without limitation, reasonable attorneys' and consultants' fees, investigation and remediation costs and all other reasonable costs and expenses incurred by the Indemnitees, including, without limitation, damages for decrease in the value of the LICENSED AREAS and claims for damage or decreases in the value of adjoining property. PARKS shall have an immediate and independent obligation to defend ZONE 7 from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to PARKS by ZONE 7 and continues at all times thereafter. PARKS' obligations under this Condition shall survive the expiration or termination of the LICENSE and modifications thereto.

13. Insurance Requirements. PARKS shall carry public liability and property damage insurance or monetary coverage in an amount which will adequately protect ZONE 7 from all such liabilities or claims, such amount to be no less than \$1,000,000 each person and \$1,000,000 each occurrence for bodily injury or death and \$1,000,000 on each occurrence for property damage. These amounts shall be reviewed by the parties

every five years, and increased by no less than the amount of increase in the Consumer Price Index for the Oakland – San Francisco SMSA. Policies for such insurance shall name ZONE 7 of Alameda County Flood Control and Water Conservation District, Alameda County Flood Control and Water Conservation District, the County of Alameda, their officers, agents and employees as additionally insured and copies thereof, certificates of payment of premiums thereon, or other proof of insurance or monetary coverage acceptable to ZONE 7, shall be furnished to ZONE 7 by PARKS. It is agreed that such insurance or monetary coverage as is afforded by the policy to ZONE 7 shall apply as primary insurance or monetary coverage. No other insurance or monetary coverage obtained by ZONE 7 shall be called upon to contribute to a loss covered by the policy.

PARKS has the right and option to self-insure the requirements under this Section 12 upon written notice to ZONE 7 that PARKS assumes the obligations in the place and stead of any insurance carrier, any reference to failure to coverage notwithstanding. In the event that PARKS elects to self-insure, PARKS shall provide to ZONE 7 a certificate or other evidence of self-insurance acceptable to ZONE 7.

14. Waiver of Claims. PARKS fully releases, waives, and discharges forever any and all claims, demands, rights and cause of action against, and covenants not to sue Indemnities, under any present or future laws, statutes, or regulations: (a) for any claim or event relating to the condition of the LICENSED AREAS or PARKS' use thereof; or (b) in the event that ZONE 7 exercises its right to suspend the LICENSE pursuant to Section 6.j.
15. Duties of ZONE 7. ZONE 7 agrees to give PARKS reasonable notice of flood control and water management operations and maintenance which would affect recreational trail facilities or trail operations of PARKS and keep PARKS informed of any conditions which might result in such operations and maintenance. ZONE 7 further agrees to furnish any plans for improvements to the LICENSED AREAS to the PARKS for review and comments. ZONE 7 will maintain the LICENSED AREAS to the extent necessary for flood control and water management purposes. Repairs to flood and water facilities/structures shall be the responsibility of ZONE 7 except when such repairs arise from damage caused to these facilities/structures by PARKS, its officers, agents, employees, contractors and subcontractors, its invitees, guests or business visitors or third persons. Such ZONE 7 responsibilities shall not relieve the PARKS from its Liabilities as described in Section 11.
16. Property Taxes. Pursuant to California Revenue and Taxation Code Section 107.6, notice is hereby given that PARKS is responsible for any possessory interest taxes that may be imposed as a result of, or related to, this LICENSE.
17. Notice. Any demand or notice which either party shall be required, or may desire to make upon or give to the other shall be in writing and shall be delivered personally upon the other or be sent by prepaid certified mail to the respective parties as follows:

ZONE 7: General Manager
Zone 7, Alameda County Flood Control
And Water Conservation District
100 North Canyons Parkway
Livermore, CA 94551

PARKS: General Manager
East Bay Regional Park District
2950 Peralta Oaks Court
Oakland, CA 94605

Either party may, from time to time, designate any other address for this purpose by written notice to the other party, given with 10 business day notice.

18. Miscellaneous.

- a. This LICENSE constitutes the entire LICENSE and understanding between the parties, and supersedes all offers, negotiations and other agreements concerning the subject matter contained herein. Any amendments to this LICENSE must be in writing and executed by both parties.
- b. If any provision of this LICENSE is invalid or unenforceable with respect to any party, the remainder of this LICENSE or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this LICENSE shall be valid and enforceable to the fullest extents permitted by law.
- c. This LICENSE shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this LICENSE on the dates appearing below their respective authorized signatures.

ZONE 7:

PARKS:

Zone 7 of Alameda County Flood Control
and Water Conservation District

East Bay Regional Park District

By: _____
G. F. Duerig, General Manager

By: _____
Robert E. Doyle, General Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Ted C. Radosevich, District Counsel



June 12, 2012
BKF Job No.: 20115060-10

Exhibit "B-1"

**DESCRIPTION FOR:
LICENSE AGREEMENT AREAS**

All that certain real property situate in the City of Pleasanton, County of Alameda, State of California, and described as follows:

LICENSE AGREEMENT AREA 1:

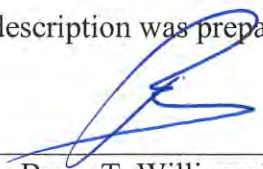
BEING a portion of Parcel E as said parcel is shown on that certain map entitled "Parcel Map 3863", filed May 22, 1986, in Book 161 of Parcel Maps at Pages 15 through 30, inclusive, in the Office of the Recorder of Alameda County, said portion being more particularly described as follows:

BEGINNING on the northwesterly line of said Parcel E at the intersection with the southwesterly line of the easement described in the Grant of Transit Way Easement recorded December 12, 1985, as Document Number 85-264890, Official Records of Alameda County; **THENCE** along said southwesterly line South 46°29'16" East 18.91 feet; **THENCE** leaving said line South 37°11'17" West 8.16 feet; **THENCE** North 52°37'55" West 17.83 feet to the aforementioned southwesterly line of Parcel E; **THENCE** along the last said line North 31°46'06" East 10.23 feet to the **POINT OF BEGINNING**.

Containing an area of 167 square feet, more or less.

A plat showing the above described license agreement area is attached hereto and made a part hereof as Exhibit "B-1".

This description was prepared from record information for BKF Engineers.

By: 
Barry T. Williams P.L.S. No. 6711

Dated: 6-12-12



Exhibit "B-1"

June 12, 2012
BKF Job No.: 20115060-10
License Agreement Areas

Exhibit "B-2"

LICENSE AGREEMENT AREA 2:

BEING a portion of the lands described in the Grant Deed to Alameda County Flood Control and Water Conservation District recorded June 16, 1971, in Reel 2875 at Image 512, Document Number 71-73490, Official Records of Alameda County, said portion being more particularly described as follows:

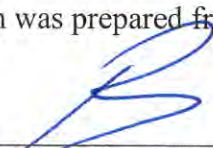
BEGINNING at the most northerly corner of said lands on the northeasterly line thereof; **THENCE** along said northeasterly line South $14^{\circ}34'05''$ East 7.17 feet to a point on a curve, concave northwesterly, having a radius of 157.00 feet, from which the center bears North $43^{\circ}45'04''$ West; **THENCE** leaving the last said line along said curve through a central angle of $20^{\circ}28'52''$, an arc distance of 56.12 feet; **THENCE** South $66^{\circ}43'48''$ West 319.18 feet; **THENCE** along a curve to the right having a radius of 507.00 feet through a central angle of $04^{\circ}52'38''$, an arc distance of 43.16 feet; **THENCE** South $71^{\circ}36'26''$ West 59.13 feet to the southwesterly line of said lands; **THENCE** along said southwesterly line North $46^{\circ}28'35''$ West 16.56 feet to the northwesterly line of said lands; **THENCE** along

the last said line the following two (2) courses: 1) North $71^{\circ}13'37''$ East 64.64 feet; 2) **THENCE** North $66^{\circ}43'48''$ East 419.31 feet to the **POINT OF BEGINNING**.

Containing an area of 7,823 square feet, more or less.

A plat showing the above described license agreement area is attached hereto and made a part hereof as Exhibit "B-2".

This description was prepared from record information for BKF Engineers.

By: 
Barry T. Williams P.L.S. No. 6711

Dated: 6-12-12



K:\MAIN\2011\20115060 EBRPD Iron-Horse-Trail\08-Survey\K-Plats_and_Legal_Descriptions\IHT-LAA-12-DESC.doc

Exhibit "B-2"

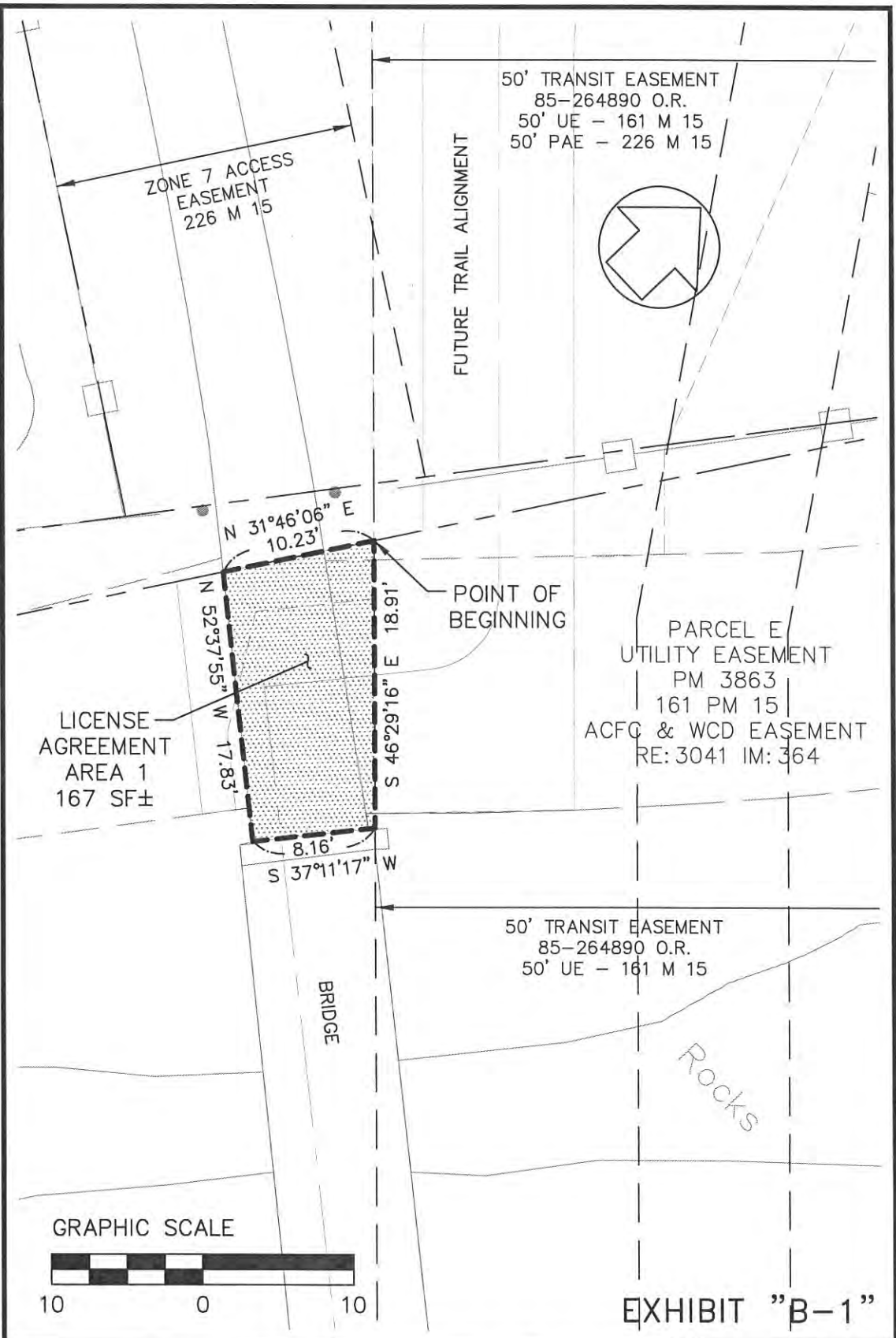
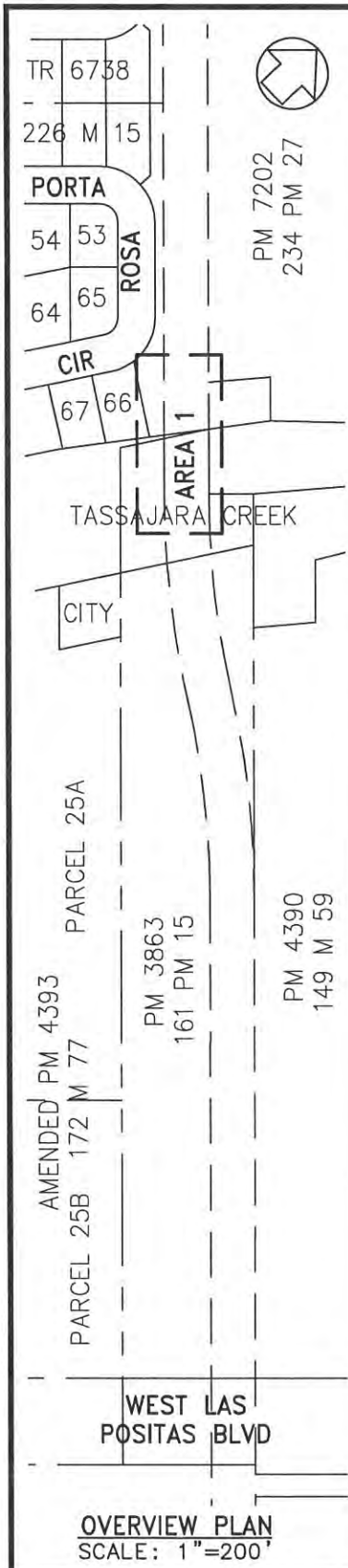
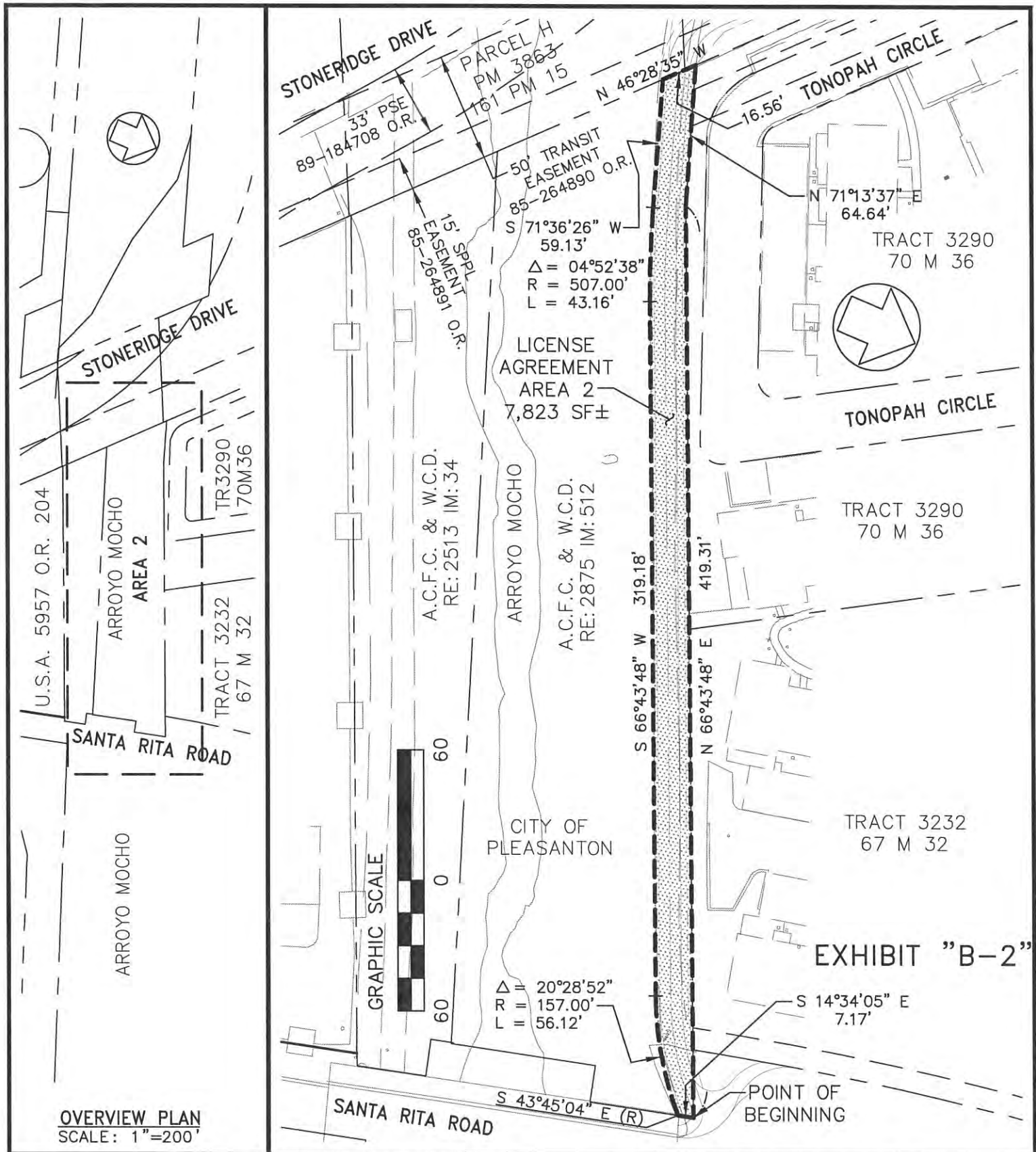


EXHIBIT "B-1"



1646 NORTH CALIFORNIA BLVD.
SUITE 400
WALNUT CREEK, CA 94596
925-940-2200
925-940-2299 (FAX)

Subject PLAT TO ACCOMPANY
DESCRIPTION
Job No. 20115060
By MJV/MLM Date 06/12/12 Chkd. BTW
SHEET 1 OF 2





ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: June 20, 2012

ITEM NO. 5b

SUBJECT: Easement Area Use Agreement with 7099 Amador Plaza, LLC

SUMMARY:

- 7099 Amador Plaza, LLC, is the owner of the property at 7099 Amador Plaza Road, Dublin, where a local REI retail store is located.
- Alameda County Flood Control and Water Conservation District, Zone 7 holds a storm drain easement that contains Line J-2, a twin 72-inch diameter storm drain system located on 7099 Amador Plaza Road property.
- The owner installed parking and landscaping features over Zone 7's storm drain easement in connection with its tenant's (REI) improvements to the store.
- The existing easement does not contain specific language about site improvements and party responsibilities. To help clarify and document the parties' understanding, 7099 Amador Plaza, LLC, has agreed to sign and record an Easement Area Use Agreement.
- A draft Easement Area Use Agreement has been negotiated with 7099 Amador Plaza, LLC, retroactively allowing them to place certain improvements within said easement area and clarifying future responsibilities.

FUNDING:

There is no funding impact.

RECOMMENDED ACTION:

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

ATTACHMENTS:

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

INTEROFFICE MEMO

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer

Subject: Easement Area Use Agreement with 7099 Amador Plaza, LLC

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

BACKGROUND:

7099 Amador Plaza, LLC, is the property owner of 7099 Amador Plaza Road in Dublin. The owner has installed parking and landscape improvements at this property in connection with development by its tenant, REI. Some of these improvements are located within the storm drain easement for Line J-2. Line J-2 is a twin 72 inch diameter storm drain system which is owned and maintained by Zone 7.

DISCUSSION:

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

Major provisions of the draft Agreement (attached) include:

- Zone 7 shall have unrestricted access to the easement area at all times.
- Zone 7 shall provide the property owner with advance notice of any scheduled maintenance or repair operations it may undertake.
- Zone 7 is only responsible for restoring the ground surface to the condition prior to the owner's installation of improvements (i.e., bare ground surface) and Zone 7 is not responsible for restoring/replacing any improvement features.
- Owner agrees that in the event that Zone 7 performs scheduled or emergency work to maintain or repair/replace their facility, Zone 7 will not be responsible for any loss of Tenant business or sales revenues during the event.
- Owner agrees that it will obtain written approval from Zone 7 prior to making any future improvements within the easement area.

There is no funding impact from the Agreement and staff recommends authorizing the General Manager to negotiate and execute the Agreement with 7099 Amador Plaza, LLC.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS
RESOLUTION NO

INTRODUCED BY
SECONDED BY

Easement Area Use Agreement with 7099 Amador Plaza, LLC

WHEREAS, 7099 Amador Plaza, LLC, is the owner of the property commonly known as 7099 Amador Plaza Road, Dublin, California; and

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

WHEREAS, in connection with the tenant improvements to 7099 Amador Plaza, the property owner has installed parking improvements and landscaping over Zone 7's storm drain easement; and

WHEREAS, a draft Easement Area Use Agreement has been prepared with 7099 Amador Plaza, LLC, retroactively allowing them to place certain improvements within said storm drain easement area and clarifying future responsibilities.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute an Easement Area Use Agreement with 7099 Amador Plaza, LLC; and

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

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

Line J-2
No. 7520
Map: RF 1895

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 June 20, 2012.

By: _____
President, Board of Directors

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO

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

NO RECORDING FEE REQUIRED (GOVT. CODE §27383)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN 941-305-10-02 (Por)

EASEMENT AREA USE AGREEMENT

THIS EASEMENT AREA USE AGREEMENT ("AGREEMENT") is made and entered into: this ____ day of _____, 2012 by and between the Alameda County Flood Control and Water Conservation District, Zone 7 ("ZONE 7") and 7099 Amador Plaza LLC, its heirs, successors and assigns, ("OWNER"). ZONE 7 and OWNER are collectively referred to herein as the "PARTIES."

