

ZONE 7 BOARD OF DIRECTORS
Administrative Committee

August 2, 2012
1:00 p.m.

Location: Board Room
 Zone 7 Administration Building
 100 North Canyons Parkway
 Livermore, CA 94551

Director Greci
Director Palmer
Director Stevens

A G E N D A

1. Public Comment on Items Not on Agenda
2. Discussion on Options for Moving Forward on Separation – Board plus Management/Staff
 Advisory Team
3. Verbal Reports
4. Adjournment

7/24/12



ZONE 7 WATER AGENCY - ADMINISTRATIVE SERVICES DIVISION

100 N. Canyons Parkway, CA 94551 PHONE (925) 454-5000 FAX(925) 454-5723

M E M O R A N D U M

DATE: August 2, 2012
TO: Administrative Committee
FROM: The MAT/SAT Separation Committee Members
SUBJECT: Options for Moving Forward on Separation

SUMMARY:

- A committee was formed of members from the Management Advisory Team (MAT) and the Staff Advisory Team (SAT). This committee has been considering possible next steps following SB1337.
- The committee has developed a list of options for moving forward on separation along with pros and cons for each option. The committee did not include the quantitative financial implications or the likelihood of success for each option at this time.
- The committee will give a brief presentation on the list of options for moving forward on separation to facilitate discussion.
- All employees have been invited to attend and participate.

RECOMMENDATION:

Review and discuss.

Attachment:
Review of Options for Moving Forward on Separation

MAT/SAT Separation Committee – Review of Options for Moving Forward

Options	Pros	Cons
1. Pursue separation via Legislation -including Flood Control	• Will meet all objectives: ○ Customers in Dougherty Valley (DV) area will be able to run and vote to for Zone 7 directors ○ Improve recruiting ○ Streamline purchasing ○ Achieve other efficiencies such as budgeting ○ Keep Agency as whole ○ Maintain Valley voters' original goal of local control ○ Continue to provide Flood Control and Water Supply ○ Not subject to the County's financial woes ○ Not subject to County policies and procedures	• Significant additional negotiations are needed for Alameda County buy-in • Clarification and reassurance is needed in draft legislative language for Contra Costa County buy-in (in process)
2. Pursue separation of water enterprise via Legislation; leave Flood Control with County	• County may not oppose this option • Will meet the following objectives: ○ Customers in DV area will be able to run and vote to for Zone 7 directors ○ Improve recruiting ○ Streamline purchasing ○ Achieve other efficiencies such as budgeting ○ Not subject to the County's financial woes ○ Not subject to County policies and procedures	• In 1957 Valley voters approved the creation of Zone 7 to keep Flood Control and Water Supply issues under local control. Leaving FC behind with County goes against voters' wishes • Makes integrated use of resources for Flood Control and Water supply very difficult
3. Pursue separation via LAFCO process with or without Flood Control	• Alameda County supports option only if flood control is not included • Contra Costa may support • Will meet the following objectives: ○ Improve recruiting ○ Streamline purchasing ○ Achieve other efficiencies such as budgeting ○ Not subject to the County's financial woes ○ Not subject to County policies and procedures • May meet the following objectives:	• May result in unintended merger and/or loss of flood control • In 1957 Valley voters approved the creation of Zone 7 to keep Flood Control and Water Supply issues under local control. Leaving FC behind with County goes against voters' wishes. • Makes integrated use of resources for Flood Control and Water Supply very difficult • Separate LAFCO process for Alameda County and Contra Costa County

MAT/SAT Separation Committee – Review of Options for Moving Forward

Options	Pros	Cons
	Customers in DV area may be able to run and vote to for Zone 7 directors	LAFCO may not have legal jurisdiction over Zone 7 given nature of existing statute (Alameda County Flood Control & Water Conservation District Act, including section 36) and objectives
4. Fully exercise authority under AB 1125	- Existing law - Implementation opportunities already outlined by Management Partners - Will meet the following objectives: - Keep Agency as whole - Maintain Valley voters' original goal of local control - Continue to provide Flood Control and Water Supply - May meet the following objectives: - Improve recruiting - Streamline purchasing - Achieve other efficiencies such as budgeting	- Customers in DV area will not be able to run and vote for Zone 7 directors - Actual success of implementation may be challenged by lack