RECITALS

- A. ZONE 7 is the owner of a storm drainage easement through an Easement Grant Deed from the partnership of Harvey & Madding to the Alameda County Flood Control and Water Conservation District, recorded on November 1, 1985 as Series Number 85-235999, Official Records of Alameda County, conveying to ZONE 7, a non-exclusive easement for the purpose of construction and maintenance of Storm Drainage facilities (Line J-2) and incidents thereto, upon, over, and across that certain real property in the City of Dublin, County of Alameda as shown on Exhibit A attached hereto and made a part hereof ("EASEMENT AREA");
- B. OWNER is the current underlying fee property owner of the EASEMENT AREA;
- C. ZONE 7 currently owns, operates and maintains a certain storm water drainage facility, Line J-2, ("FACILITY"), under, over, and within the EASEMENT AREA;
- D. OWNER has a tenant, ("TENANT"), that will conduct retail business at the property;
- E. OWNER desires to and has in the past installed, operated and maintained certain improvements within the EASEMENT AREA, such as customer/employee parking lot and landscaping ("IMPROVEMENTS");
- F. ZONE 7 and OWNER desire to establish the terms for use of the EASEMENT AREA by OWNER, its heirs, successors, and assigns, which OWNER agrees it will cause to be binding upon TENANT.

THE PARTIES AGREE AS FOLLOWS:

1. PERMITTED USE: Subject to the terms of this AGREEMENT:
 - a. ZONE 7 shall have unrestricted access to its EASEMENT AREA at all times. In the event that ZONE 7's access is hindered by any vehicle, structure, landscaping feature, and/or any other incidental hindrance, ZONE 7 will remove the hindrance at the OWNER's cost and shall not be responsible for any damages that may arise from the removal.
 - b. ZONE 7 shall provide OWNER with advance notice of any scheduled maintenance or repair operations it may undertake; routine inspections, which will typically occur once a month, will not require advanced notice. In the event of an emergency that requires immediate access to ZONE 7's FACILITY, ZONE 7 shall notify OWNER and/or TENANT as soon as reasonably possible by phone at the phone number provided in Paragraph 9 and/or based on the contact information provided by the OWNER.
 - c. OWNER agrees that in the event that ZONE 7 performs either scheduled or emergency work to maintain or repair their FACILITY, ZONE 7 is only responsible for restoring the ground surface to the conditions in which it was prior to the OWNER'S installation of IMPROVEMENTS i.e. unimproved ground surface. ZONE 7 is not responsible for restoring/replacing any IMPROVEMENTS or features that existed on site prior to the work. OWNER agrees that it will communicate this provision to TENANT and agrees to indemnify, defend and hold ZONE 7 harmless, under the terms of Paragraph 7, for any losses, claims, or damages suffered by TENANT as a result of ZONE 7's activities.
 - d. OWNER agrees that in the event that ZONE 7 performs scheduled or emergency work to maintain or repair/replace their FACILITY, ZONE 7 will not be responsible for any loss of TENANT business or anticipated revenue during the event. OWNER agrees that it will communicate this provision to TENANT and agrees to indemnify, defend and hold ZONE 7 harmless, under the terms of Paragraph 7, for any losses, claims, or damages suffered by TENANT as a result of ZONE 7's activities.
 - e. OWNER agrees that it will obtain written approval from ZONE 7 in advance, prior to making any additional IMPROVEMENTS within the easement. OWNER will submit plans for review and approval by ZONE 7. No IMPROVEMENTS may be installed unless and until, the plans and specifications for the IMPROVEMENTS are reviewed and expressly approved by ZONE 7. OWNER shall use due care in the installation and maintenance of the IMPROVEMENTS and shall be responsible for any damages to ZONE 7's facilities caused by the negligent or willful misconduct of OWNER, its employees, agents, and contractors. Any IMPROVEMENTS or facilities installed in violation of the terms of this AGREEMENT, or in violation of any of the approvals granted hereunder, shall be removed by OWNER forthwith, at ZONE 7's discretion, and at OWNER's sole cost and expense.
2. PERMITS: Any IMPROVEMENTS on the EASEMENT AREA by OWNER shall only be installed after obtaining all required construction, building or use permits, for compliance

with any applicable federal, state, or local government requirements as well as an encroachment permit from ZONE 7.

3. **ZONE 7's SUPERIOR RIGHTS:** In no event shall OWNER's installation, use, maintenance or removal of its IMPROVEMENTS interfere with any of ZONE 7's activities or operations within the EASEMENT AREA or impair the rights granted to ZONE 7 under the Easement Grant Deed to ZONE 7 as referenced hereinabove. Should ZONE 7 determine in its sole discretion, that any future ZONE 7 activity or operation not currently undertaken at the time this AGREEMENT is recorded, is compromised by the presence of OWNER's IMPROVEMENTS that have already been expressly approved by ZONE 7 under Paragraph 1 above, ZONE 7 may require OWNER to eliminate said interference including but not limited to, removal and/or relocation of its IMPROVEMENTS at OWNER's sole cost. ZONE 7 shall provide written notice of its requirement(s) not less than ten (10) business days. Such notice shall include a description of the work that may be performed by ZONE 7 which necessitates OWNER's removal and/or relocation of its IMPROVEMENTS, the expected duration of same, a description of the IMPROVEMENT(S) to be removed and/or relocated by OWNER, and the time within which the removal and/or relocation must be completed. If ZONE 7's requirements are not complied with by OWNER in a timely manner, or in the event of an emergency, ZONE 7 may remove and/or relocate OWNER's IMPROVEMENTS and OWNER shall reimburse ZONE 7 for costs associated with effectuating the removal and/or relocation of its IMPROVEMENTS within 30 (thirty) days of receipt of ZONE 7's invoice for same. OWNER shall provide ZONE 7 the name and telephone number of OWNER's representative designated to receive notice of emergencies 24 hours a day, seven days a week.
4. **REMOVED OR RELOCATED IMPROVEMENTS:** When OWNER's IMPROVEMENT(S) are removed or relocated pursuant to a request by ZONE 7 pursuant to Paragraph 3 of this AGREEMENT, OWNER shall be responsible for replacing any removed and/or relocated IMPROVEMENTS at its sole cost if, in ZONE 7's sole discretion, reinstallation of the removed or relocated IMPROVEMENTS is appropriate. ZONE 7's restoration obligations in connection with removed IMPROVEMENTS shall be limited to cooperation with OWNER in its efforts to replace the IMPROVEMENTS, filling in any excavated areas with earthen material and leaving the affected area in a safe and clean condition.
5. **MAINTENANCE & REPAIR:** OWNER shall be solely responsible for the maintenance and repair of the IMPROVEMENTS. ZONE 7 shall have no responsibility for damage or loss to OWNER's IMPROVEMENTS resulting from theft or vandalism or resulting from any other cause.
6. **HAZARDOUS MATERIALS:** ZONE 7 makes no warranty or representation regarding whether or not the real property that is the subject of this AGREEMENT, contains Hazardous Materials. OWNER shall not create, introduce, store or use any Hazardous Materials within or upon the ZONE 7 Easement in violation of any applicable law. Any Hazardous Materials introduced onto the real property by OWNER, its agents, employees, contractors, subcontractors or invitees, shall remain the property of OWNER, its agents, employees, contractors, subcontractors or invitees, which shall be responsible for using and disposing of these materials in accordance with all laws and regulations at no cost to ZONE

7 and OWNER shall be obligated to defend, indemnify and hold ZONE 7 and the County of Alameda, harmless from any and all liability arising from it, regardless of whether such Liability arises during or after the term of this AGREEMENT. This indemnity shall survive termination of this AGREEMENT.

For purposes of this AGREEMENT, "Hazardous Material" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Resource Conservation and Recovery Act (42U.S.C. 6901 et seq.) or pursuant to Section 25316 of the California Health and Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health and Safety Code; any asbestos and asbestos containing materials, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids.

7. **HOLD HARMLESS & INDEMNIFICATION:** This AGREEMENT is made upon the express condition that ZONE 7 and their respective officers, employees and agents, shall be free from any and all liabilities and claims for loss or damages, for or by reason of any injury or injuries to any person(s) or property of any kind whatsoever, whether the person or property of OWNER or TENANT, its agents or employees, or third persons, from any cause(s) whatsoever while upon said real property during the term of the AGREEMENT or occasioned by use of said real property or any activity carried on by OWNER or TENANT in connection therewith. OWNER hereby covenant and agrees to defend, indemnify and to save harmless ZONE 7, its Board of Directors and its officers, employees and agents from and against any and all liabilities, claims, damages, expenses (including reasonable attorney's and experts' fees) and costs incurred in the defense thereof, asserted against any indemnities as a result of or in connection with the IMPROVEMENTS or OWNER's exercise of its rights granted under the terms of this AGREEMENT. This provision shall survive termination of this AGREEMENT.
8. **INSURANCE:** OWNER shall at all times during the term of this AGREEMENT maintain in force at least \$2 million of liability insurance and name ZONE 7, its Board of Directors and its officers, employees and agents as additional named insureds by endorsement. This amount shall be updated periodically to reflect inflation. OWNER shall send, without demand, annual certificates evidencing the required coverage, to ZONE 7 as indicated in Paragraph 9 below. If the certificate is not received by the annual date, ZONE 7 shall notify OWNER and OWNER shall have fifteen (15) days to send in the certificate. Failure to maintain such insurance is a default of this AGREEMENT, which entitles ZONE 7, at its sole discretion, to terminate AGREEMENT immediately. In the event that ZONE 7 terminates this AGREEMENT, for any cause, ZONE 7 may, in its sole discretion, require OWNER, at OWNER's sole cost, to promptly remove the IMPROVEMENTS.
9. **NOTICE:** Any demand or notice which either party shall be required, or may desire to make upon or give to the other, shall be in writing and shall be delivered personally upon the other or be sent by first class mail to the respective PARTIES as follows:

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

OWNER: 7099 Amador Plaza LLC
1981 North Broadway, Suite 415
Walnut Creek, CA 94596
925-937-4111

With a copy to: REI
7099 Amador Plaza
Dublin, CA 94568
925-828-9826

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

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

Alameda County Flood Control and
Water Conservation District, Zone 7

7099 Amador Plaza, LLC

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

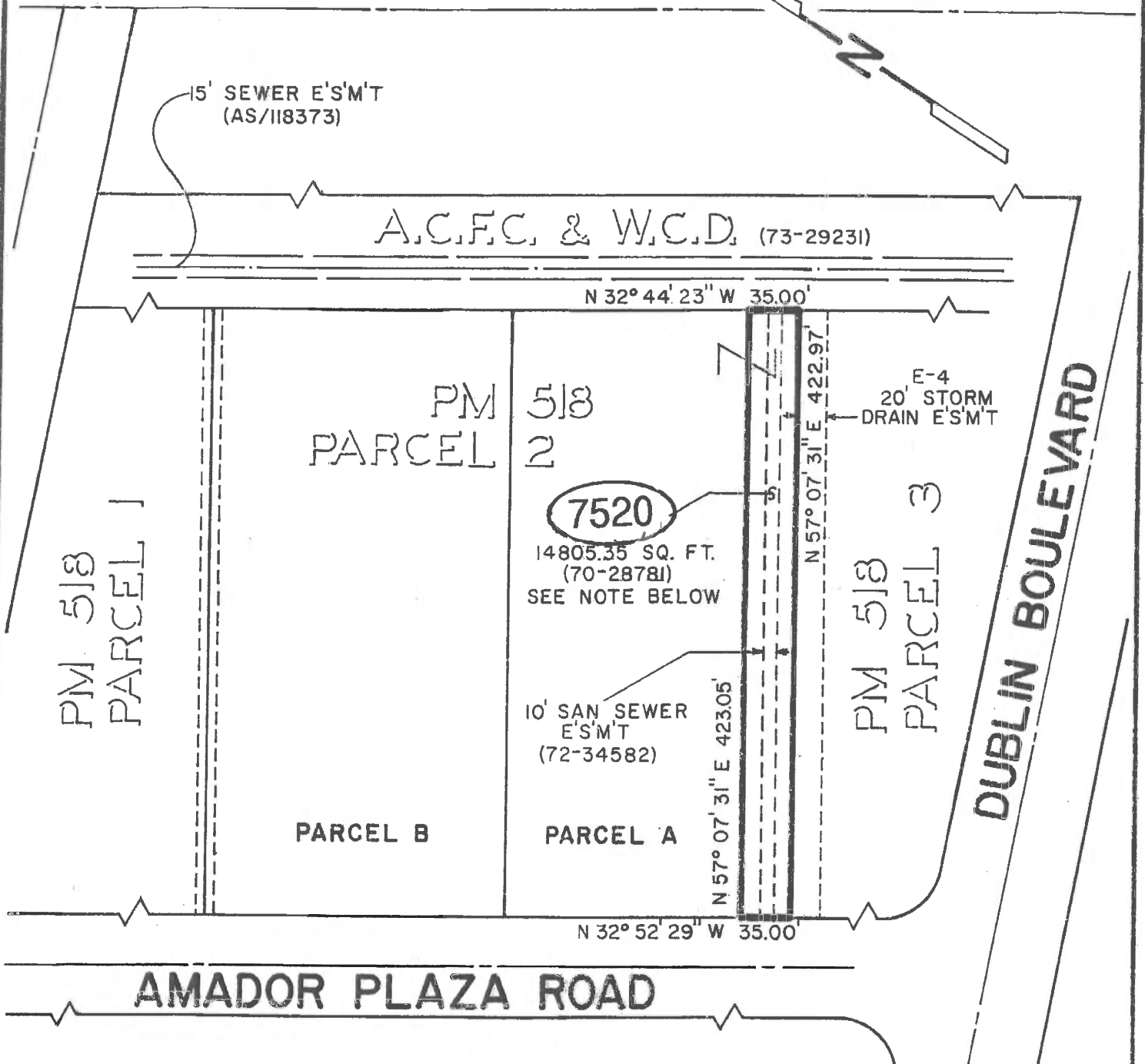
By: _____

Date: _____

Title: _____

Line J-2
No. 7520
Map: RF 1895

EXHIBIT A



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

R/W NO. 7520

LEGEND:

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



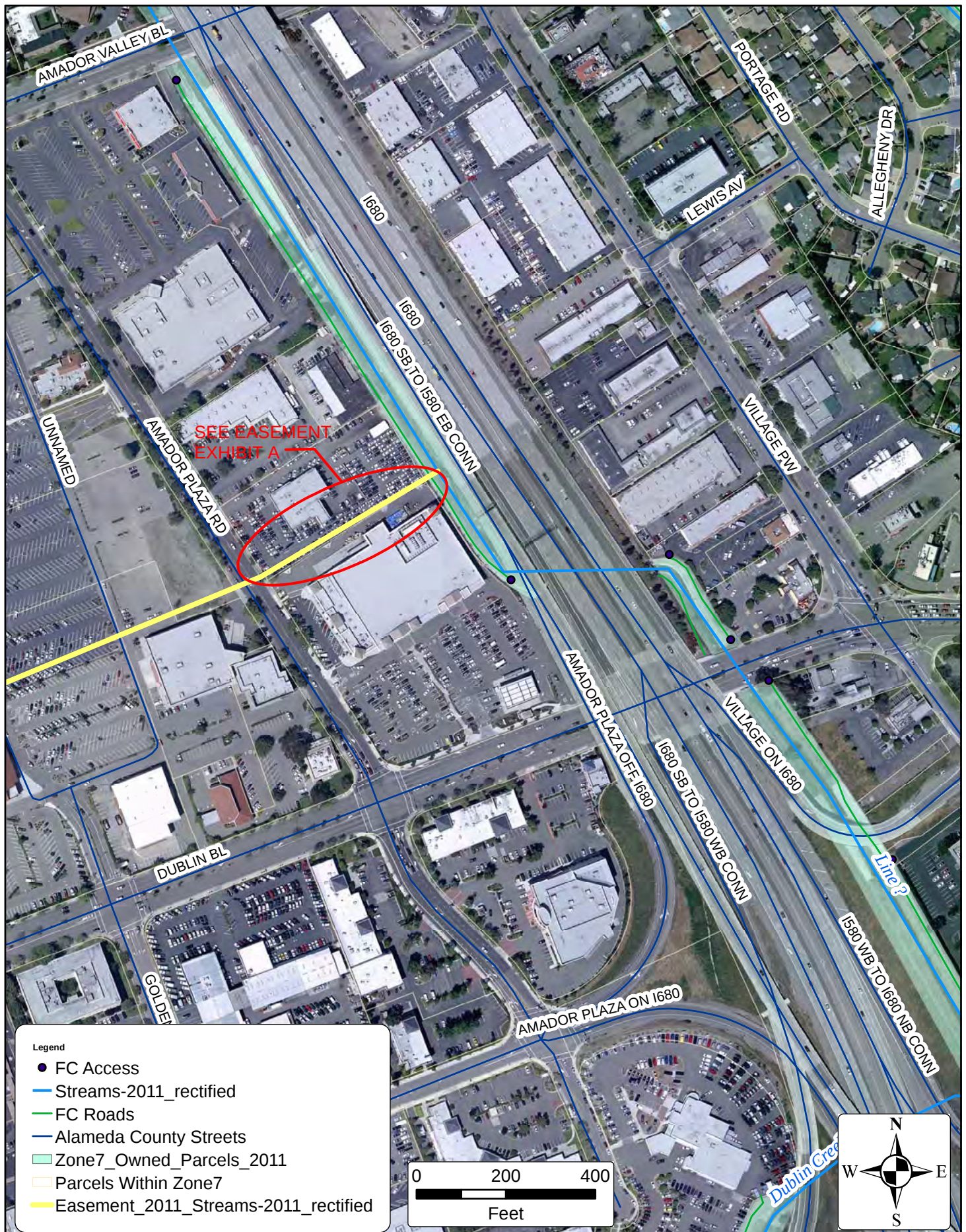
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL
AND
WATER CONSERVATION DISTRICT

LINE J-2

EASEMENT TO BE ACQUIRED FROM
HARVEY & MADDING

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



ZONE 7 WATER AGENCY
100 North Canyons Parkway
Livermore, CA

DRAWN: BW

REVIEWED: DG

File:

SCALE: AS SHOWN

DATE: 5/3/2012

FIGURE #

Zone 7
Line J-2 Easement
Location Map



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Flood Control
CONTACT: Joe Seto/Dexter Yee

AGENDA DATE: June 20, 2012

ITEM NO. 5c

SUBJECT: Award of Contract for Embankment Slope Mowing Services

SUMMARY:

- Zone 7 currently does not have in-house equipment or adequate manpower for embankment slope mowing along the flood control channel embankments and around the Chain of Lakes' perimeter to reduce fire danger. Therefore, Zone 7 relies on an outside contractor to perform this work.
- The existing contract with Bruce Balala Excavating for this service will expire on June 30, 2012.
- In April 2012, Zone 7 issued a request for proposals to four contractors for this service and received one proposal, from Bruce Balala Excavating.
- Bruce Balala Excavating's proposal is based on a unit price of \$160 per hour. This is the same hourly rate that Bruce Balala Excavating submitted in 2009.
- Staff has reviewed the proposal and determined that it is both responsive and responsible.
- Bruce Balala Excavating's performance under their existing contract has been satisfactory.
- The proposed contract is structured so payments will be based on actual time spent multiplied by the hourly unit price of \$160 per hour, in an amount not-to-exceed \$95,000 and may be extended for up to three years.

FUNDING:

The annual funding for this contract is \$70,000.00 from Fund 50 – General Fund/Flood Control for the flood control facilities and \$25,000.00 from Fund 52 – Water Enterprise for the maintenance of the Chain of Lakes area.

RECOMMENDED ACTION:

Adopt the attached resolution: 1) authorizing the General Manager to negotiate and execute a contract with Bruce Balala Excavating in an amount not-to-exceed \$95,000 for FY 2012/13, 2) authorizing the General Manager to extend the contract up to two times to cover the period between July 1, 2012 to June 30, 2015 in an amount not-to-exceed \$95,000 per year plus any adjustments of the hourly rate and total in accordance with the Engineering News Record Construction Cost Index for San Francisco, and 3) authorizing the General Manager to issue change orders as and when required in an amount not-to-exceed \$9,500 per year (10% of contract amount).

ATTACHMENTS:

- Memo providing additional background information on subject agenda item.
- Resolution

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Dexter Yee, Associate Civil Engineer
Subject: Award of Contract for Embankment Slope Mowing Service

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

BACKGROUND:

Zone 7 owns and maintains about 37 miles of flood control channels in the Pleasanton-Dublin-Livermore area. In addition, Zone 7 has acquired undeveloped land around Lake I and Cope Lake in the Chain of Lakes area. Zone 7 performs routine maintenance activities including embankment slope mowing along the top five feet of the flood control channel embankments and around the Chain of Lakes' perimeter to reduce fire danger and to create a fire break in compliance with Fire Codes in Pleasanton, Livermore, Dublin and the County. Since Zone 7 currently does not have the equipment or manpower to provide these services, it must rely on an outside contractor to perform the required work.

Zone 7 has an existing contract with Bruce Balala Excavating to provide this service, originally executed in July 2009. The contract allowed for two one-year extension for a total contract term of three years. The contract is in its third and final year and will expire on June 30, 2012. The annual contract amount of \$75,000 had been fully expended in fiscal years 09/10, 10/11 and is expected to do so in 11/12.

DISCUSSION:

In April 2012, following established practices, Zone 7 issued a Request for Proposal (RFP) for embankment slope mowing services. Subsequently, one addendum was issued on the RFP for clarification purposes. The RFP and addendum were sent to the following contractors:

- Tom Green Tractor Services
- Splash of Class
- Sun Harvest, Inc.
- Bruce Balala Excavating

In response to the RFP, staff received one proposal, from Bruce Balala Excavating. Staff has reviewed the proposal and determined Bruce Balala Excavating to be responsive and responsible. Bruce Balala Excavating's performance under their existing contract has been satisfactory.

The proposed contract will be structured so payments will be based on actual time spent multiplied by the hourly unit price bid of \$160 per hour. This is the same hourly rate that Bruce Balala Excavating submitted in 2009. The contract is on an as-needed basis in an amount not-to-exceed \$95,000 for FY 2012/13. The contract may be extended up to two times for a total length of three years covering the period between July 1, 2012 and June 30, 2015 in an amount not-to-exceed \$95,000 per year plus any adjustments to the hourly rate and total in accordance with the Engineering News Record Construction Cost Index for San Francisco as published by

McGraw-Hill Publishing Company. The increase in the contract amount from \$75,000 per year for the current fiscal year to \$95,000 per year for the next three years is due to the fact that there has been added property that needs to be mowed from recent acquisitions, the potential of acquiring additional properties during the term of this contract and the expanded mowing areas around the Chain of Lakes.

FUNDING:

Funding in the amount of \$70,000 is available from Fund 50 – General Fund/Flood Control for the flood control facilities, and \$25,000 is available from Fund 52 – Water Enterprise for the maintenance of the Chain of Lakes area.

RECOMMENDED ACTION:

Staff recommends the contract be awarded to Bruce Balala Excavating in an amount not-to-exceed \$95,000 per year beginning with FY 2012/13, which may be extended two times covering the period between July 1, 2013 and June 30, 2015.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Award of Contract for Embankment Slope Mowing Services

WHEREAS, Zone 7 currently does not have in-house equipment or manpower for embankment slope mowing along the flood control channel embankments and around the Chain of Lakes' perimeter to reduce fire danger and therefore relies on outside contract services to perform this work; and

WHEREAS, following established practices, Zone 7 issued a Request for Proposals for embankment slope mowing service and received a proposal from Bruce Balala Excavating.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a contract for district-wide embankment slope mowing with Bruce Balala Excavating in an amount not-to-exceed \$95,000 based on the hourly unit price bid of \$160 per hour for July 1, 2012 to June 30, 2013; and

BE IT FURTHER RESOLVED that the General Manager be authorized to extend the contract up to two times to cover the period from July 1, 2013 to June 30, 2015 in an amount not-to-exceed \$95,000 per year, adjusting the hourly rate and total annually in accordance with the Engineering News Record Construction Cost Index for San Francisco as published by McGraw-Hill Publishing Company; and

BE IT FURTHER RESOLVED that the General Manager be authorized to negotiate and issue change orders as and when required in an amount not to exceed \$9,500 per year.

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 June 20, 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: Facilities Engineering

CONTACT: Mona Olmsted/Rhett Alzona

AGENDA DATE: June 20, 2012

ITEM NO. **5d**

SUBJECT: Professional Services Contract with DTN Engineers, Inc. for Electrical Engineering Support Services

SUMMARY:

- Zone 7 requires on-going electrical engineering support services for the planning, design, construction, and maintenance of Zone 7 facilities. Zone 7 staff currently does not have the in-house technical expertise to provide these services.
- In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, new annual contracts may be executed up to two additional times with the same firm to provide the services for a total of up to three years.
- In March 2010, proposals were requested to provide such services to Zone 7 on an annual contract basis. DTN Engineers, Inc. was determined to be best able to provide these services and was awarded a contract for Fiscal Year 2010/2011.
- In July 2011, a second annual electrical engineering support services contract with DTN Engineers, Inc. was executed for Fiscal Year 2011/2012. DTN Engineers' performance has been satisfactory.
- It is recommended that a third annual contract be executed with DTN Engineers for Fiscal Year 2012/2013 in an amount not to exceed \$84,200.

FUNDING:

Funding is available in Fund 52 – Water Enterprise (\$27,200) and Fund 72 – Renewal & Replacement/System-Wide Improvements (\$57,000).

RECOMMENDED ACTION:

Adopt attached resolution authorizing the General Manager to negotiate and execute a professional services contract with DTN Engineers, Inc., for electrical engineering support services for Fiscal Year 2012/2013 in an amount not to exceed \$84,200.

ATTACHMENTS:

1. Memo providing additional background and discussion of agenda item
2. Exhibit A, Scope of Services
3. Exhibit B, Consultant's Fee Schedule
4. Resolution

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Mona Olmsted, Associate Engineer, Facilities Engineering
Subject: Professional Services Contract with DTN, Engineers, Inc. for Electrical Engineering Support Services

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

BACKGROUND

Zone 7 requires on-going electrical engineering support services for the planning, design, construction, and maintenance of Zone 7 facilities, such as buildings, treatment plants, groundwater wells, and pump stations. Zone 7 staff currently does not have the in-house electrical engineering expertise to provide these services.

In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, a new annual contract may be executed up to two additional times with the same firm to provide the services for a total of up to three years.

In March 2010, proposals were requested to provide these on-going electrical engineering support services to Zone 7 on an annual contract basis. DTN Engineers, Inc. was found to be best able to provide these services to Zone 7. In May 2010, the Zone 7 Board of Directors approved a resolution authorizing the General Manager to execute an annual electrical engineering support services contract with DTN Engineers for Fiscal Year 2010/2011.

In July 2011, the Zone 7 Board of Directors approved a resolution authorizing the General Manager to execute a second annual electrical engineering support services contract with DTN Engineers, Inc., for Fiscal Year 2011/2012. The services that DTN has provided over the past year include construction phase support for the PPWTP Clarifier Rehabilitation Project and design work for the PPWTP Sewer Line Project.

DISCUSSION

Zone 7 has compiled a list of projects that are identified in the current Capital Improvement Program, or that are anticipated to support maintenance activities and other planning activities, which will require electrical engineering support services in Fiscal Year 2012/2013.

DTN Engineers' performance during Fiscal Year 2011/2012 has been satisfactory. It is recommended that a third annual contract be executed with DTN Engineers for Fiscal Year 2012/2013 in an amount not to exceed \$84,200.

The Scope of Services to be performed by DTN Engineers on an as-needed basis is shown in Exhibit A. The Scope of Services identifies the broad range of electrical engineering services and technical expertise the consultant will provide to Zone 7 to ensure the timely completion of quality projects. The consultant's fee schedule is shown in Exhibit B. Payments will be based on actual time and materials charged.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**Professional Services Contract with DTN, Engineers, Inc., for
Electrical Engineering Support Services**

BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a professional services contract with DTN Engineers, Inc., for as-needed electrical engineering support services for Fiscal Year 2012/2013 in an amount not to exceed \$84,200.

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 June 20, 2012.

By _____
President, Board of Directors

EXHIBIT A

Zone 7 Water Agency

Annual Service Contract for Electrical Engineering Support Services

Scope of Services

The Consultant shall perform the following services on an as-needed basis:

1. Provide general electrical engineering assistance to Zone 7 staff.
2. Assist Zone 7 staff with specifying instrumentation.
3. Review electrical and instrumentation plans.
4. Work with other Zone 7 consultants including SCADA consultant.
5. Prepare drawings (usually 22 x 34 inches) using AutoCAD 2010. Zone 7 will provide a sample border and logo, and the Consultant shall use the Zone 7 CAD Standards attached to this document as Exhibit A-1.
6. Perform site observation visits.
7. Provide clarifications and review of change orders.
8. Review submittals.
9. Prepare record drawings.
10. Provide Zone 7 with assistance during start-up and testing of electrical equipment.
11. Assist with troubleshooting.
12. Prepare punchlists.

Zone 7 will contact the Consultant to determine the type and amount of services required for the individual projects. The Consultant will be called to the project on an as-needed basis depending on the project requirements. Execution of the Master Agreement (Contract) and Task Orders shall obligate Zone 7 to compensate the Consultant only for services provided to Zone 7 for that specific Task Order. Compensation for services will be based on Consultant's submitted fee schedule and as agreed by the Master Agreement.

EXHIBIT B



ENGINEERS, INC.
Oakland, San Francisco, Orange County, CA

1611 Telegraph Ave., Suite 809
Oakland, CA 94612
Phone: (510) 267-0441 – Fax: (510) 267-0443

RATE SCHEDULE
For Zone 7- As-needed Electrical Engineering Support Services
FY 2012/2013

<i>Classifications</i>	<i>Hourly rates</i>
Principal	\$243.86
Project Manager/Sr. Engineer	\$232.57
Engineer	\$197.66
Jr. Engineer	\$179.81
CADD designer	\$109.14
Support/word	\$100.00

Notes:

- 1. Fee and rates are effective 7-1-12 thru. 6-30-13, and are subject to change after effective date .**
- 2. Mileage charge from office to remote location is per current IRS rate plus 10%.**
- 3. Other direct costs such as Printing, postages for special deliveries overnight express , meals and overnight lodging are at cost plus 10%.**

This document is considered business confidential and must not be disclosed to third parties without written consent from DTN Engineers.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Facilities Engineering
CONTACT: Mona Olmsted/Rhett Alzona

AGENDA DATE: June 20, 2012

ITEM NO. 5e

SUBJECT: Professional Services Contract with Biggs Cardosa Associates, Inc. for Structural Engineering Support Services

SUMMARY:

- Zone 7 requires on-going structural engineering support services for the planning, design, construction, and maintenance of Zone 7 facilities. Zone 7 staff currently does not have the in-house technical expertise to provide these services.
- The existing contract with Biggs Cardosa Associates, Inc., for this service expires on June 30, 2012.
- In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, new annual contracts may be executed up to two additional times with the same firm to provide the services for a total of up to three years.
- In May 2012, proposals were requested from nine firms. Five firms submitted proposals. Biggs Cardosa Associates, Inc. was found to be best able to provide these services to Zone 7.
- It is recommended that the General Manager be authorized to execute an annual professional services contract with Biggs Cardosa Associates, Inc., for each of the next three fiscal years in an amount not to exceed \$75,000 per year, and a contract for Del Valle Water Treatment Plant and Patterson Pass Water Treatment Plant aqueous ammonia facilities structural design support in an amount not to exceed \$140,000.

FUNDING: Funding is available from Fund 72 – Renewal & Replacement/System-Wide Improvements.

RECOMMENDED ACTION: Adopt attached resolution authorizing the General Manager to negotiate and execute 1) an annual professional services contract with Biggs Cardosa Associates, Inc., for as-needed structural engineering support services for each of the next three fiscal years in an amount not to exceed \$75,000 per year, and 2) a professional services contract with Biggs Cardosa Associates, Inc., for structural engineering support services for the Del Valle Water Treatment Plant and Patterson Pass Water Treatment Plant aqueous ammonia facilities in an amount not to exceed \$140,000.

ATTACHMENTS:

1. Memo providing additional background and discussion of agenda item
2. Exhibit A, Scope of Services
3. Exhibit B, Consultant's Fee Schedule
4. Resolution

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Mona Olmsted, Associate Engineer, Facilities Engineering
Subject: Professional Services Contract with Biggs Cardosa Associates, Inc., for Structural Engineering Support Services

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

BACKGROUND

Zone 7 requires on-going structural engineering support services for the planning, design, construction, and maintenance of Zone 7 facilities, such as buildings, treatment plants, groundwater wells, and pump stations. Zone 7 staff currently does not have the in-house structural engineering expertise to provide these services.

The existing General Manager's contract with Biggs Cardosa Associates, Inc., for this service expires on June 30, 2012. Services that Biggs Cardosa has provided over the past year include construction phase support for the PPWTP Clarifier Rehabilitation Project and DVWTP Pipe Support System Improvements, and seismic evaluation and bracing of DVWTP hydro-pneumatic tank.

In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, a new annual contract may be executed up to two additional times with the same firm to provide the services for a total of up to three years.

DISCUSSION

Zone 7 has compiled a list of projects that are identified in the current Capital Improvement Program which will require structural engineering support services in Fiscal Year 2012/2013.

In May 2012, a Request for Proposal to provide the needed structural engineering support services was solicited from nine firms. Subsequently, one addendum was issued on the RFP for clarification purposes and sent to the firms. Five firms submitted proposals. A panel consisting of Zone 7 staff reviewed the proposals and found Biggs Cardosa Associates, Inc., to be best able to provide these services to Zone 7. The criteria used to rank the firms included qualifications and experience of personnel, services available, response time, and references. It is recommended that the General Manager be authorized to execute an annual professional services contract with Biggs Cardosa Associates, Inc., for each of the next three fiscal years in an amount not to exceed \$75,000 per year, and a contract for the Del Valle Water Treatment Plant and Patterson Pass Water Treatment Plant aqueous ammonia facilities structural design support in an amount not to exceed \$140,000.

The Scope of Services to be performed by Biggs Cardosa on an as-needed basis is shown in Exhibit A. The Scope of Services identifies the broad range of structural engineering services and technical expertise the consultant will provide to Zone 7 to ensure the timely completion of quality projects. The consultant's fee schedule is shown in Exhibit B. Payments will be based on actual time and materials charged.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Resolution for Award of Structural Engineering Support Services Contract

BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute an annual professional services contract with Biggs Cardosa Associates, Inc., for as-needed structural engineering support services for each of the next three fiscal years in an amount not to exceed \$75,000 per year; and

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a professional services contract with Biggs Cardosa Associates, Inc., for structural engineering support services for the Del Valle Water Treatment Plant and Patterson Pass Water Treatment Plant aqueous ammonia facilities in an amount not to exceed \$140,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on June 20, 2012.

By _____
President, Board of Directors

EXHIBIT A

Zone 7 Water Agency

Annual Service Contract for Structural Engineering Support Services

Scope of Services

The Consultant shall perform the following services on an as-needed basis:

1. Provide general structural engineering assistance to Zone 7 staff.
2. Prepare structural calculations and specifications for concrete containment structures and other miscellaneous structures.
3. Prepare drawings (usually 22 x 34 inches) using AutoCAD 2010. Zone 7 will provide a sample border and logo, and the Consultant shall use the Zone 7 CAD Standards attached to this document as Exhibit A-1.
4. Perform site observation visits and construction inspection.
5. Provide clarifications and review of change orders.
6. Review submittals.
7. Prepare record drawings.

Zone 7 will contact the Consultant to determine the type and amount of services required for the individual projects. The Consultant will be called to the project on an as-needed basis depending on the project requirements. Execution of the Master Agreement (Contract) and Task Orders shall obligate Zone 7 to compensate the Consultant only for services provided to Zone 7 for that specific Task Order. Compensation for services will be based on Consultant's submitted fee schedule and as agreed by the Master Agreement.

EXHIBIT B

CHARGE RATE SCHEDULE

Principal	\$200.00-262.00/hr.
Associate	178.00
Construction Manager	178.00
Engineering Manager	151.00
Senior Structural Representative	151.00
Project Administrator	124.00
Senior Engineer	134.00
Structural Representative	124.00
Project Engineer	113.00
Staff Engineer	103.00
Assistant Engineer	97.00
Junior Engineer	91.00
Senior Computer Drafter	107.00
Computer Drafter	91.00
Junior Computer Drafter	81.00
Secretarial Services	75.00
Subconsultants	Cost Plus 10%
Expenses	Cost Plus 15%
In-House CADD Plots	
Prints	\$0.30/ sq. ft.
Plots	\$1.50/ sq. ft.
Mylar Plots	\$3.00/ sq. ft.

Charge Rates Applicable July 1, 2012 Thru June 30, 2013



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Facilities Engineering
CONTACT: Mona Olmsted/Rhett Alzona

AGENDA DATE: June 20, 2012

ITEM NO. 5f

SUBJECT: Professional Services Contract with Kier & Wright, Inc., for Surveying Support Services

SUMMARY:

- Zone 7 requires on-going surveying support services for the planning, design, construction, and maintenance of Zone 7 facilities. Zone 7 staff currently does not have the in-house technical expertise or manpower to provide these services.
- In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, new annual contracts may be executed up to two additional times with the same firm to provide the services for a total of up to three years.
- In April 2011, proposals were requested to provide such services to Zone 7 on an annual contract basis. Kier & Wright Civil Engineers & Surveyors, Inc. was found to be best able to provide these services to Zone 7. In July 2011, an annual surveying support services contract with Kier & Wright was executed for Fiscal Year 2011/2012. Kier & Wright's performance has been satisfactory.
- It is recommended that an annual contract be executed with Kier & Wright for each of the next two fiscal years in an amount not to exceed \$165,000 per year.

FUNDING: Funding for this contract comes from and is available in the following funds:

Fund 50 – Flood Control/General Fund;
Fund 52 – Water Enterprise;
Fund 72 – Renewal & Replacement/System-Wide Improvements;
Fund 73 – Expansion; and
Fund 76 – Flood Control and Stormwater Drainage

RECOMMENDED ACTION:

Adopt attached resolution authorizing the General Manager to negotiate and execute an annual contract with Kier & Wright Civil Engineers & Surveyors, Inc., for as-needed surveying support services for each of the next two fiscal years in an amount not to exceed \$165,000 per year.

ATTACHMENTS:

1. Memo providing additional background and discussion of agenda item
2. Exhibit A, Scope of Services
3. Exhibit B, Consultant's Fee Schedule
4. Resolution

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Mona Olmsted, Associate Engineer, Facilities Engineering
Subject: Professional Services Contract with Kier & Wright, Inc., for Surveying Support Services

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

BACKGROUND

Zone 7 requires on-going surveying support services for the planning, design, construction, and maintenance of Zone 7 facilities, such as the treatment plants, groundwater wells, pipelines, roads, and flood control channels. Zone 7 staff currently does not have the in-house technical expertise or manpower to provide these services.

In order to more efficiently obtain these services, it is Zone 7's practice to go through the Request for Proposals process for such services once every three years. The original contract is for one year. With satisfactory performance, a new annual contract may be executed up to two additional times with the same firm to provide the services for a total of up to three years.

In April 2011, proposals were requested to provide these on-going surveying support services to Zone 7 on an annual contract basis. Kier & Wright Civil Engineers & Surveyors, Inc. was found to be best able to provide these services to Zone 7. In July 2011, the Zone 7 Board of Directors approved a resolution authorizing the General Manager to execute an annual surveying support services contract with Kier & Wright for Fiscal Year 2011/2012. Services that Kier & Wright has provided over the past year include field surveying for the Subsidence Monitoring Program, Real Property Services support (e.g., prepare and review property descriptions and plats, research property, and obtain record documents), and cross sectional surveying for the Arroyo Mocho Stanley Reach Pilot Project.

DISCUSSION

Zone 7 has compiled a list of projects that are identified in the current Capital Improvement Program, or that are anticipated to support maintenance activities and other planning activities, which will require surveying support services in Fiscal Year 2012/2013.

Kier & Wright's performance during Fiscal Year 2011/2012 has been satisfactory. It is recommended that an annual contract be executed with Kier & Wright for each of the next two fiscal years in an amount not to exceed \$165,000 per year.

The Scope of Services to be performed by Kier & Wright on an as-needed basis is shown in Exhibit A. The Scope of Services identifies the broad range of surveying support services and technical expertise the consultant will provide to Zone 7 to ensure the timely completion of quality projects. The consultant's fee schedule is shown in Exhibit B. Payments will be based on actual time and materials charged.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Award of Surveying Support Services Contract

BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute an annual professional services contract with Kier & Wright Civil Engineers & Surveyors, Inc., for as-needed surveying support services for each of the next two fiscal years in an amount not to exceed \$165,000 per year.

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 June 20, 2012.

By _____
President, Board of Directors

EXHIBIT A

Zone 7 Water Agency

Annual Service Contract for Surveying Support Services

Scope of Services

The Consultant shall perform the following services on an as-needed basis:

1. Provide field surveying related services at various locations within the Zone 7 service area including but not limited to topographic surveys, Global Positioning System (GPS), benchmarks, surface and subsurface utility surveys, boundary surveys, cross-sections, aerial photos, aerial surveys, construction baseline surveying and staking, movement monitoring work, and setting permanent monuments.
2. Provide office surveying related services including downloading field data to and from computer in AutoCAD 2010 to general files including point, digital terrain model (DTM), triangulated irregular network (TIN), contour, plan, profile cross section, calculating traverse, inverse, area, earthwork and plotting results on 22 x 34 inch (or other requested size) mylar film. Provide Zone 7 with an electronic copy of survey drawings and other information collected and compiled in AutoCAD 2010 (or other agreed upon format) on cd-rom. Zone 7 will provide a sample border and logo, and the Consultant shall use the Zone 7 CAD Standards attached to this document as Exhibit A-1.
3. Title searches, right-of-way descriptions and plat preparation work.

Zone 7 will contact the Consultant to determine the type and amount of services required for the individual projects. The Consultant will be called to the project on an as-needed basis depending on the project requirements. Execution of the Master Agreement (Contract) and Task Orders shall obligate Zone 7 to compensate the Consultant only for services provided to Zone 7 for that specific Task Order. Compensation for services will be based on Consultant's submitted fee schedule and as agreed by the Master Agreement.



KIER & WRIGHT
Civil Engineers & Surveyors, Inc.

EXHIBIT B

HOURLY RATE SCHEDULE
Zone 7 Water Agency
Annual Service Contract for Surveying Support Services

Effective July 1, 2012 through June 30, 2013

PRINCIPAL	\$ 205.00/Hour
PRINCIPAL ENGINEER	\$ 184.00/Hour
SENIOR ENGINEER	\$ 166.00/Hour
OFFICE ENGINEER	\$ 149.00/Hour
SENIOR SURVEYOR	\$ 167.00/Hour
SURVEY SUPERVISOR	\$ 167.00/Hour
OFFICE SURVEYOR	\$ 149.00/Hour
SURVEY COORDINATOR	\$ 142.00/Hour
SURVEYING/ENGINEERING TECH	\$ 126.00/Hour
RESEARCH ASSISTANT	\$ 72.00/Hour
SENIOR DRAFTSMAN	\$ 104.00/Hour
DRAFTSMAN	\$ 99.00/Hour
2-MAN SURVEY CREW (Includes GPS Survey Crew)	\$ 263.00/Hour
3-MAN SURVEY CREW	\$ 333.00/Hour
TESTIMONY (TRIAL OR DEPOSITION)	\$ 398.00/Hour
TECHNICAL TYPIST	\$ 64.00/Hour
ENGINEERING INTERN	\$ 43.00/Hour

All blueprinting and reproduction will be billed at cost plus 10%. Time spent for preparation for testimony will be billed in accordance with the above hourly rates.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94501 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Facilities Engineering

CONTACT: Rhett Alzona/Jarnail Chahal

AGENDA DATE: June 20, 2012

ITEM NO. 5g

SUBJECT: Consulting Services Contract with Kenneth R. Henneman for SBA Improvement and Enlargement Project

SUMMARY:

- Zone 7 has an on-going need to contract for specialized water resources engineering services to support Zone 7's interests in the California Department of Water Resources' (DWR's) South Bay Aqueduct Improvement & Enlargement Project. Currently the project is expected to be completed by March 2013.
- For approximately the last 13 years, Zone 7 has retained the services of Mr. Kenneth R. Henneman, a local water resources engineering consultant, to provide water resources services in interfacing with DWR. Mr. Henneman's current contract for FY 2011/12 is for \$70,000.
- The services provided under this contract include participation in various project and construction meetings, facilitating the most cost-effective design, and suggesting design changes during construction implementation.
- Based on his continued satisfactory performance, and Zone 7's continuing need for such services, it is recommended that the General Manager be authorized to negotiate and execute a consulting services contract with Mr. Henneman for \$50,000 plus a contingency amount of \$25,000 to cover further unanticipated project delays and additional unanticipated technical support needs for a total not-to-exceed amount of \$75,000.

FUNDING:

Funding is available in Fund 73 – Expansion.

RECOMMENDED ACTION:

Adopt the attached resolution authorizing the General Manager to negotiate and execute a consulting services contract with Mr. Kenneth R. Henneman for \$50,000 plus a contingency amount of \$25,000 to cover further unanticipated project delays and additional unanticipated technical support needs for a total not-to-exceed amount of \$75,000.

ATTACHMENTS:

- Memo Providing Additional Background and Discussion on Agenda Item
- Zone 7 Board Resolution

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Rhett Alzona, Senior Civil Engineer, Facilities Engineering
Subject: Annual Consulting Services Contract with Kenneth R. Henneman for SBA Improvement and Enlargement Project

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

BACKGROUND:

Mr. Henneman's unique experience with the California Department of Water Resources (DWR) and with State Water Project (SWP) practices and policies, his excellent working relationships with DWR staff, and his familiarity with Zone 7's existing and proposed water supply facilities, have enabled him to provide excellent support on a number of engineering, operational, source water quality and policy issues. Over the last ten years, Mr. Henneman has been instrumental in coordinating with DWR on the Water Conveyance Study and the South Bay Aqueduct (SBA) Improvement & Enlargement Project. In addition, he assisted in the development of Amendment No. 21 to Zone 7's Water Supply Contract with DWR (additional 10,000 AFA of SWP Table A water from Belridge Water Storage District).

DISCUSSION:

The SBA Improvement and Enlargement Project is expected to be complete around March 2013. Mr. Henneman is the primary day-to-day liaison with DWR staff on this project, and also coordinates the additional engineering and technical work performed by both Mr. Billy Ferguson and Mr. Charlie Mathis, two other consultants supporting Zone 7 in working with DWR to optimize the cost-effectiveness and reliability of this key project. In FY 2012/13, there will be roughly \$5 million in construction contracts in effect and several of the constructed facilities will go through the testing and start up process. Mr. Henneman's continued engineering input and facilitation will be critical in achieving the most economical and appropriate implementation. DWR key staff (e.g., Mr. Terry Becker, head of their Civil Engineering Branch) have expressed their appreciation and support for the role that Mr. Henneman plays in the review and input for the remaining construction phases of this project.

Mr. Henneman's estimated workload is seven days per month for eight months. Mr. Henneman's billing rate will remain unchanged from the current year at \$95/hour. In addition to Mr. Henneman's staff time, this contract also provides approximately \$3,000 for the services of special experts on an as-needed basis, such as Mr. Charles Mathis, who has provided specialty technical advice on the SBA Improvement and Enlargement Project. Based on this estimate, \$50,000 is being requested to fund as-needed water resources engineering support services from Mr. Henneman from July 1, 2012 through February 28, 2013. However, this project has experienced delays in the past and staff is requesting an additional contingency amount of \$25,000 to cover further project delays and additional unanticipated technical support service needs if needed.

ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Consulting Services Contract with Mr. Kenneth R. Henneman

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 consulting services contract with Mr. Kenneth R. Henneman, Water Resources Consultant, to provide as-needed specialized water resources engineering services to support Zone 7's interests in the California Department of Water Resources' (DWR's) South Bay Aqueduct Improvement and Enlargement Project for fiscal year 2012/13, in an amount of \$50,000 plus an additional contingency of \$25,000 to cover further project delays and additional unanticipated technical support needs for a total not-to-exceed amount of \$75,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on June 20, 2012.

By: _____
President, Board of Directors

EXHIBIT A

Kenneth R. Henneman, Water Resources Consultant
4134 Rennellwood Way, Pleasanton, CA 94566
846-4450p 846-5185f

May 18, 2012

Ms. Jill Duerig, General Manager
Zone 7, Alameda County Flood Control and
Water Conservation District
100 North Canyons Parkway
Livermore, CA 94551

Dear Ms. Duerig:

Subject: Professional Services for FY 2012-13

Under the current agreement services are provided on an "as requested" basis with respect to DWR SWP water conveyance. The focus now is on completion of the South Bay Aqueduct construction, which is again delayed almost another year. Thank you for asking me to continue providing services.

The work and timing is controlled by the DWR design and construction schedule for the South Bay Aqueduct Improvement and Enlargement (SBAI&E) project. Assistance is provided, as and when needed, to address critical technical, planning, institutional, contractual, and reporting issues and elements of the program to keep it on schedule. About 14 major DWR contracts comprise the now about \$200m SBAI&E Project, however delay in obtaining environmental permits and in equipment deliveries, and hence construction, have increased costs significantly. The most recent time delays have pushed construction into 2013. The current time delays are largely due to the pump units failing to meet certain specifications, and also to Canal Modification Contract delays. Bringing PG&E power to Dyer is also a year late. Project construction and reports are schedule to be done by next July.

Six purchase contracts have been let and are almost completed. Remaining ones are primarily for pumping plant equipment, like the transformers & pumps & motors. Five key civil contracts have been completed: the Stage 3 Pipeline, Surge Tank, Initial Pumping Plant, 69 kV, and Dyer Reservoir. Construction is underway on four contracts: Pumping Plant Completion, Canal Modifications, Surge Tank seismic retrofit, and Furnish Equipment.

Specific activities vary widely over time, and this is an estimate of time and costs ending June 2012. The work includes primarily construction related issues, which are often identified in DWR construction meetings and documents. These include construction, design, and other issues in change orders. Monitoring and providing input into field changes is a significant activity. These, and issues related to environmental permits, R/W, equipment mfg, and other critical issues are addressed with Zone 7 staff and members of the Zone 7 SBA team, as they arise.

I estimate spending about 7 days per month for 8 months. Including expenses and up to \$3,000 services of special experts, results in a total not to exceed contract amount of \$50,000.

Enclosed is my current fee schedule. It is a privilege to be able to help you and your staff during this challenging period.

Sincerely,

Kenneth R. Henneman, Water Resources Consultant

EXHIBIT B

Kenneth R. Henneman, Water Resources Consultant
4134 Rennellwood Way, Pleasanton, CA 94566
846-4450

SCHEDULE OF FEES

Effective July 1, 2012

1. For services of Kenneth R. Henneman - \$95.00 per hour for time directly chargeable to the project unless special provision is made for another means of payment, such as a retainer, monthly management charge, lump sum, or otherwise.
2. For services of professional, technical and clerical employees for time directly chargeable to the project - 2.0 times the salary cost of each person, determined as set forth below. The multiplier includes allowance for vacation and sick leave, payroll taxes, insurance, profit, etc.
3. The hourly salary costs of professional, technical and clerical employees shall be computed by dividing each annual base salary by 2080 hours.
4. Reimbursement of all other direct expenses incurred solely in performance of the project, including, but not limited to, subsistence, lodging, and transportation expenses for personnel while necessarily working away from headquarters, and costs of long distance telephone and fax charges, printing and reproductions. Car mileage - \$0.50/mile.
5. For services of all others - the amounts paid for subcontractors and associate consultants, contract services for work directly on the project, computer time, laboratory analysis, and other special services, cost plus ten percent (10%) of such costs.
6. In determination of the amount of time chargeable hereunder:
 - a. Any time spent in court or other formal legal, legislative or administrative proceeding on any day shall be deemed to be for a full day of eight hours.
 - b. Travel time for work away from the headquarters of the person concerned from the time of departure to the time of return shall be deemed time spent in performance of the work, except for travel on weekends and holidays, provided that total time charged shall be limited to eight hours in any calendar day.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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

ORIGINATING SECTION: Administrative Services

CONTACT: Tom Hughes

AGENDA DATE: June 20, 2012

ITEM NO. **6a**

SUBJECT: Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in May and selected the Employee of the Month for April 2012 according to the established Program Guidelines. The individual chosen out of the submitted nominations is then recommended to Management for approval and there is a subsequent announcement of the selection to all Agency employees.

Ron Ray, Plant Mechanic in the Maintenance Section, has been chosen from among those nominated as the April 2012 Employee of the Month. According to recommendations the committee received, Ron has a very helpful, positive work attitude and responds promptly to operator work requests. His knowledge, experience and dependability have made him an indispensable resource in providing high quality maintenance service to Operations, particularly at PPWTP. Most recently, while working on the new PPWTP Clarifier Modification Project it was noticed how detailed his installation of the new chemical feed lines in the Settled Water Channel were. Previously, during a power failure at the Del Valle Water Treatment Plant, Ron quickly assessed the situation and completed a prompt and successful replacement of a failed pulsator blower and motor, helping to get the plant back on line with a minimum of down time. Ron is easily approachable, forthright and has a lot of good ideas to improve maintenance practices for Zone 7. The recommendations the committee received all emphasized that Ron will work to the best of his ability and do whatever is necessary to get the job done as reliably and as quickly as possible.

The committee recognizes Ron as a valuable employee and an asset to Zone 7, with management approving the selection.

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate Ron Ray as April 2012 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: Water Operations & Maintenance

CONTACT: Gerald DeWitt/Barry Ivy

AGENDA DATE: June 20, 2012

ITEM NO. **7**

SUBJECT: Solid Waste Disposal Contract with Republic Services, Inc.

SUMMARY:

- Zone 7 has an on-going need for a landfill disposal site for disposing of the dried sludge produced as a byproduct of water treatment plant processes. The water treatment plants generate about 6,000 tons of sludge per year. Zone 7 also needs a disposal site for Chain of Lakes debris and flood control channel debris and silt.
- Zone 7 has a current solid waste disposal contract with Republic Services Inc. which expires on June 30, 2012.
- Proposals were solicited from Waste Management Inc. (Altamont landfill) and Republic Services (Vasco Landfill). Republic Services quoted the lowest rates.
- The prices quoted by each landfill are shown below along with the estimated total annual cost assuming disposal of 6,000 tons of sludge (moisture content less than 25%) and 1,400 tons of debris.

<u>Type of Material</u>	<u>Republic Services</u>	<u>Waste Management</u>
Sludge:		
Moisture content less than 25%	\$ 22.50	\$ 26.00
Moisture content 25% to 50%	\$ 40.00	\$ 55.00
Moisture content 50% to 75%	NA	\$ 55.00
Moisture content greater than 75%	NA	\$100.00
Other (Chain of Lakes & F.C. Debris)	\$ 55.00	\$ 50.00
TOTAL ESTIMATED COST	\$ 212,000	\$ 226,000

- Staff recommends approval of a services contract with Republic Services, Inc., in the amount not to exceed \$215,000 for FY 2012/13 with the ability to approve up to two additional annual contracts for the period through FY 2015/16.

FUNDING:

Funding is available from Fund 52 – Water Enterprise and Fund 50 – Flood Control.

RECOMMENDED ACTION:

Staff recommends that the Board approve the attached resolution authorizing the General Manager to negotiate and execute a new contract with Republic Services, Inc., for landfill disposal services for fiscal year 2012/2013 in an estimated amount of \$215,000 for the first year and up to two additional annual contracts, each for up to \$215,000 plus up to a 10% increase per year in the contract amount to account for inflationary cost increases or increases in material quantities.

Interoffice Memo

Date: June 20, 2012
To: Jill Duerig, General Manager
From: Gerald DeWitt, Maintenance Manager
Subject: Solid Waste Disposal Contract with Republic Services

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

BACKGROUND:

Zone 7 needs a designated solid waste disposal site for dried sludge and refuse pickup from its existing treatment plants. Waste material generation consists of sludge solids from Del Valle and Patterson Pass Water Treatment Plants and refuse from maintenance activities at the water production facilities. Zone 7 also needs a disposal site for flood control channel debris and silt removal.

DISCUSSION:

The Del Valle and Patterson Pass Water Treatment Plants generate about 6,000 tons of sludge per year. Zone 7 maintenance staff and contractors provide sludge management to dry the sludge from less than 2 percent solids (98% liquid) to as much as 75 percent solids (25% liquid) before disposal. Additionally, the Flood Control Section estimates they will need to dispose of about 1,400 tons of flood control channel debris and silt.

Two landfill operations serve Alameda County and the Livermore Valley: Republic Services, Inc. (Vasco Road landfill) and Waste Management (Altamont landfill). The landfill operators compete on prices for disposal of waste material. To obtain the best value, Zone 7 solicits bids from both landfill operators. The prices quoted by each landfill are shown below along with the estimated total annual cost assuming disposal of 6,000 tons of sludge (moisture content less than 25%) and 1,400 tons of debris.

Type of Material	Republic Services	Waste Management
Sludge:		
Moisture content less than 25%	\$ 22.50	\$ 26.00
Moisture content 25% to 50%	\$ 40.00	\$ 55.00
Moisture content 50% to 75%	NA	\$ 55.00
Moisture content greater than 75%	NA	\$100.00
Other (Chain of Lakes & F.C. Debris)	\$ 55.00	\$ 50.00
ESTIMATED ANNUAL COST	\$212,000	\$226,000

Based on the cost comparison of the two proposals, staff recommends contracting with Republic Services, Inc., for landfill disposal services.

FUNDING:

Funding is available from Fund 52 – Water Enterprise and Fund 50 – Flood Control.

RECOMMENDED ACTION:

Staff recommends that the Board approve the attached resolution authorizing the General Manager to negotiate and execute a new contract with Republic Services, Inc., for landfill disposal services for fiscal year 2012/2013 in an estimated amount of \$215,000 for the first year and up to two additional annual contracts, each for up to \$215,000 plus up to a 10% increase per year in the contract amount to account for inflationary cost increases or increases in material quantities.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

LANDFILL DISPOSAL SERVICES

WHEREAS, Zone 7 of Alameda County Flood Control and Water Conservation District solicited proposals for landfill disposal services for a three-year period; and

WHEREAS, the proposal submitted by Republic Services, Inc., Vasco Road Landfill, provides the lowest cost to Zone 7; and

WHEREAS, Zone 7 desires to obtain the best value for disposal services,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a landfill services contract with Republic Services, Inc., Vasco Road Landfill, in an estimated amount of \$215,000 for each of the next three years, FY 2012/13 through FY 2015/16 with up to a 10% increase in the contract amount per year.

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 June 20, 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: June 20, 2012

ITEM NO. 8

SUBJECT: Presentation of the 2012 Annual Review of Sustainable Water Supply for Zone 7 Water Agency

SUMMARY:

The Annual Review of Sustainable Water Supply for Zone 7 Water Agency was submitted to the Board of Directors at the May 16, 2012, Board meeting. The Board requested that Zone 7 staff provide a presentation on the review during the regularly scheduled June Board meeting.

The revised Annual Review of Sustainable Water Supply for Zone 7 Water Agency has been modified to reflect an increase in the State Water Project Allocation from 60% to 65%.

FUNDING:

No funding impact.

RECOMMENDED ACTION:

Information only.

ATTACHMENTS:

Memorandum.

INTEROFFICE MEMORANDUM

DATE: 6/20/12
TO: Jill Duerig, General Manager
FROM: Brad Ledesma, Associate Engineer
SUBJECT: Annual Review of Sustainable Water Supply for Zone 7 Water Agency

On August 18, 2004, Zone 7 Water Agency (Zone 7) adopted the Reliability Policy for Municipal and Industrial (M&I) Water Supplies (Resolution 04-2662).¹ Resolution 04-2662 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.

As outlined in Resolution 04-2662, the 2012 annual review covers the following:

- Projected Water Demands: Next Five Years
- Available Water Supplies to Zone 7 at the Beginning of 2012
- Comparison of Supply and Demand: Next Five Years
- Programs Necessary to Meet Water Demands

The review completed in this memorandum indicates that Zone 7 has sufficient water supplies to meet projected water demands over the next five years with or without additional water conservation.

As demonstrated by the analysis completed in both the 2010 Urban Water Management Plan (2010 UWMP) and the 2011 Water Supply Evaluation (2011 WSE), Zone 7's water supply is at risk and subject to a very uncertain future in the longer-term due to court rulings and biological opinions associated with the Sacramento-San Joaquin Delta (Delta), and climate change.² Consequently, as presented in the 2010 UWMP, Zone 7 is evaluating several potential future water supply options. Additionally as recommended in the 2011 WSE, Zone 7 is moving forward with a set of no regret actions to help minimize the risk of water supply shortages.

PROJECTED WATER DEMANDS: NEXT FIVE YEARS

Every year Zone 7 obtains water demand projections, with and without water conservation, from all of its customers for the next five years—Table 1 summarizes these projections for 2012 to 2016. As shown in Table 1, Zone 7's total water demands are projected to increase by 6% percent between 2012 and 2016, but could remain constant with additional water conservation; water demands for Zone 7's untreated customers are expected to remain constant. In general, the 2012 water demand projections are about 5 to 10% lower than the water demand projections presented last year in the 2011 Annual Report and therefore, projected water demands have decreased since 2011.

¹ A copy of Resolution 04-2662 is provided as Attachment A.

² Both the 2010 UWMP and the 2011 WSE are available on Zone 7's website (see www.zone7water.com).

Table 1. Projected Zone 7 Water Demands: Next Five Years, acre-feet^(a)

Component		2012	2013	2014	2015	2016
Without Conservation	M&I ^(b,c,d)	44,600	45,100	45,800	46,400	47,600
	Untreated	4,500	4,500	4,500	4,500	4,500
	Total	49,100	49,600	50,300	50,900	52,100
	<i>2011 Annual Review</i>	<i>52,300</i>	<i>52,600</i>	<i>53,100</i>	<i>53,800</i>	<i>N/A</i>
	<i>% Decrease</i>	<i>6.1%</i>	<i>5.7%</i>	<i>5.3%</i>	<i>5.4%</i>	<i>--</i>
With Conservation	Total	49,100	49,600	50,300	50,900	52,100
	Additional Water Conservation	(2,300)	(2,300)	(2,600)	(2,900)	(2,900)
	Revised Total	46,800	47,300	47,700	48,000	49,200
	<i>2011 Annual Review</i>	<i>51,900</i>	<i>51,100</i>	<i>50,800</i>	<i>50,700</i>	<i>N/A</i>
	<i>% Decrease</i>	<i>9.8%</i>	<i>7.4%</i>	<i>6.1%</i>	<i>5.3%</i>	<i>--</i>

(a) 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.

For planning purposes in this review, Zone 7 staff compared projected water supplies with projected water demands, with and without water conservation, over the next five years.

AVAILABLE WATER SUPPLIES TO ZONE 7 AT THE BEGINNING OF 2012

Zone 7 has developed a robust water supply system consisting of imported surface water, local runoff, groundwater recharge activities, and non-local storage.³ This diverse water supply system allows Zone 7 to store excess water during normal and wet years, and draw on these reserves during dry years to create a sustainable and reliable water supply for the Livermore-Amador Valley.

The purpose of this section is to review the water supplies, including contracted supply and storage, available to Zone 7 at the beginning of 2012.

Projected Yield from Contracted Water Supplies in 2012

Each year Zone 7 receives water supply from its contracts with the Department of Water Resources (DWR) for State Water Project (SWP) water, its water right permit for diversions from Arroyo del Valle, its contract with Byron Bethany Irrigation District (BBID), and DWR for Yuba Accord Water. The exact quantity of water supply available through these contracts is unknown at the beginning of the year because the yield depends on many factors, including both local precipitation and snowfall in the Sierra Nevada mountain range.

³ Additional information on each of Zone 7's water supply and storage components is available in the UWMP, which is posted on Zone 7's website.

For planning-level purposes, Zone 7 staff estimates the projected yield from these water supplies at the beginning of the year, along with an estimate of the long-term average yield. Table 2 presents the projected yield in 2012 and the long-term average yield based on a review of actual deliveries, rainfall, DWR projections from January to May 2012, and a review of any new planning-level documents.⁴ Table 2 also includes the long-term operational losses associated with artificial recharge in the local groundwater basin and participation in non-local groundwater banking programs.

As shown in Table 2, the projected yield in 2012 from Zone 7's existing contracted water supplies is approximately 47,400 acre-feet (AF), while the long-term average yield is projected to be approximately 55,050 AF after considering operational losses. Table 2 also indicates that the yield from Zone 7's water supply sources is 30% less in 2012 than in 2011 due to drier conditions.⁵

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

Source ^(a)	Available in 2012		Long-term Average	
	Yield	% of Total	Yield	% of Total
State Water Project	52,400 ^(b)	92.7%	48,400 ^(c)	83.5 %
Arroyo del Valle Runoff	1,000	1.8%	7,300	12.6 %
Byron Bethany Irrigation District	2,000 ^(d)	3.5%	2,000	3.5 %
Yuba Accord (via DWR)	1,100	2.0%	250	0.4 %
Subtotal	56,500	100.0 %	57,950	100.0 %
Operational Losses ^(e)	(9,100) ^(f)	16.0 %	(2,900)	5.0%
Total	47,400	84.0 %	55,050	95.0%
<i>2011 Annual Review</i>	<i>67,400</i>		<i>55,050</i>	
<i>% Decrease</i>	<i>30%</i>		<i>0%</i>	

^(a) The 2011 WSE provides additional detail on each contract; see www.zone7water.com/2011-water-supply-evaluation.

^(b) 2012 yield is based on 65% (current 2012 allocation) of Zone 7's Table A amount of 80,619 AF.

^(c) Long-term average yield is based on 60% of Zone 7's Table A amount of 80,619 AF, as presented in DWR's Draft 2011 Reliability Report.

^(d) Although Zone 7 has up to 5,000 AF available for purchase, only about 2,000 AF will be purchased this year due to higher than normal SWP carryover from last year.

^(e) Operational losses include the losses associated with artificial recharge in the groundwater basin, and putting water into either Semitropic and/or Cawelo. Quantity is based on the Annual Operations Plan for 2012, updated on 4/24/12.

^(f) Includes 7,500 AF associated with planned Cawelo storage operations.

AVAILABLE STORAGE AT THE BEGINNING OF 2012

Zone 7 currently stores water in various storage facilities or groundwater banking programs to help meet water demands during acute or prolonged droughts. Table 3 summarizes the total

⁴ New planning-level documents include DWR's Draft 2011 Reliability Report.

⁵ Local rainfall was only 68% of average through April 2012.

accumulated storage available to Zone 7 over the next five years, the maximum storage available in 2012, and minimum storage available between 2013 and 2016. As shown in Table 3, Zone 7 has about 12.6% more accumulated storage and 3.6% more minimum storage in 2012 than in 2011, while the storage available in 2012 is about 24% higher due to SWP carry over. Zone 7 was able to store additional water in 2011 due to higher than average local rainfall and an 80% allocation of SWP water from DWR.

Table 3. Available Storage in 2012, acre-feet

Storage Facility or Program	Total Accumulated Storage ^(a)	Storage Available in 2012	Minimum Annual Storage between 2013 and 2016
Main Groundwater Basin	88,000	20,200 ^(b)	14,000 ^(c)
Lake Del Valle Carryover	8,000	8,000	10,000 ^(e)
State Water Project Carryover	25,400	25,400 ^(d)	
Semitropic	86,000	14,200 ^(f)	9,100 ^(g)
Cawelo	15,000	0 ^(h)	3,800 ^(h)
Total	222,400	67,800	36,900
<i>2011 Annual Report</i>	<i>197,500</i>	<i>54,600</i>	<i>35,600</i>
<i>% Increase</i>	<i>12.6%</i>	<i>24%</i>	<i>3.6%</i>

(a) Accumulated storage estimate is through April 2012.

(b) As the available storage decreases in the main basin, the amount of groundwater available in any given year also decreases due to well locations and defined historic lows. For 2012, 20,200 acre-feet was used as a conservative estimate for planning-level purposes in this memorandum.

(c) A conservatively small pumping amount of 14,000 acre-feet per year was used assuming the next few years were dry.

(d) Zone 7 did not lose any SWP carryover this year because San Luis Reservoir did not fill.

(e) Zone 7 typically carry's approximately 10,000 acre-feet from one year to the next.

(f) 2012 availability includes pump back of 9,100 acre-feet, and potential exchange water of approximately 4,600 AF assuming the SWP delivery remains at 60% of Zone 7's Table A amount.

(g) The minimum pump back from Semitropic is 9,100 acre-feet.

(h) Zone 7 plans to send water to Cawelo in 2012; therefore, no water would likely be pumped back. For comparative purposes in the 2012 Annual Review, Zone 7 staff assumed that Cawelo storage could be used in equal amounts between 2013 and 2016, or about 2,500 acre-feet per year over four years.

COMPARISON OF SUPPLY AND DEMAND: NEXT FIVE YEARS

Table 4 compares available water supplies in 2012 to projected water demands over the next five years. For comparative purposes in this memorandum, long-term average supplies and minimum storage available over the next five years were used to compare with projected water demands between 2013 and 2016. As shown in Table 4, Zone 7's existing water supply exceeds projected water demands over the next five years, with or without water conservation. Additional analysis also showed that Zone 7 could meet projected water demands during Single

Dry and Multiple Dry years over the same period.⁶

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

Component		2012	2013	2014	2015	2016
Without Conservation	Water Supply	47,400	55,050	55,050	55,050	55,050
	Available Storage	67,800	36,900	36,900	36,900	36,900
	Water Demand ^(a)	(49,100)	(49,600)	(50,300)	(50,900)	(52,100)
	Total	66,100	42,350	41,650	41,050	39,850
With Conservation	Water Supply	47,400	55,050	55,050	55,050	55,050
	Available Storage	67,800	36,900	36,900	36,900	36,900
	Water Demand ^(a)	(46,800)	(47,300)	(47,700)	(48,000)	(49,200)
	Total	68,400	44,650	44,250	43,950	42,750

^(a) 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 has sufficient water supplies to meet projected water demands over the next five years with or without additional water conservation.

As presented in the 2010 UWMP, Zone 7 is evaluating several potential future water supply options, and as recommended in the 2011 WSE, Zone 7 is moving forward with a set of no regret actions to help minimize the risk of water supply shortages; the no regret actions include:

- Working with the local water supply retailers to develop additional water conservation savings and recycled water programs;
- Continuing to implement the Well Master Plan and Chain of Lakes projects;
- Confirming water supply available from the existing contract with BBID;
- Minimizing or reusing brine losses from the existing Mocho Groundwater Demineralization Plan;
- Reducing unaccounted-for water; and
- Enhancing Zone 7's existing in-lieu recharge program.

In addition to these actions, Zone 7 is also continuing to evaluate several major water supply portfolios, which include the Current Plan (i.e., Delta Fix), an In-Valley Portfolio (i.e., focused on recycled water), and an Intertie Portfolio (i.e., water transfers or regional desalination).

⁶ Analysis completed as part of the 2011 WSE; approved by the Board in July 2011 (see www.zone7water.com/2011-water-supply-evaluation).

ATTACHMENT A: RELIABILITY POLICY

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO 04-2662

INTRODUCED BY DIRECTOR MARCHAND
SECONDED BY DIRECTOR CONCANNON

Reliability Policy for Municipal & Industrial Water Supplies

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 the Zone's water supply system to meet projected water demands.

WHEREAS, the Board on May 15, 2002 adopted Resolution No. 02-2382 setting forth its Reliability Policy for Municipal & Industrial Water Supplies; and

WHEREAS, the Zone's current water supply policy includes a provision for a valley-wide groundwater production capability to meet 75% of valley-wide M&I demand in the event of an outage of the South Bay Aqueduct; and

WHEREAS, the Board desires to revise the Reliability Policy to include all Zone 7 water supply facilities and to clarify demand levels for planning purposes;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby rescinds Resolution No. 02-2382 adopting the May 15, 2002 Reliability Policy for Municipal & Industrial Water Supplies; and

BE IT FURTHER RESOLVED that the Board hereby adopts the following policy goals regarding reliability¹ to guide the management of the Zone's M&I water supplies as well as its Capital Improvement Program (CIP)²:

- GOAL 1. Meet 100% of 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 for the next 20 years as specified in Zone 7's Urban Water Management Plan, (UWMP), which will be coordinated with Zone 7's M&I water Contractors. Zone 7 will endeavor to meet this goal during an average water year³, a single dry water year⁴, and multiple dry water years⁵, and

GOAL 2: Provide sufficient treated water production capacity and infrastructure to meet at least 75% of the maximum daily M&I contractual demands should any one of Zone 7's major supply, production or transmission facilities experience an extended unplanned outage.

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 can be, or are being, achieved.

If the General Manager finds that the goals might not be met, then the Board will hold a public hearing within two months of the General Manager's finding to consider remedial actions that will bring the Zone into substantial compliance with the stated reliability 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 reliability 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 supplies⁶ to Zone 7 at the beginning of the calendar year;
- (3) A comparison of current water demands with the available water supplies; and
- (4) A discussion of water conservation requirements and other long-term water supply programs needed to meet Zone 7 M&I water demands for a single dry water year and multiple dry years, as specified in the Zone's UWMP.

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

Definitions

¹**Reliability**—the ability of a water supply system to provide water during varying hydrologic conditions without the need for reductions in water use.

²**Capital Improvement Program (CIP)**—the CIP is the Zone'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.

³**Average water year**—the statistical average quantity of water from all of the water supplies available to Zone 7 on a contractual or legal basis (e.g., surface water runoff to Del Valle reservoir), based on the historical hydrologic records available to Zone 7.

⁴**Single dry water year**—for the purposes of meeting the requirements of the UWMP, the Zone 7 staff will identify and justify the selection of a calendar year from the historic record that represents the lowest yield from all normally contracted or legally available supplies.

⁵**Multiple dry water years**—for the purposes of meeting the requirements of the UWMP, the Zone 7 staff will identify and justify the selection of three or more consecutive dry years from the historic record that represent the lowest yields from all normally contracted or legally available supplies.

⁶**Available water supplies** consist solely of (1) water supplies that the 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.

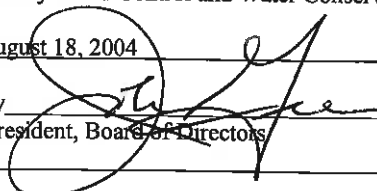
ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS CONCANNON, GRECI, KOHNEN, MARCHAND, QUIGLEY

NOES: NONE

ABSENT: DIRECTORS KALTHOFF, STEVENS

ABSTAIN: NONE

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
August 18, 2004
By 
Vice - 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: Employee Services

CONTACT: Tom Pico/Elena Scharnhorst

AGENDA DATE: June 20, 2012

ITEM NO. 9

SUBJECT: Consider Adjusting Directors' Compensation

SUMMARY:

- At the May 16, 2012 meeting the Board directed staff to return with the board compensation policy and more information or suggestions based on discussion and ideas presented.
- The Board's current compensation, effective June 21, 2008, is \$159.99 *per meeting*, with a maximum of four meetings per month, which equals a *maximum compensation* of \$639.96 per month. Zone 7's Board is not eligible under the County's current structure to receive benefits.
- The annual Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area rose 1.4% in 2010 and 2.6% in 2011.
- The mean base compensation level of the agencies surveyed is \$170.41 *per meeting*, with an average of 9.6 maximum meetings per month, resulting in a mean *maximum compensation* of \$1,543.88 per month. Including benefits, compensation is \$2,186.09 to \$3,494.38 per month.
- Based on these results, the Board may wish to consider the following options:
 - o Option 1: maintain the compensation at the current \$159.99 per meeting.
 - o Option 2: set the compensation for FY 12/13 and FY 13/14 at the mean derived from the current market compensation salary survey (\$170.41 per meeting, an increase of approximately 6.5%.)
 - o Option 3: since the board has taken no increase since 2008, and per the Water Code Section 20202 (attached) a 5% per year increase is allowed, up to 20% increase could be granted this year (up to \$191.98 per meeting.)
 - o Option 4: retain current compensation but add compensation for attendance at any meeting approved by Board up to a maximum of ten per month by modifying Compensation Policy.

FUNDING:

Funds are available in Fund 50 – General/Flood Control and Fund 52 – Water Enterprise.

RECOMMENDED ACTION:

- A) Decide to take no action (i.e., Option 1, adopting no increase and not changing policy for FY 12/13 and FY 13/14); or
- B) Adopt attached Resolution amending Compensation Policy, allowing compensation for attendance at any meeting approved by the Board up to a maximum of ten per month; or
- C) Schedule a public hearing on July 18, 2012 to consider adopting an ordinance to adjust Board compensation and directing staff which option to pursue at this time.

ATTACHMENTS:

Memo and Survey from May 2012 Board item providing additional background and discussion
Zone 7 Board of Directors' Compensation and Expense Reimbursement Policy

MEMORANDUM

DATE: June 20, 2012

TO: Jill Duerig, General Manager

FROM: Tom Pico, Human Resources Analyst II
Elena Scharnhorst, Employee Services Specialist

SUBJECT: Consider Adjusting Directors' Compensation

SUMMARY:

At the March 15, 2006 Board meeting the Zone 7 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; this Policy was amended on November 15, 2006 to provide clarity (a copy is attached). This Policy was further amended on March 16, 2011. The March 2011 revisions had to do with the expense reimbursement practices rather than the amount or type of compensation.

Attached are the results of the 2012 compensation survey of comparable water agencies' respective boards. The Board's current compensation, which has been in effect since June 21, 2008, is \$159.99 per meeting, with a maximum of four meetings per month.

The annual Consumer Price Index (CPI) for the Oakland-San Francisco-San Jose area rose 1.4% in 2010 and 2.6% in 2011. The mean compensation level of the agencies surveyed is \$170.41. Based on these results, the Board may wish to consider the following options.

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 years 2012/2013 and 2013/2014 at the mean derived from the current market compensation survey (\$170.41, an increase of approximately 6.5%). A third option the Board may consider is to take an increase of up to 20% given that an increase of up to 5% per year may be taken and the last increase was in 2008. A fourth option might be to allow compensation for attendance at any board-approved meeting or conference, up to a maximum of ten compensated meetings per month.

BACKGROUND:

Water Code Section 20200, *et seq.*, governs adjustment of compensation levels for board members. The Water Code statute provides that for Board members already making \$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 2012. Past practice has been for the Board to consider 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, compensation amount per meeting, maximum number of meetings per month, maximum compensation per month and the group benefits cost (minimum to maximum per month). This cover page of the Survey also includes the mean for the agencies and an overview comparison with the compensation and benefits that are provided for the Zone 7 Board of Directors. Subsequent pages 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 2010 versus the current data the changes were primarily in the cost of group benefits. Two of the agencies increased their board compensation. Santa Clara Valley Water District increased their compensation from \$260.03 per meeting to \$280.63 per meeting. Alameda County Water District increased the maximum number of meetings per month from 6 to 8, resulting in a maximum monthly compensation increase from \$1,050 to \$1,400. One of the agencies decreased their board compensation. Dublin San Ramon Services District decreased their compensation from \$150.00 per meeting to \$146.00 per meeting. The mean for the agencies surveyed is \$170.41 per meeting.

The annual Consumer Price Index (CPI) for the Oakland-San Francisco-San Jose area rose 1.4% in 2010 and 2.6% in 2011. In 2008 and 2009 the increases were 3.1% and .7% respectively.

The maximum compensation increase allowed under Water Code Section 20200 is 5% per year. The mean of the agencies surveyed is \$170.41. Based on these results, the Board may consider setting the compensation at the mean for fiscal year 2012/2013 and 2013/2014, to \$170.41 per meeting. Alternatively, since the board has taken no increase since 2008, and the Water Code allows 5% per year increase, up to 20% increase could be granted this year (up to \$191.98).

Under the above scenarios, the total increased cost for the 2-year period for fiscal year 2012/2013 and fiscal year 2013/2014 would be:

- No cost increase if compensation levels remain as is.
- \$7,002.24 to bring the compensation to the mean.
- \$21,497.28 to increase the compensation up to 20%.

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

Additional information was gathered concerning the possibility of providing health insurance to Zone 7's board members, either through the County (similar to Zone 7's employees) or through the ACWA-JPIA. Unfortunately, as long as Zone 7 is part of the County, staff could not identify a feasible way of providing this benefit to board members.

Given these constraints, staff developed four options:

- o Option 1: maintain the compensation at the current \$159.99 per meeting (no action alternative).
- o Option 2: set the compensation for FY 12/13 and FY 13/14 at the mean derived from the current market compensation salary survey (\$170.41 per meeting, an increase of approximately 6.5%).
- o Option 3: since the board has taken no increase since 2008, and per the Water Code Section 20202 (attached) a 5% per year increase is allowed, up to 20% increase could be granted this year (up to \$191.98 per meeting.)
- o Option 4: retain current compensation but add compensation for attendance at any meeting approved by the Board, up to a maximum of ten compensated meetings per month.

Resolutions have been prepared and are attached for Options 2, 3 and 4 (Option 1, the no action alternative, does not require a resolution).

RECOMMENDATION:

Staff recommends discussing the four options, and deciding:

- not to pursue any adjustments at this time (Option 1); or
- adopt resolution adjusting policy (Option 4) to allow compensation (at current levels) for attendance at any board-approved meeting (up to ten per month); or
- direct staff to schedule a public hearing for July 18, 2012 for an adjustment consistent with Option 2 or 3 (or any other as yet unidentified option).

Attachment: Board of Directors Compensation and Benefit Survey April 2012
Zone 7 Board of Directors' Compensation and Expense Reimbursement Policy, as amended
November 15, 2006

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

ORDINANCE NO

INTRODUCED BY
SECONDED BY

AMENDMENT TO ZONE 7 BOARD OF DIRECTORS COMPENSATION
AND EXPENSE REIMBURSEMENT POLICY

WHEREAS, on March 15, 2006 the Zone 7 Board of Directors adopted the “Zone 7 Board of Directors Compensation and Expense Reimbursement Policy” as required by AB 1234; and

WHEREAS, on November 15, 2006 and March 16, 2011 said policy was amended; and

WHEREAS, it is desirable to again amend the policy to compensate Directors for attendance at certain non-Zone 7 sponsored activities relevant to and benefiting Zone 7;

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 approve Amendment No. 3 to the existing “Zone 7 Board of Director Compensation and Expense Reimbursement Policy,” as shown on the attached red-line document

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of an ordinance adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on June 20, 2012.

By: _____
President, Board of Directors

Zone 7 Board of Directors

Compensation and Expense Reimbursement Policy

(amended November 15, 2006; March 16, 2011; **June 20, 2012**)

The members of the Board of Directors will fully comply with the provisions of the following "Policy on Directors' Compensation and Expense Reimbursement."

A. Compensation for Attendance at Zone 7 Meetings:

Board Members will be compensated at the rate determined by the Board consistent with applicable law for attendance at regular and special meetings of the Board, including Board committee meetings and for attendance at biennial AB 1234 required ethics training courses approved by the Fair Political Practices Commission & Attorney General's Office.

B. Compensation for Attendance at Non-Zone 7 Meetings:

Each member of the Board of Directors is encouraged to participate in those outside activities and organizations which in the judgment of the Board further the interests of Zone 7. Board Members may request compensation for attending non-Zone 7 Board meetings, events or activities, including conferences and organized educational programs, pursuant to the following procedure:

1. Prior to attendance at a non-Zone 7 sponsored meeting, event or activity, Board Members shall submit his/her request for compensation for such attendance.
2. Requests for compensation shall be included as an agenda item for Board consideration at the next regularly scheduled public meeting of the Board of Directors.
3. Board Members shall provide to the General Manager or his designee, the Member's request for compensation no later than ten (10) days prior to the regularly scheduled Zone 7 Board of Directors public meeting at which the Member's request is to be considered by the full Board.
4. Board Members' request shall, at a minimum, include the following information:
 - i. a description of the meeting, event or activity
 - ii. the host/sponsor of the meeting, event or activity
 - iii. the date, time & place
 - iv. purpose of attendance
5. The General Manager shall prepare an Agenda Item to reflect the Board Member's

request for compensation and place it on the agenda of the scheduled meeting of the Board of Directors at which the request will be considered.

6. When considering requests for compensation by Board Member(s), the Board of Directors shall take into account whether the Member's attendance is in furtherance of rendering service to Zone 7 and is clearly relevant to Zone 7 Activities.
7. Compensation for attendance at non-Zone 7 meetings, events or activities, shall only be permitted upon approval of the Board of Directors in conformity with this policy and procedure.
8. Notwithstanding ~~the foregoing other sections of this Policy~~, Board Member compensation for attendance at Zone 7 Board Meetings and approved non-Zone 7 Board meetings, events or activities, shall not be paid for more than a total of ~~four~~ ten (410) days in any calendar month ~~as provided for by the Alameda County Flood Control and Water Conservation District Act.~~

C. Amount of Compensation for Attendance:

The amount of compensation to Board Members for attendance at each meeting, event and activity authorized pursuant to Sections A & B above, shall be reviewed on a biennial basis. The amount of compensation shall be established in accordance with the provisions of Water Code Section 20200, *et seq.*, and shall be adopted by ordinance. ~~There will be no such compensation unless specifically approved by the board (in addition to approval for reimbursement of actual and necessary expenses)~~ Board members will be compensated for attendance at each board-approved meeting, event and activity.

D. Reimbursement of Actual and Necessary Board Member Expenses:

Board Members shall be entitled to reimbursement for meals, lodging and travel expenses incurred to attend a meeting, event or activity approved by the Board of Directors pursuant to Section B above; provided, however, no compensation will be paid to any Board Member unless an expense report has been submitted by that Board Member, as provided below. Note that the board approves a total travel budget for all directors (rather than for individual directors) each year as part of the final budget approval process.

Notwithstanding the foregoing, reimbursement of Actual and Necessary Expenses incurred by Board Members in connection with attendance at the following conference(s)/course(s) shall be permitted without prior Board approval:

- a) Association of California Water Agency (ACWA) Conferences one time per calendar year.
- b) Biennial Fair Political Practices Commissions & Attorney General approved Ethics training courses in connection with AB 1234 required ethics training.

1. General Rules Applicable to Directors' Expenses:

- i. All expenses will be reasonable and necessary and Directors are encouraged to exercise restraint in all expenditures.
- ii. Government and group rates shall be used when offered by a provider of transportation or lodging services for travel and lodging when available. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Reimbursement for use of personal autos will be at the applicable County of Alameda Auditor-Controller approved rate.
- iii. Expenditures for food and lodging will be moderate and reasonable and in accordance with District policy.
- iv. The policy is intended to result in no personal gain or loss to a Director.

2. Transportation Expenses:

Subject to this provision, Directors will be reimbursed for all expenses consistent with Paragraph 1 above, incurred in traveling to and from conferences, meetings and other events which are attended on behalf of the District in their capacity as Directors. Travel expenses will include round-trip air fare, actual expenses for ground transportation to and from airports and hotels, car rental, and or mileage reimbursement (at the maximum allowable per mile rate established from time to time by the County of Alameda Auditor-Controller) for use by Directors of privately-owned vehicles in the conduct of District business.

Reimbursement for public transportation, parking and bridge tolls is based on the submission of receipts attached to the expense report, except that receipts are not required for metered parking (which should be designated on the claim).

3. Overnight Accommodations:

- i. Lodging costs are allowable if the time of the conference and the distance traveled justify the overnight stay. No reimbursement claim or request for overnight accommodations will be approved for expenses incurred within the District's service area, except upon approval of the Board.
- ii. If lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board Member at the time of booking. If the group rate is not available, the Board Member shall use comparable lodging.
- iii. Alcoholic beverages and other non-essential expenses (including, but not limited to, in-room movies, Service Bar, health club fees, etc.) will not be reimbursed.
- iv. Where reasonably possible, accommodations will be obtained in proximity to

the conference or meeting site.

- v. Reimbursement for lodging costs requires a copy of the hotel statement and proof of payment.

4. Meal Expenses:

Directors will be entitled to receive reimbursement for actual cost of meals exclusive of alcoholic beverages consistent with Paragraph 1 above and subject to the following:

Meals may be reimbursed in one of the following ways:

- a) If receipts are provided with the expense reimbursement claim for all meals, the actual cost of each meal (within reason), tax and tip shall be reimbursed.
- b) If receipts are not provided for all meals, the reimbursement amount is the lesser of actual cost or the flat rate for actual meal expense rates established by the Alameda County Auditor-Controller and is subject to the following individual limits in effect as of July 1, 2007 or at the limits as may be subsequently adjusted by the County Auditor-Controller, whichever is higher:

- Breakfast \$11.00
- Lunch \$16.00
- Dinner \$29.00
- **Maximum Daily Rates: All Meals \$56.00**

Tips for meals (with receipts) will be reimbursed. Tips are reimbursed for reasonable amounts in accordance with community standards (currently 15%) and must be shown on the receipt. Tips for taxi service, porters and other services not directly connected to meals are not reimbursable.

NOTE: The maximum flat-rate reimbursement per day for meals of \$56.00 is **not** a per diem. To be reimbursed, the claimed meal must be purchased. If less than three meals in the day are purchased, the claim may not exceed the maximum amount reimbursable for those meals. Normally, only lunch would be reimbursed for a day conference.

5. Registration Fees:

For conferences and seminars, the Board Member claimant must provide a copy of the program announcement, agenda and registration form, showing the conference location, dates, times, activities, costs and any lodging or meals included in the registration fee.

E. Reimbursement Procedure:

All requests for reimbursement for actual and necessary expenses incurred on behalf of the District in the performance of official duties shall be submitted to the District's General Manager (or his designee) within 45 days after the expenses were incurred or expenditures made, unless circumstances warrant otherwise. Requests for reimbursement or accountings will be submitted, on expense report forms provided by the Alameda County Auditor-Controller's Office, and will be accompanied by receipts evidencing each expense or other documentation deemed satisfactory by the County Auditor-Controller. All out-of-pocket expenses must be supported by proof of payment (i.e., cash receipts, money orders, credit card charge slips, cancelled checks or copy of the bank statement showing the posted payment).

F. Board Member Reports:

Members of the Board of Directors shall provide brief written reports or presentations (less than five minutes) on meetings, events or activities attended at the expense of the District at the next regular Board of Directors meeting. Ideally, such reports should contain a summary of meetings attended and specific lessons learned with appropriate references so that additional information on selected topics can be obtained by other directors and staff, so that others who have not attended will be able to have access to the information made available during the meeting, event or activity.

G. Pre- Approval Exception:

Notwithstanding anything to the contrary contained herein, in the event there is insufficient time to comply with the pre-approval process for attendance at non-Zone 7 sponsored activities as set forth Section B of this Policy because Directors do not receive timely notice from the activity sponsor or as a result of circumstances reasonably beyond their control, Directors may choose to attend and seek the Board's approval thereafter. After such attendance, Directors shall at the next regularly scheduled meeting of the Board, request Board approval for compensation and/or reimbursement in conformity with the procedure set forth in Section B (3) through (6) herein together with a detailed explanation as to why timely compliance with the pre-approval process was not feasible. The Board shall have the right to reject any post-attendance request for approval if the failure to obtain pre-attendance approval results from a Director's own negligence or willful failure to timely submit his/her request.

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

April 2012

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	\$676.77 to \$2,054.64
Contra Costa Water District	\$100.00	10	\$1,000.00	\$679.33 to \$2,922.04
Dublin San Ramon Services District	\$146.00	10	\$1,460.00	~\$648.00 to ~\$1,672.00
East Bay Municipal Utility District	*	*	\$1,093.00	\$743.02 to \$2,193.00
Marin Municipal Water District	\$145.00	10	\$1,450.00	\$610.44 to \$1,220.88
Santa Clara Valley Water District	\$286.03	10	\$2,860.30	\$495.69 to 1,640.41
Mean	\$170.41	9.6	1543.88	\$642.21 to \$1950.50

*EBMUD Directors receive \$1093 per month salary (flat rate)

Zone 7	\$159.99	4	\$639.96	\$0**
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** No group benefits offered currently

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

April 2012

AGENCY	GROUP BENEFITS	RETIREMENT	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
Alameda County Water District	Health, Dental, Vision District pays full cost of health, dental and vision premiums. Cost range from: \$676.77 to \$2,054.64	Newly elected Board Members are excluded from PERS Membership, and from receiving retirement health benefits (per government code Section 20361(c) and ACWD Resolution 97-042 with PEMHCA). The Board Member must enroll in a District Deferred Compensation 457 Plan or 401(a) Plan as an Alternative Retirement Plan per ACWD Resolution 92-050.	\$175 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 District pays full cost of medical, dental, vision, EAP, and life premiums. Cost range from: \$679.33 to \$2,922.04/month	BODs Pension Formula: Full retirement age is 62, which provides a full retirement benefit formula of 2.35% at age 62. One may retire at any time after becoming vested (10 years of service) and reach age 55, at a reduced "early" retirement benefit. Medical: Board of Directors elected prior to January 1, 1995: If retiring from the District with at least 12 years of service, medical insurance paid 100% by the District. If retiring directly from the District, the District provides lifetime medical insurance for Board Member and spouse/State of California RDP. After death, if a joint and survivor annuity selected, at the time of retirement, spouse/State of California RDP will continue to receive medical coverage until he/she reaches age 65. Board of Directors elected after January 1, 1995: Upon retirement, medical benefits may continue through the District's medical plan on a self-pay basis. (Government Code Section 53201). BOD Retirees are required to enroll in Medicare Parts A and B when they turn 65	\$100/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, or 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.

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

April 2012

AGENCY	GROUP BENEFITS	RETIREMENT	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
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. Dental premiums: EE Only \$62.39 EE +1 \$113.06 EE +Family \$182.60 Vision premiums: EE Only \$10.61 EE +1 \$16.49 EE +Family \$26.15 AD&D premiums \$0.03 per \$1,000.00 Life premiums \$0.18 per \$1,000.00 District pays up to the following amounts for Health premiums: EE Only \$555.00 EE +1 \$1,111.00 EE +Family \$1,444.00 Board members are allowed to purchase additional life insurance at Employee Cost.	Deferred Comp Program with 25% employer match up to \$10 per calendar month (a Board member who voluntarily contributes at least \$20 per month will receive a match from the District up to \$10 per month or 25% of the monthly contribution, whichever is less.	\$146.00 per meeting. The types of meetings for which Board members can receive compensation include serving in a policy maker role at properly noticed Board of Director Meetings, Board Committees, and JPAs in which the District is a partner; representing the District at a public meeting of another public agency when that agency is considering business that involves DSRSD; speaking for the District at community events and meetings/ representing the District at professional, technical, and trade association meetings and conferences; and taking part in organized educational activities, including required ethics training.	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, 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.	Board Members receive same retirement benefits as employees. Employee pays fixed rate of 6.83% of salary pre-tax. 5yrs Service required for vesting. Unreduced benefit at ages 54 to 61 with 30+-20+yrs service. Highest 2 year average salary. Retirement multipliers are 2.6% and 2.82% depending on the plan the employee participates in, for all participants who earn District Service Credit on or after January 1, 2004. Plan is reciprocal with PERS and certain other California public agencies.	\$1093 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.
Marin Municipal Water District	Health, Dental, No Vision 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. Max District contribution for medical = \$1,220.88	No Retirement. Eligible for Retiree Medical coverage after 20 years of service with same coverage as active or retiring employee	\$145.00 per day of service	Not to exceed \$145.00 per day Or Compensation for more than 10 days of service in any calendar month: \$1,450 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.

**BOARD OF DIRECTORS
COMPENSATION AND BENEFIT SURVEY**

April 2012

AGENCY	GROUP BENEFITS	RETIREMENT	COMPENSATION	MAXIMUM COMPENSATION	BUSINESS EXPENSE REIMBURSEMENT	LIMITATION AUTHORIZATIONS
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) Board of Directors pay 15% towards the District's monthly premium cost for medical coverage. Dental, Vision Care and EAP coverage is provided with no monthly premium cost to the Board member. Optional: Personal Accident Insurance; may purchase additional Supplemental Life Insurance; participation in Flex Choice/Section 125	Optional: Deferred Compensation 457 Plan (no district matching)	\$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. 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.
Zone 7	None	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 4 days in any month: \$639.96 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.

Zone 7 Board of Directors

Compensation and Expense Reimbursement Policy

(amended November 15, 2006)

The members of the Board of Directors will fully comply with the provisions of the following "Policy on Directors' Compensation and Expense Reimbursement."

A. Compensation for Attendance at Zone 7 Meetings:

Board Members will be compensated at the rate determined by the Board consistent with applicable law for attendance at regular and special meetings of the Board, including Board committee meetings and for attendance at biennial AB 1234 required ethics training courses approved by the Fair Political Practices Commission & Attorney General's Office.

B. Compensation for Attendance at non-Zone 7 Meetings:

Each member of the Board of Directors is encouraged to participate in those outside activities and organizations which in the judgment of the Board further the interests of Zone 7. Board Members may request compensation for attending non-Zone 7 Board meetings, events or activities, including conferences and organized educational programs, pursuant to the following procedure:

1. Prior to attendance at a non-Zone 7 sponsored meeting, event or activity, Board Members shall submit his/her request for compensation for such attendance.
2. Requests for compensation shall be included as an agenda item for Board consideration at the next regularly scheduled public meeting of the Board of Directors.
3. Board Members shall provide to the General Manager or his designee, the Member's written request for compensation no later than eight (8) days prior to the regularly scheduled Zone 7 Board of Directors public meeting at which the Member's request is to be considered by the full Board.
4. Board Members' written request shall at a minimum, include the following information:
 - i. a description of the meeting, event or activity
 - ii. the host/sponsor of the meeting, event or activity
 - iii. the date, time & place
 - iv. purpose of attendance

6. When considering requests for compensation by Board Member(s), the Board of Directors shall take into account whether the Member's attendance is in furtherance of rendering service to Zone 7 and is clearly relevant to Zone 7 Activities.
7. Compensation for attendance at non-Zone 7 meetings, events or activities, shall only be permitted upon approval of the Board of Directors in conformity with the herein policy and procedure.
8. Notwithstanding the foregoing, Board Member compensation for attendance at Zone 7 Board Meetings and approved non-Zone 7 Board meetings, events or activities, shall not be paid for more than a total of four (4) days in any calendar month as provided for by the Alameda County Flood Control and Water Conservation District Act.

C. Amount of Remuneration for Attendance:

The amount of remuneration to Board Members for attendance at each meeting, event and activity authorized pursuant to Sections A & B above, shall be reviewed on a biennial basis. The amount of remuneration shall be established in accordance with the provisions of Water Code Section 20200 et seq. and shall be adopted by ordinance.

D. Reimbursement of Actual and Necessary Board Member Expenses:

Board Members shall be entitled to reimbursement for meals, lodging and travel expenses incurred to attend a meeting, event or activity approved by the Board of Directors pursuant to Section B above; provided, however, no compensation will be paid to any Board Member unless an expense report has been submitted by that Board Member, as provided below.

Notwithstanding the foregoing, reimbursement of Actual and Necessary Expenses incurred by Board Members in connection with attendance at the following conference(s)/course(s) shall be permitted without prior Board approval:

- a) Association of California Water Agency (ACWA) Conferences one time per calendar year.
- b) Biennial Fair Political Practices Commissions & Attorney General approved Ethics training courses in connection with AB 1234 required ethics training.

1. General Rules Applicable to Directors Expenses:

- i. All expenses will be reasonable and necessary and Directors are encouraged to exercise restraint in all expenditures.
- ii. Government and group rates shall be used when offered by a provider of transportation or lodging services for travel and lodging when available. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Reimbursement for use of personal autos will be at the applicable County of Alameda Auditor-Controller approved rate.

- iii. Expenditures for food and lodging will be moderate and reasonable and in accordance with District policy.
- iv. The policy is intended to result in no personal gain or loss to a Director.

2. Transportation Expenses:

Subject to this provision, Directors will be reimbursed for all expenses consistent with Paragraph 1 above, incurred in traveling to and from conferences, meetings and other events which are attended on behalf of the District in their capacity as Directors. Travel expenses will include round-trip air fare, actual expenses for ground transportation to and from airports and hotels, car rental, and or mileage reimbursement (at the maximum allowable per mile rate established from time to time by the County of Alameda Auditor-Controller) for use by Directors of privately-owned vehicles in the conduct of District business.

Reimbursement for public transportation, parking and bridge tolls is based on the submission of receipts attached to the expense report, except that receipts are not required for metered parking (which should be designated on the claim).

3. Overnight Accommodations.

- i. Lodging costs are allowable if the time of the conference and the distance traveled justify the overnight stay. No reimbursement claim or request for overnight accommodations will be approved for expenses incurred within the District's service area, except upon approval of the Board.
- ii. If lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board Member at the time of booking. If the group rate is not available, the Board Member shall use comparable lodging.
- iii. Alcoholic beverages and other non-essential expenses (including, but not limited to, in-room movies, Service Bar, health club fees, etc.) will not be reimbursed.
- iv. Where reasonably possible, accommodations will be obtained in proximity to the conference or meeting site.
- v. Reimbursement for lodging costs requires a copy of the hotel statement and proof of payment.

4. Meal Expenses:

Directors will be entitled to receive reimbursement for actual cost of meals exclusive of alcoholic beverages consistent with Paragraph 1 above and subject to the following:

Meals may be reimbursed in one of the following ways:

- a) If receipts are provided with the expense reimbursement claim for all meals, the actual cost of each meal (within reason), tax and tip shall be reimbursed.
- b) If receipts are not provided for all meals, reimbursement may be at a flat rate for actual meal expense rates established by the Alameda County Auditor-Controller and is subject to the following individual limits in effect as of February 2006 or at the limits as may be subsequently adjusted by the County Auditor-Controller, whichever is higher:

• Breakfast	\$ 7.00
• Lunch	\$12.00
• Dinner	\$23.00
• Maximum Daily Rates: All Meals	\$42.00

Tips for meals (with receipts) will be reimbursed and are not included in the calculation of the maximum rates set forth above. Tips are reimbursed for reasonable amounts in accordance with community standards (currently 15%) and must be shown on the receipt. Tips for taxi service, porters and other services not directly connected to meals are not reimbursable.

NOTE: The maximum flat-rate reimbursement per day for meals of \$42.00 is **not** a per diem. To be reimbursed, the claimed meal must be purchased. If less than three meals in the day are purchased, the claim may not exceed the maximum amount reimbursable for those meals. Normally, only lunch would be reimbursed for a day conference.

5. Registration Fees:

For conferences and seminars, the Board Member claimant must provide a copy of the program announcement, agenda and registration form, showing the conference location, dates, times, activities, costs and any lodging or meals included in the registration fee.

E. Reimbursement Procedure:

All requests for reimbursement for actual and necessary expenses incurred on behalf of the District in the performance of official duties shall be submitted to the District's General Manager (or his designee) within 45 days after the expenses were incurred or expenditures made, unless circumstances warrant otherwise. Requests for reimbursement or accountings will be submitted, on expense report forms provided by the Alameda County Auditor-Controller's Office, and will

be accompanied by receipts evidencing each expense or other documentation deemed satisfactory by the County Auditor-Controller. All out-of-pocket expenses must be supported by proof of payment (i.e., cash receipts, money orders, credit card charge slips, cancelled checks or copy of the bank statement showing the posted payment).

F. Board Member Reports:

Members of the Board of Directors shall provide brief reports on meetings, events or activities attended at the expense of the District at the next regular Board of Directors meeting.

G. Pre- Approval Exception:

Notwithstanding anything to the contrary contained herein, in the event there is insufficient time to comply with the pre-approval process for attendance at non-Zone 7 sponsored activities as set forth Section B of this Policy because Directors do not receive timely notice from the activity sponsor or as a result of circumstances reasonably beyond their control, Directors may choose to attend and seek the Board's approval thereafter. After such attendance, Directors shall at the next regularly scheduled meeting of the Board, provide a written request for Board approval for compensation and/or reimbursement in conformity with the procedure set forth in Section B (3) through (6) herein together with a detailed explanation as to why timely compliance with the pre-approval process was not feasible. The Board shall have the right to reject any post-attendance request for approval if the failure to obtain pre-attendance approval results from a Director's own negligence or willful failure to timely submit his/her request or if pre-approval for attendance otherwise would not have been granted.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO 06-2858

INTRODUCED BY DIRECTOR MOORE
SECONDED BY DIRECTOR CONCANNON

WHEREAS, AB 1234 effective January 1, 2006 (codified as Government Code Sections 53232-53235.2) imposes new rules governing local public official compensation and expense reimbursement; and

WHEREAS, these new statutes require the adoption by local public agencies of written policies governing the manner in which compensation and expense reimbursement to local public officials are to be determined and established; and

WHEREAS, the Zone 7 Board of Directors desire to adopt a written compensation and expense reimbursement policy in conformity with the compensation policy previously ratified by the Board on May 18, 2005.

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 adopt the "Zone 7 Board of Directors' Compensation and Expense Reimbursement Policy" attached and incorporated as if fully set forth herein, as Exhibit "A" which shall become effective immediately.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS CONCANNON, GRECI, KALTHOFF, KOHNEN, MOORE, STEVENS

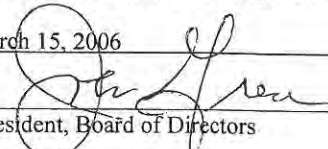
NOES: NONE

ABSENT: DIRECTOR QUIGLEY

ABSTAIN: NONE

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

March 15, 2006

By 
President, Board of Directors

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO 07-2955

INTRODUCED BY DIRECTOR QUIGLEY
SECONDED BY DIRECTOR STEVENS

AMENDMENT TO ZONE 7 BOARD OF DIRECTORS COMPENSATION
AND EXPENSE REIMBURSEMENT POLICY

WHEREAS, on March 15, 2006 the Zone 7 Board of Directors adopted the "Zone 7 Board of Directors Compensation and Expense Reimbursement Policy" as required by AB 1234; and

WHEREAS, it is desirable to amend the policy to facilitate Director attendance at certain non-Zone 7 sponsored activities relevant to and benefiting Zone 7;

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 approve Amendment No. 1 to the existing "Zone 7 Board of Director Compensation and Expense Reimbursement Policy."

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS CONCANNON, GRECI, KALTHOFF, KOHNEN, PALMER, QUIGLEY, STEVENS

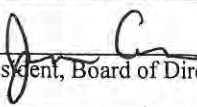
NOES: NONE

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 Alameda
County Flood Control and Water Conservation District on

November 15, 2006

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: TAMARA BAPTISTA/JAVIA GREEN

AGENDA DATE: June 20, 2012

ITEM NO. 10

SUBJECT: Adopting July 1 – June 30 Fiscal Year Capital Budgets

SUMMARY:

- On April 18, 2012, the Zone 7 Board adopted resolution 12-4192;
 - 1) Approving the FY 12/13 Operating Fund budgets;
 - 2) Authorizing Zone 7 to transition to a calendar fiscal year; and,
 - 3) Approving additional appropriations necessary to create an 18-month transition budget.
- The plan to transition to a calendar fiscal year on January 1, 2013 was contingent upon successful financial transition from Alameda County effective July 1, 2012. Since the financial transition is delayed, staff recommends remaining on a July 1 - June 30 fiscal year at the present time.
- The Zone 7 Board adopted FY 12/13 budgets for the three operating funds (Funds 50, 51 and 52) because Zone 7 must submit budgets for these funds to be included in the County-wide budget. Submittal of budgets for the capital funds (Funds 72, 73 and 76) is not a County requirement; as a result the Board did not adopt FY 12/13 budgets for these funds. The Board only adopted 18-month transition budgets for the capital funds in anticipation of transitioning to a calendar fiscal year January 1, 2013. Staff has prepared FY 12/13 budgets for the capital funds. These budgets are attached as Exhibits A, B and C.
- Staff recommends adopting the attached resolution approving the FY 12/13 capital budgets for Funds 72, 73, and 76 as outlined in Exhibits A, B and C, and adopting July 1, 2012 - June 30, 2013 budgets for each.

RECOMMENDED ACTION:

Adopt the attached resolution.

ATTACHMENTS:

Board Resolution
Exhibits A, B and C
Draft Proposed FY 12/13 Budget Book

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, the Zone 7 Board adopted resolution 12-4192 authorizing transition to a calendar fiscal year effective January 1, 2013 pending financial transition from Alameda County.

WHEREAS, financial transition from Alameda County has been delayed.

WHEREAS, adoption of FY 12/13 budgets for the capital funds is required.

BE IT RESOLVED that the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District does hereby approve the following budgets and designations for Fiscal Year 12/13 (July 1, 2012 to June 30, 2013):

1. Renewal/Replacement and System-Wide Improvements Fund Budget (Exhibit A);
2. Expansion Fund Budget (Exhibit B);
3. Flood Protection and Stormwater Drainage Development Impact Fee Fund Budget (Exhibit C);

BE IT FURTHER RESOLVED that the General Manager is authorized and directed to adjust accounts as the General Manager may deem necessary to account for any changes in available fund balances, revenues or expenditures.

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 June 20, 2012.

By: _____
President, Board of Directors

**EXHIBIT A
 PROJECT BUDGET REQUEST
 SYSTEM WIDE IMPROVEMENTS/RENEWAL & REPLACEMENT
 FUND 72
 CAPITAL PROJECTS**

Project Description/Name	Fund Number	Funding Req. 2012/13
GROUNDWATER BASIN MANAGEMENT		
Groundwater Management Plan/SNMP Update	72	\$539,000
Mocho Demin Easement	72	\$125,000
Groundwater Basin Management Subtotal:		\$664,000
WATER SUPPLY & CONVEYANCE		
Arroyo del Valle Water Right Permit Extension	72	\$369,000
Chain of Lakes Facilities and Improvements - Water Supply	72	\$42,000
Interim Chain of Lakes Water Operations Plan	72	\$10,062
Vulcan Discharge Capture	72	\$150,000
Water Supply & Conveyance Subtotal:		\$571,062
WATER TREATMENT FACILITIES		
DVWTP Sludge Handling Improvements	72	\$1,850,000
DWR Land Acquisition Adjacent to PPWTP	72	\$364,000
Water Quality Management Program	72	\$28,000
Water Treatment Facilities Subtotal:		\$2,242,000
WELLS		
Mocho Well 2 - VFD Retrofit	72	\$330,000
Wells Subtotal:		\$330,000
SYSTEMWIDE IMPROVEMENTS TOTAL		\$3,807,062
BUILDING & GROUNDS		
North Canyons Administrative & Engineering Building Lease	72	\$518,000
Building & Grounds Subtotal:		\$518,000
PROGRAM MANAGEMENT		
Asset Management Program Management	72	\$40,000
Capital Improvement Program Management	72	\$13,000
Program Management Subtotal:		\$53,000
WATER SUPPLY & CONVEYANCE		
Cope Lake Repairs - Water Supply	72	\$225,000
Water Supply & Conveyance Subtotal:		\$225,000
WATER TREATMENT FACILITIES		
DVWTP Ammonia Systems Replacement	72	\$1,020,000
DVWTP Chemical Systems Project	72	\$2,000,000
DVWTP Superpulsator Rehabilitation	72	\$200,000
DVWTP Interior Coating Improvements to the 4.5 MG Steel Clearwell	72	\$1,630,000
DVWTP Valve Replacements for 3MG Clearwell	72	\$170,000
Minor Renewal/Replacement Projects	72	\$260,000
PPWTP Ammonia Facility Replacement	72	\$800,000
PPWTP Ultrafiltration Membrane Replacement	72	\$370,000
SCADA Enhancements	72	\$220,000
Water Treatment FacilitiesSubtotal:		\$6,670,000
RENEWAL & REPLACEMENTS TOTAL		\$7,466,000
SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENT PROJECTS TOTAL		\$11,273,062
CONTINGENCY FUNDS		
Contingency	72	\$750,000
Contingency Funds Subtotal:		\$750,000
SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENTS PROGRAM TOTAL		\$12,023,062
SINKING FUNDS		
Administrative & Engineering Building - Sinking Fund	72	\$387,664
Sinking Funds Total:		\$387,664

**EXHIBIT B
 PROJECT BUDGET REQUEST
 EXPANSION FUND 73
 CAPITAL PROJECTS**

Project Description/Name	Fund Number	Funding Req. 2012/13
BUILDING & GROUNDS		
North Canyons Administrative & Engineering Building Lease	73	\$407,000
Building & Grounds Subtotal:		\$407,000
GROUNDWATER BASIN MANAGEMENT		
Groundwater Management Plan/SNMP Update	73	\$231,000
Mocho Demin Easement	73	\$125,000
Groundwater Basin Management Subtotal:		\$356,000
PROGRAM MANAGEMENT		
Capital Improvement Program Management	73	\$38,000
Expansion Program Management (ISA interest costs)	73	\$276,465
Program Management Subtotal:		\$314,465
WATER SUPPLY & CONVEYANCE		
Arroyo Mocho Diversion Facility Coordination and Implementation	73	\$134,272
Arroyo Mocho Low Flow Crossings	73	\$70,000
Bay Area Regional Desalination Project - Planning	73	\$210,000
Bay-Delta Conservation Planning (Zone 7)	73	\$60,000
Cawelo Groundwater Banking Program*	73	\$1,296,000
Chain of Lakes Facilities and Improvements - Water Supply	73	\$98,000
Chain of Lakes Master Planning	73	\$50,000
Cope Lake Repairs	73	\$525,000
CUWA Membership	73	\$20,000
Delta Habitat Conservation and Conveyance Program	73	\$161,148
Delta Outreach Program	73	\$30,000
Fixed Cost of Water Entitlement*	73	\$650,116
Fourth Contractor's Share of the SBA (Capital Costs)*	73	\$2,100,000
High-Efficiency Toilet Rebate Program	73	\$30,000
High-Efficiency Washing Machine Rebate Program	73	\$90,000
Interim Chain of Lakes Water Management Plan	73	\$23,478
Semitropic Stored Water Recovery Unit	73	\$48,000
South Bay Aqueduct Enlargement Project*	73	\$14,975,000
SWP Peaking Payment (Lost Hills & Belridge Water Districts)	73	\$18,900
Vulcan Discharge Capture	73	\$350,000
Water Conservation Best Management Practices	73	\$20,000
Water Supply & Conveyance Subtotal:	73	\$20,959,914
WATER TREATMENT FACILITIES		
DWR Land Acquisition Adjacent to PPWTP	73	\$156,000
Water Quality Management Program	73	\$12,000
Water Treatment Facilities Subtotal:		\$168,000
EXPANSION PROJECTS TOTAL		\$22,205,379
CONTINGENCY FUNDS		
Contingency	73	\$250,000
Contingency Funds Subtotal:		\$250,000
EXPANSION PROGRAM TOTAL		\$22,455,379
SINKING FUNDS		
Administrative & Engineering Building - Sinking Fund	73	\$35,000
Fourth Contractor's Share of the SBA - Sinking Fund	73	\$28,000
South Bay Aqueduct Improvement & Enlargement - Sinking Fund	73	\$166,000
Sinking Funds Total:		\$229,000

*Fixed (Non-Discretionary) Obligations

**EXHIBIT C
 PROJECT BUDGET REQUEST
 FLOOD PROTECTION AND STORM WATER DRAINAGE
 FUND 76
 CAPITAL PROJECTS**

Project Description/Name	Funding Req. 2012/13
BUILDING & GROUNDS	
North Canyons Administrative & Engineering Building Lease	\$120,000
<i>Building & Grounds Subtotal:</i>	<i>\$120,000</i>
FLOOD CONTROL FACILITIES	
Arroyo de la Laguna Improvement Project - Verona Reach	\$240,050
Cope Lake Repairs	\$420,000
Interim Chain of Lakes Water Operations Plan	\$18,783
R. 1-7: Arroyo Las Positas at N. Vasco Improvements	\$1,597,437
R.3-5: Arroyo Mocho - Stanley Reach Pilot Project	\$359,980
Sediment Transport Study	\$10,332
Steelhead and Related Studies	\$20,000
Stream Management Master Plan and Development Impact Fee Update	\$309,374
<i>Flood Control Facilities Subtotal:</i>	<i>\$2,975,956</i>
PROGRAM MANAGEMENT	
Capital Improvement Program Management	\$2,000
<i>Program Management Subtotal:</i>	<i>\$2,000</i>
CONSULTING & OTHER COSTS	
Administrative, Consulting and Other Program Costs	\$250,000
<i>Consulting & Other Costs Subtotal:</i>	<i>\$250,000</i>
<i>FLOOD PROTECTION AND STORM WATER DRAINAGE TOTAL</i>	<i>\$3,347,956</i>
SINKING FUNDS	
Administrative & Engineering Building - Sinking Fund	\$86,148
<i>Sinking Funds Total:</i>	<i>\$86,148</i>

5/17-5/18/12: Participated in an ACWA board executive meeting in Sacramento. ACWA strategic plan, reorganization, culture change were the discussion points. Water bond, BDCP, and Delta strategy also discussed.

6/3-6/4/12: Attended ACWA Region 5 meeting and tour of ACWD Recharge facilities, and San Francisco PUC Historic Sunol Headquarters, Water Temple and Hetch Hetchy Projects including the Irvington Tunnel bore and Sunol WTP enlargement --140 MGD capacity plant built in the '60s blew me away. I did not know it existed!



SFPUC Rehab Project is currently funded at \$4.5 billion dollars. Their new 176 million gallon reservoir and tunnel were amazing to see. They are ready to break through at Vargas Rd. along 680 in the next two weeks. Watch for news.



SFPUC gave a surprising historical of Spring Valley Water (1880's to 1930) pre-O'Shaughnessy Dam when, {<1930} "San Francisco used 14.5 million gallons a day from its ground water wells" and 75-200 were in and around the Bernal well field in Pleasanton!

The Hetch Hetchy watershed, an area located in Yosemite National Park, provides approximately 85% of San Francisco's total water needs. Spring snowmelt runs down the Tuolumne River and fills Hetch Hetchy, the largest reservoir in the Hetch Hetchy water system. This surface water in the Hetch Hetchy Reservoir is treated, but not filtered because it is of such high quality. Together the Alameda and Peninsula watersheds produce about 15% of the total water supply. The Alameda watershed, located in Alameda and Santa Clara Counties, contributes surface water supplies captured and stored in two reservoirs: Calaveras and San Antonio. The Sunol Filter Galleries located near the Town of Sunol, are a groundwater source supplying less than one percent of San Francisco's water.

On Sunday evening there was a speaker from the San Francisco Water and Environment Plan aimed at getting a November San Francisco city measure on the ballot to tear down O'Shaughnessy. The group now has over 9,000 signatures.

See: <http://www.sfwater.org/index.aspx?page=355> for more history.

The speaker also shared a four page informative handout which is attached.

6/8/12 - Attended ACWA Exec Committee and Board meeting in Sacramento. The topic under Action/Discussion Items was ACWA Reorganization and Revitalization Plan by Timothy Quinn.

Let me know if you have any questions. Thanks!

Dick Quigley



It's Dry Here!



California is a dry state. It often has **droughts**, which are long periods of time when little rain or snow falls. Since we all need water to survive, getting enough water is always an issue in California. One source of water is found in the snow of the Sierra Mountain Range. The **Hetch Hetchy Reservoir** in Yosemite National Park provides San Francisco and the surrounding areas with some of the highest quality drinking water found in the world. **Hetch Hetchy** is a Miwok word that means "grass with edible seeds." The Miwok are one of the many native peoples that lived in California for thousands of years. A **reservoir** is a large area like a lake or a big tank that **reserves** or collects water in one place so that it can be used later.

Once Upon a Time...



Up until the mid-1800s, people in San Francisco gathered fresh water from local streams, wells and springs. The Gold Rush of 1849 increased San Francisco's population from 1,000 to 25,000 people! The local springs and wells could no longer provide enough water for the growing community. People had to buy water from barrels that were carried in carts, or slung across the back of a donkey. Water was expensive; it cost \$1 a bucket, which equals about \$26 today!

A Problem to Solve



As San Francisco continued to grow, water was getting harder to come by. So, in 1857 the city dammed the mouth of Lobos Creek in the Presidio, as a way to help provide more water to local residents. A **dam** is a barrier that stops the flow of water in a river so that the water can collect into a large area. This water can then be released for a variety of uses in the area, or moved somewhere else through pipes and channels. It can also be released in dry times of the year when it doesn't rain. Two million gallons of water a day were piped from Lobos Creek and pumped to reservoirs on Russian Hill. Today, San Francisco uses about 85 million gallons a day. It has 13 reservoirs and 7 tanks, storing 440 million gallons of water—enough to last six days in an emergency!

The Great Fire of 1906



On April 18, 1906, a huge earthquake hit San Francisco, where almost 400,000 people then lived. Fires broke out and for three days and nights, the city burned; 25,000 homes and other buildings were destroyed. The earthquake broke the main water pipes, so there wasn't enough water available to fight the fires, and more than half the city was left homeless. This wasn't the first time a fire

destroyed San Francisco, but for city leaders, it was the last straw! San Francisco needed a much larger water supply in order to meet the needs of the booming population, and to keep the city safe from another disaster. City leaders decided to dam the Tuolumne River so that the Hetch Hetchy valley could become a reservoir that would hold a huge amount of water. This water could then be piped to San Francisco. Not everyone supported this idea however, including **John Muir**. He was an environmentalist who started the Sierra Club and opposed this project for years.

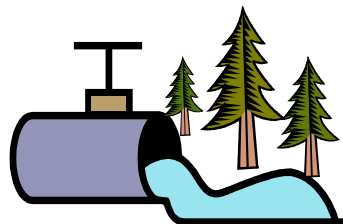
The Raker Act



In 1913, the U.S. Congress passed **The Raker Act**. This law gave San Francisco the rights to use water from the Tuolumne River. This meant the city could

dam the river and flood the Hetch Hetchy valley to create a reservoir that would provide the growing city and its surroundings with fresh water to meet all their needs. In order to build the dam, a railroad was first built to carry all the heavy machinery and supplies up the steep mountain. This railroad took two years to build and was 68 miles long! In 1923, after working day and night for nearly four years, workers completed the **O'Shaughnessy Dam**. It became a source of **hydroelectric power**. This is a clean form of energy made from the force of water as it falls down from the top of a dam and turns **turbines**, or engines, that create electricity. San Francisco government buildings and other agencies outside of the city use this clean, "green" power today!

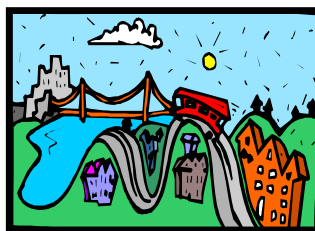
The Hetch Hetchy Aqueduct



In order to move or **transport** water from the new Hetch Hetchy Reservoir to San Francisco, an aqueduct was built. An **aqueduct** is

a canal or series of large pipes that connect the source of water to its final destination. This system took 21 years to build! In 1934, the first waters from Hetch Hetchy finally reached the San Francisco area, traveling 167 miles downhill with the help of gravity. While the force of gravity has been used for thousands of years to move water through aqueducts, the Hetch Hetchy system was one of the biggest gravity aqueducts ever built. Not only that, but by using gravity to move the water, very little energy is needed to get the water to our faucets. Compare this to the rest of California where almost 20% of all the energy our state uses is needed to transport water from one place to another!

San Francisco Water



Today, Hetch Hetchy provides water to 2.4 million people in San Francisco and the Greater Bay Area. The San Francisco Public

Utilities Commission manages the Hetch Hetchy system and works to help protect natural resources and conserve water. Since California is a dry state, it is important that we save or **conserve** water so that we have enough for people and wildlife, and enough to keep our rivers healthy, our farmland productive and our businesses successful!



Hetch Hetchy

Student Comprehension Questions

1. Why is getting enough water in California always an issue?

2. How did people in San Francisco buy water during the Gold Rush days?

3. How do dams and reservoirs provide people with a water supply?

4. Why was the Raker Act so important for San Francisco?

5. How far does water travel from the Hetch Hetchy reservoir to San Francisco, and how many residents in the Greater Bay Area use this water?

6. Why do you think it is important to save, or conserve water?

Teacher Answer Key



Hetch Hetchy

Student Comprehension Questions

1. Why is getting enough water in California always an issue?

Getting enough water in California is always an issue because California is a dry state that often has droughts.

2. How did people in San Francisco buy water during the Gold Rush days?

People bought water from barrels that were carried in carts or on the back of a donkey.

3. How do dams and reservoirs provide people with a water supply?

Dams are barriers that stop the flow of water so that it can collect into a large area, and reservoirs are a large container or area that keeps the water in place for future use.

4. Why was the Raker Act so important for San Francisco?

The Raker Act was a law that gave San Francisco the rights to use water from the Tuolumne River. This meant the city could dam the river and flood the Hetch Hetchy valley to provide San Francisco with fresh water to meet all their needs.

5. How far does water travel from the Hetch Hetchy reservoir to San Francisco, and how many residents in the Greater Bay Area use this water?

The water travels 167 miles and provides water to 2.4 million residents.

6. Why do you think it is important to save, or conserve water?

(subjective answer)



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: June 20, 2012

ITEM NO. 14a

SUBJECT: GENERAL MANAGER'S REPORT

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

Environmental & External Affairs:

- The California Department of Water Resources (DWR) announced that 2012 water allocations were increased from 60% to 65% due to a wet April (April rainfall was 167% of normal in the area between the American River and Lake Shasta that produces much of California's water supply; the April rainfall total in the San Joaquin River basin was 137% of average). Although this won't have any major impact on Zone 7's operations this year, it is still good news.
- On May 1st, the United States Environmental Protection Agency (USEPA) published the third cycle of the Unregulated Contaminant Monitoring Rule (UCMR3), which becomes effective June 1, 2012. This rule requires that relatively large retail water agencies monitor a list of 28 chemicals and two viruses between the years 2013 and 2015.
- DWR advised Zone 7 that full operation of the Stage 3 South Bay Aqueduct Pumps is now projected to be delayed until April 2013. Service restrictions include: Unit 11 lacks remote visual control; Unit 12 is under repair (by the contractor) and due back in November 2012; Units 10 & 13 continuously trip and are being returned to the manufacturer and may not be back until March 2013. Note that these delays will also impact the final project cost, increasing it by at least another \$2 million.
- DWR continues its slow filling of Lake Del Valle (slow because of the limited South Bay Pumping Plant capacity). The level remains around 696 feet.
- DWR was unable to pump into the lake mid-month due to a three-day Banks Pumping Plant outage to protect Chinook salmon under environmental pumping restrictions previously referred to as the Vernalis Adaptive Management Plan (VAMP).

Engineering and Flood Control:

- Staff convened a meeting of the Arroyo De La Laguna (ADLL) Collaborative Work Group to brainstorm potential solutions for an area of concern on the ADLL along Foothill Road across from the entrance to Pleasanton Ridge Recreation Area (this section of ADLL is SFPUC property). This area is suffering from significant bank erosion on San Francisco Public Utilities Commission (SFPUC) property and the County has expressed concerns about public safety as well as noting the potential for direct damage to Foothill Road if the bank erosion continues. Possible long-term solutions are at least two years away due to limitations with grant funding. Several near-term

measures have been identified and Zone 7 will contact California Department of Fish and Game (CDFG) to see if permits are required for doing the interim work in the creek. Zone 7 will pass this information to its partners for implementation (with encroachment permits from SFPUC). Zone 7 will continue to coordinate with the various agencies involved.

- The San Francisco Estuary Institute (SFEI) removed its sediment monitoring equipment including a sampling boom and three auto-samplers. Equipment will be reinstalled prior to the next rainy season. Zone 7 staff received training in removal and reinstallation to minimize the necessity to contract for SFEI staff to perform the work in the future.

Operations and Maintenance:

- Zone 7 staff is working with DWR on arrangements to treat Dyer Reservoir with an algaecide (PAK27) which is effective against blue-green algae and leaves no residue. DWR has had great success in using this product on the North Bay Aqueduct. Zone 7 will act as the contract administrator to accelerate implementation since the treatment plants are suffering short filter runs and air binding from the algae.
- Chain of Lakes Well #2 motor, which shorted to ground, has now been replaced following some delays in county processing of the purchase order. Initial start-up testing was completed and, while testing is not fully complete, the well is available in an emergency as long as Maintenance Staff is onsite to monitor equipment status.
- Staff received written confirmation that Cawelo will accept 15,000 AF of State Project water for storage in their basin. This will bring Zone 7's storage in the Cawelo groundwater basin up to a total of 22,500 AF (19% of our purchased capacity).

Finance & Administration:

- Staff evaluated whether changing the provider for payroll services would have any impact on implementing new financial software. Effects seem to be fairly substantial since both require implementing a new cost accounting system at the same time so staff are now recommending a delay in implementing the financial software package, as well.
- Staff reviewed the governor's May budget revision and determined that there might be some negative local effects. Perhaps the most major impact could be that the proposed reduction in state employee work days will decrease the availability of state workers and may result in delayed responses on capital projects or in low response times for addressing operating issues, both of which can have significant cost or possibly public health implications.
- The California Natural Resources Agency announced that there will be a 90-day delay in the Bay Delta Conservation Plan (BDCP) process. Given the "burn rate" of almost \$4 million/month on this project, such a delay can be significant. The funding agreement states that if decisions were not forthcoming from the federal agencies, DWR should step in and make the necessary decisions to keep the project on schedule. Therefore, the announcement from the Resources Agency (which includes DWR) caused both state and federal water contractors concerns.
- Staff continue to work with the Power and Water Resources Pooling Authority (PWRPA) to finalize designs for designated Zone 7 facilities. Once finalized and constructed, these facilities will allow Zone 7 to purchase power from PWRPA at well below the PG&E market rates.

Monthly List of GM Contracts

May 2012

Alameda County Resource Conservation District	\$10,000	Project Signage (watershed kiosk) at Verona Bridge as part of joint project
Environmental Science Associates	\$3,326	Mitigation Monitoring Support for the PPWTP Sewer Pipeline Project
Kaizen InfoSource LLC	\$38,000	Phase II of Records and Information Management
Environmental Science Associates	\$6,628	Completing Biological Reconnaissance Surveys for the Arroyo Mocho at Stanley Pilot Project
Kenneth Henneman	\$50,000	Dyer Reservoir Algae Control Project: On-Call Services
Environmental Science Associates	\$26,270	Cope Lake Red Legged Frog Site Assessment and Protocol Level Survey
Billy Ferguson	\$15,000	South Bay Aqueduct Improvement and Enlargement Project: On-Call Services
Total May 2012	\$149,224	



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

AGENDA DATE: June 20, 2012

ITEM NO. **14b**

SUBJECT: Recent Outreach Activities

Girl Scouts' 100th Anniversary Celebration, May 5

Zone 7 had a booth at this event, held at the Alameda County Fairgrounds in Pleasanton. We provided environmental education/outreach about water conservation and stormwater pollution. Carrying a "One Hundred, Fun Hundred" theme, the event was sponsored by the Girl Scouts of Northern California. Nearly 20,000 Girl Scouts and family members attended, including an estimated 3,000 from within Zone 7's service area.

Bringing Back the Natives Garden Tour, May 6

Zone 7 was again among several sponsors of this free, self-guided garden tour, which displayed native and drought-tolerant gardens throughout the East Bay, including at six homes within Zone 7's service area. The tour attracted a total 6,000 registrants, including more than 300 who specifically toured the Valley gardens. Zone 7 made water-conservation information available locally for distribution. We also have posted a video to Zone 7's website featuring two of the water-wise gardens in Pleasanton that were part of this year's tour as well as last year's.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

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ORIGINATING SECTION: Administration

CONTACT: Jill Duerig/Tim Hunt

AGENDA DATE: June 20, 2012

ITEM NO. 14c

SUBJECT: Legislative Update

SUMMARY:

- Zone 7 staff, with the support of the agency's lobbying firm, The Gualco Group, Inc., and the agency's legislative support consultant, Tim Hunt, monitors legislation that is being considered in Sacramento, as well as other political activities of interest to the Agency.
- The Zone 7-sponsored South American Spongeplant bill (AB 1540, authored by Assemblywoman Buchanan) passed the Assembly unanimously and was scheduled to be heard by the Senate Natural Resources and Water Committee on June 12.
- Five bills that would have been detrimental to the BDCP all are dead for the year. AB 2000 (Huber) failed in the Assembly Water, Parks and Wildlife Committee while both AB 2421 (require third party cost/benefit analysis of Delta conveyance) and AB 2422 (feasibility study on western intakes for new conveyance), by Assemblyman Bill Berryhill were held in the Assembly Appropriations Committee. Zone 7 signed coalition letters opposing these three bills. Assemblywoman Buchanan withdrew her two Delta-related bills.
- The state budget was due to the governor on June 15 or legislators' pay is docked for every day it is late. The Legislature had to figure out how to close a \$9 billion gap between the January budget and the May revise after about \$6 billion in projected revenue failed to materialize. Both houses have agreed to add 10 additional positions to the Department of Water Resources for project operations and maintenance. Legislative committees approved 37 permanent positions and 38 two-year positions for the Delta Habitat, Conveyance and Conservation Plan, about half of what DWR had requested. No positions can be filled until the draft EIR/EIS has been circulated for 30 days. DWR has further assured State Contractors that no positions will be filled before a funding agreement is in place.
- A Legislative vote is pending on delaying the \$11.2 billion water bond until 2014. It likely will originate in the Senate. Proponents of the delay are trying for a two-thirds majority to eliminate any potential issues that could be raised by a majority vote.
- Two bills of interest to Zone 7, AB 200 to extend the state matching program for levee maintenance and SB 1495 to exempt dredging at the ports of Stockton and West Sacramento from being "covered actions" (both by Lois Wolk) were set for hearing in the Assembly on June 12. Water contractors are still working on suitable language for the dredging bill.

RECOMMENDED ACTION: Information only.

Attachments: Executive Summary



EXECUTIVE SUMMARY State Legislation



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

June 6, 2012

Bill	TOPIC	SYNOPSIS	STAFF- RECOMMENDED POSITION	STATUS OF THE BILL/COMMENTS
Sponsored Legislation				
<u>AB 1540</u> <u>(Buchanan)</u>	South American Spongeplant	The bill would authorize the Dept. of Water Resources to eradicate this invasive species.	Sponsor	06/12/2012 Set for hearing in Senate Committee on Natural Resources and Water
<u>SB 1337</u> <u>(DeSaulnier)</u>	Zone 7 Water Agency	This bill would state the intent of the Legislature to enact a bill to allow Zone 7 to separate from Alameda County.	Sponsor	Failed Deadline – Dead for 2011-12 Legislative Session
Peripheral Canal				
<u>SB 200</u> <u>(Wolk)</u>	Delta levee maintenance	This bill would extend existing reimbursements of up to 75% for designated levee repair costs until July 1, 2018 (existing law sunsets July 1, 2013), and on and after that date, to reimburse up to 50% of those costs.	Support	06/12/2012 Anticipated hearing in Assembly Committee on Water, Parks and Wildlife
Public Employment				
<u>AB 1184</u> <u>(Gatto)</u>	Public employees' retirement benefits	This bill would state that a CalPERS agency not experience a significant increase in actuarial liability due to increased compensation paid by another contracting agency to a non-represented employee. (NOTE - unrelated to Zone 7's retirement plan.)	Watch	2 Year Bill: will be eligible to be taken up during the 2012 legislative year
<u>AB 1320</u> <u>(Allen)</u>	Public employees' retirement: employer contribution rates	This bill would establish for each CalPERS employer a Rate Stabilization Account in the Employer Rate Stabilization Fund. (NOTE - unrelated to Zone 7's retirement plan.)	Watch	In Senate. Held at Senate Desk.

Bill	TOPIC	SYNOPSIS	STAFF-RECOMMENDED POSITION	STATUS OF THE BILL/COMMENTS
AB 1808 (Williams)	Meyers-Milias-Brown Act: Public Employees	This bill would expand the definition of "public employee" to include any person employed by an employer that is a not a public agency, but with which a public agency shares or codetermines decisions governing essential employment conditions of that person.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
Water Conservation, Supply & Delivery				
AB 1607 (Galgiani)	Local Water Supply Projects: inventory	This bill would require the Dept. of Water Resources to conduct a statewide inventory of local regional water supply projects and post the results of the inventory on the department's Internet Web site by July 1, 2013.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 1669 (Perea)	Groundwater: Nitrate at Risk Area Fund	This bill would establish the Nitrate at Risk Area Fund, moneys in the fund would be available for the purposes of developing and implementing sustainable and affordable solutions for disadvantaged communities in areas reliant on nitrate-contaminated groundwater as their source of drinking water.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 1750 (Solorio)	Rainwater Capture Act of 2012	This bill would allow residential, commercial and governmental landowners to install, maintain and operate rain barrel systems and rainwater capture systems.	Watch	06/12/2012 Set for hearing in Senate Committee on Natural Resources and Water
AB 1798 (Perea)	Posting agricultural water management plans	This bill would require the Dept. of Water Resources to post agricultural water management plans on its web site after they are submitted by agricultural water users.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 2056 (Chesbro)	Drinking water	This bill would simplify requirements to install a point-of-entry and point-of-use water treatment system.	Watch	In Senate Committee on Rules for assignment
AB 2208 (Perea)	Drinking Water	This bill would require the Dept. of Public Health to consider regional solutions when awarding grant money to provide clean water to underserved communities.	Watch	06/18/2012 Set for hearing in Senate Committee on Environmental Quality
AB 2238 (Perea)	Public water systems: drinking water	This bill would require the Dept. of Public Health to promote the consolidation and merger of small community water systems that serve disadvantaged communities.	Watch	In Senate Committee on Rules for assignment
AB 2398 (Hueso)	Water recycling	This bill would enact the Water Recycling Act of 2012 to revise and consolidate the law related to recycled water and establish statewide goals.	Watch	In Senate Committee on Rules for assignment

Bill	TOPIC	SYNOPSIS	STAFF-RECOMMENDED POSITION	STATUS OF THE BILL/COMMENTS
AB 2529 (Weickowski)	Safe Drinking Water: Revolving Fund	This bill would authorize the Dept. of Public Health to adopt interim regulations for purposes of implementing provisions relating to the Safe Drinking Water State Revolving Fund.	Watch	In Senate Committee on Rules for assignment
SB 1340 (La Malfa)	Appropriation of water: Oroville Sewage Comm.	This bill would authorize the Oroville Sewage Commission to file an application to appropriate water based upon its discharges into the Feather River.	Watch	Referred to the Assembly Committee on Water, Parks and Wildlife
SB 1386 (Lowenthal)	Municipal Water Districts: Water Storage	This bill would prohibit a district located in a county with a population greater than 8 million persons and where at least 80% of the area of the district is included within the boundaries of a water replenishment district from having specified authority relating to the storage of water.	Watch	In Assembly. Held at Assembly Desk
Special Districts				
SB 31 (Correa)	Post government employment: restrictions	This bill would apply the prohibitions of the Political Reform Act of 1974, in addition, to local appointed officials.	Watch	06/19/2012 Set for hearing in Assembly Elections and Redistricting
CEQA - Infrastructure Projects				
SB 52 (Steinberg)	Environmental quality: jobs and economic improvement	The bill would require a lead agency to place the highest priority on feasible measures that would reduce greenhouse emissions on the project site and the surrounding neighborhoods.	Watch	Referred to Assembly Committee on Natural Resources
Financing				
AB 1538 (Cook)	Recovery Audits	This bill would require the Controller to contract with consultants to provide semiannual recovery audits of state agencies with expenditures exceeding \$50,000,000 in a fiscal year, unless excepted by regulation.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
Natural Resources/Environment/ Delta				
AB 1813 (Buchanan)	Delta Reform Act of 2009	This bill would require the system of Delta watershed diversion, for certain diversions, in lieu of requiring reporting, to use data from the consumptive use index modeling used by the Dept. of Water Resources to determining the Net Delta Outflow index.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 1884 (Buchanan)	Delta Reform Act of 2009, covered actions	This bill would exclude from the definition of "covered action" any anticipated upgrades to existing drinking water, stormwater, or watershed treatment facilities to meet state water quality requirements.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session

Bill	TOPIC	SYNOPSIS	STAFF-RECOMMENDED POSITION	STATUS OF THE BILL/COMMENTS
AB 2000 (Huber)	Delta Plan	This bill would reduce the Governor's appointments to the Delta Stewardship Council to 2 members.	Oppose	Failed Deadline – Dead for 2011-12 Legislative Session
AB 2421 (Berryhill, Bill)	Bay Delta Conservation Plan: delta Plan Project: costs and benefits	This bill would require and independent 3 rd party to conduct an analysis of the costs and benefits for any project being submitted by the Day Delta Conservation Plan to the Delta Plan.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 2422 (Berryhill, Bill)	Delta: Western Delta Intakes Concept: feasibility study	This bill would require the Department of Water Resources to undertake an expedited evaluation and feasibility study of the Western Delta Intakes Concept.	Oppose	Failed Deadline – Dead for 2011-12 Legislative Session
AB 2423 (Berryhill, Bill)	Comprehensive Sacramento-San Joaquin Delta planning	This bill would make technical, non-substantive changes to provisions of the 2009 Delta Reform Act.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 2443 (Williams)	Vessels: registration fees: mussels	This bill would authorize a county to assess a fee on vessels registered there to establish and operate a dreissenid mussel monitoring, inspection and eradication program.	Watch	In Senate Committee on Rules for assignment
SB 1251 (Evans)	Ocean Protection Council: Aquatic Invasive Species Working Group	This bill would establish an Aquatic Invasive Species Working Group for the development and implementation of an aquatic invasive species control program.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
SB 1495 (Wolk)	Covered actions, Delta Reform Act 2009	This bill would exclude from the definition of "covered action" specified leases approved by special districts as well as dredging activities conducted by the federal government.	Watch	06/12/2012 Anticipated hearing in Assembly Committee on Water, Parks and Wildlife
Regulatory				
AB 1537 (Cook)	Government Accountability Act of 2012	The bill would require that new regulations that are estimated to have a \$1 million or more impact on business or individuals contain a provision requiring repeal two years after enactment.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session

Bill	TOPIC	SYNOPSIS	STAFF-RECOMMENDED POSITION	STATUS OF THE BILL/COMMENTS
AB 1543 (Alejo)	Public Contracts: Buy American	The bill would repeal the provisions that prohibit the application of existing United States-made preferences for specified equipment.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
AB 1549 (Gatto)	Development: expedited permit review	The bill would require the Office of Permit Assistance to assist state and local agencies in streamlining the permit approval process as well as providing developers with information about required permits and the environmental process.	Watch	In Assembly Committee on Appropriations. Held under submission
SB 1146 (Pavley)	Wells: reports: public availability	The bill would require the department to provide specified disclaimers when providing the reports to the public.	Watch	Failed Deadline – Dead for 2011-12 Legislative Session
SB 1364 (Huff)	Water corporations	This bill would expand inspection provisions of the Public Utilities Act to authorize the inspection of accounts, books, papers and documents of any subsidiary of a water corporation.	Watch	In Assembly. Held at Assembly Desk



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ORIGINATING SECTION: Administrative Services

CONTACT: Tom Hughes

AGENDA DATE: June 20, 2012

ITEM NO. 14d

SUBJECT: Status Report on Separation Efforts

SUMMARY:

Employee Services:

- As communicated by the General Manager at the recent all-employee meetings, staff has been directed to continue to pursue separation from Alameda County.
- Staff continues to assess all separation-related activities and to reach out to Alameda County staff to keep moving the transition forward.
- Although this year's Zone 7 separation legislation, SB 1337, has been put on hold by primary author Senator Mark DeSaulnier, staff is looking forward to addressing concerns raised and to sponsoring a bill again in 2013 at the start of the next two-year legislative cycle. If the bill is signed by the governor in 2013, the earliest effective date would be January 2014.

Business Administration:

- Due to a decision to abandon the previously-identified payroll provider, implementation will be further delayed until at least January 2013. In the meantime, Finance and Accounting staff are actively pursuing alternative payroll providers.
- Staff is researching cost accounting systems for labor charges.



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ORIGINATING SECTION: ADMINISTRATIVE SERVICES
CONTACT: JAVIA GREEN

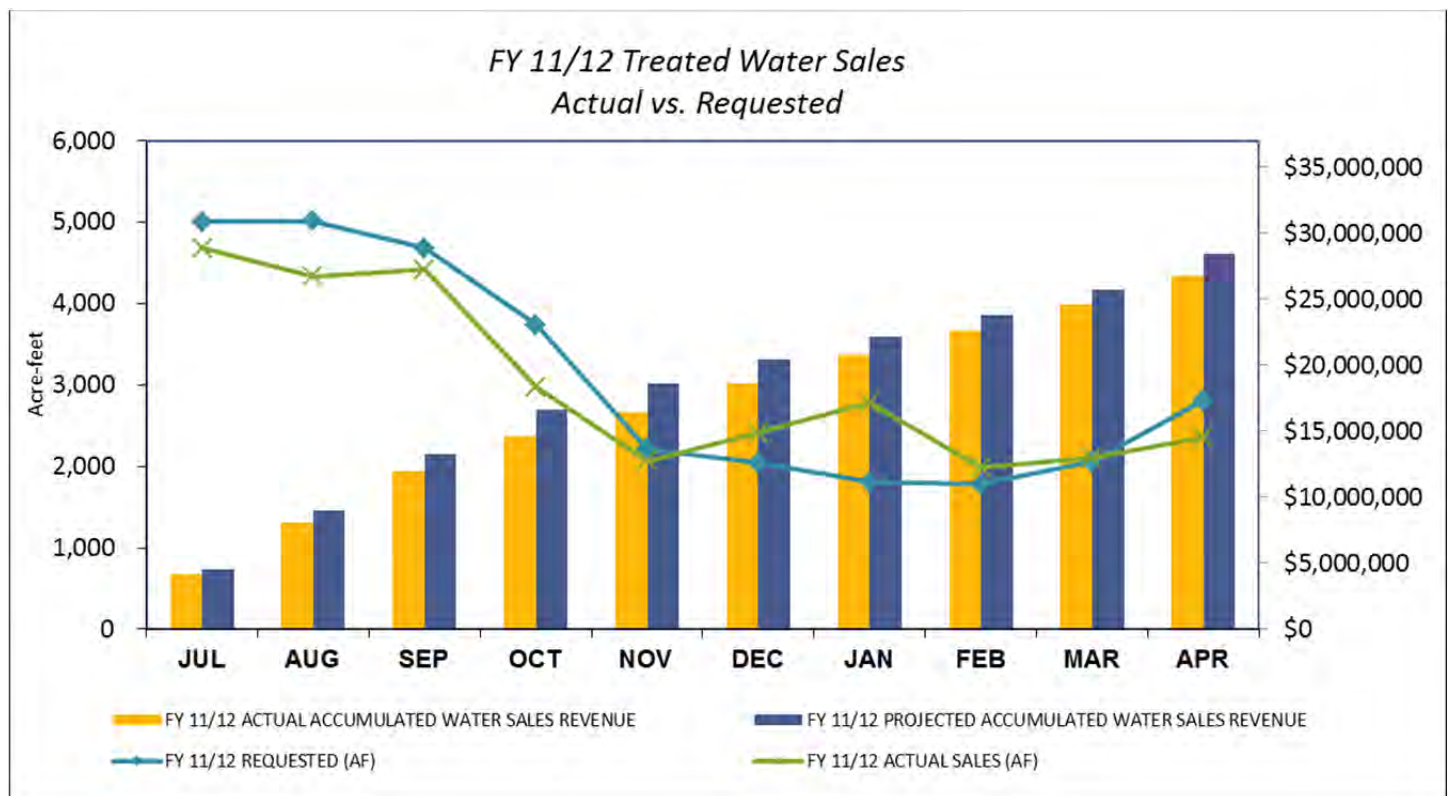
AGENDA DATE: June 20, 2012

ITEM NO. 14e

SUBJECT: Water Sales and Connection Fee Revenue

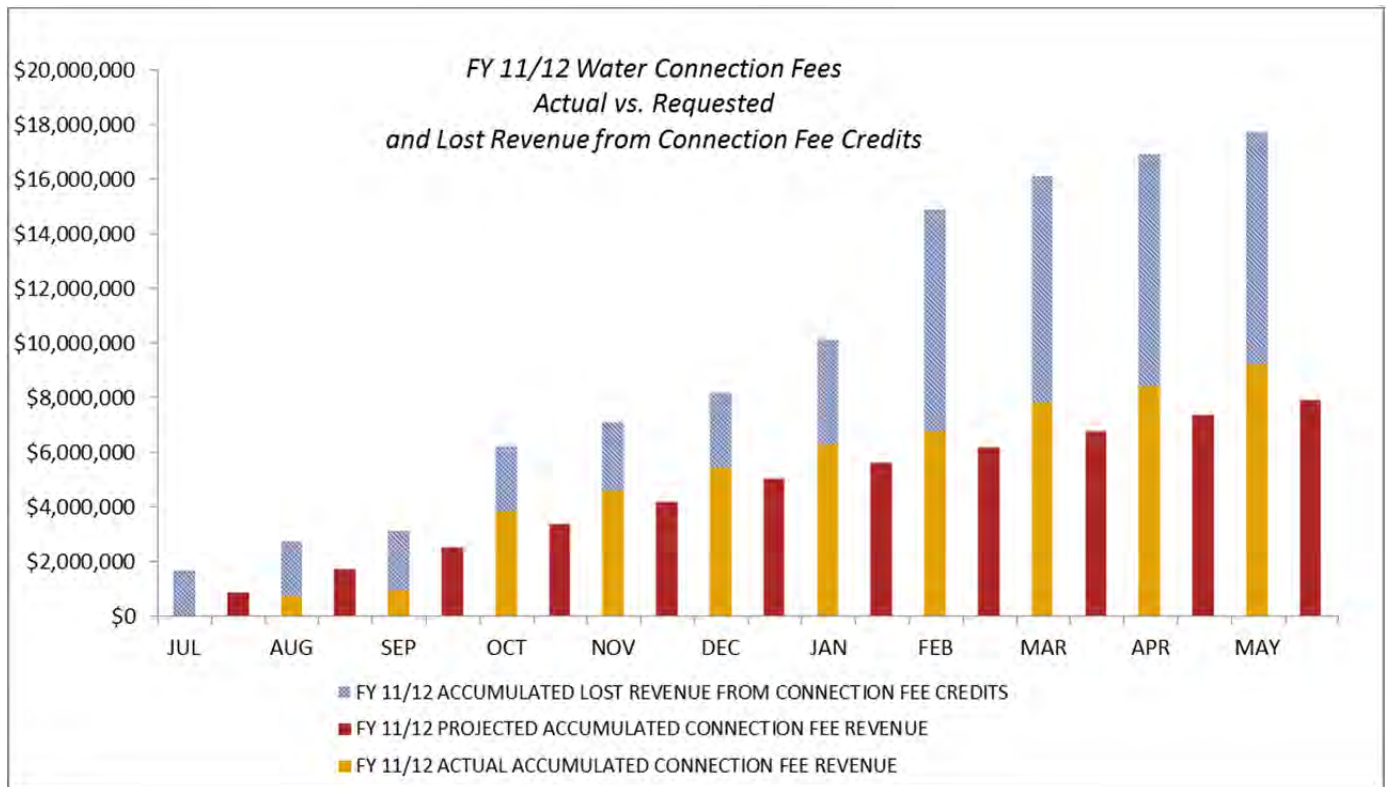
Treated Water Sales

Treated water sales revenue funds the Water Enterprise (Fund 52). Through the end of April, actual sales are 6% below projected sales. Actual water sales compared to projected sales is shown in the graph below:



Connection Fees

Connection fee revenue funds Water System Expansion (Fund 73). Through the end of May, collected connection fees are 9% above projected fees. Another \$8.5M worth of connection fee credits were used. Actual connection fee revenue plus lost revenue from credits used compared to projected revenue is shown in the graph below:



RECOMMENDED ACTION:

Information only.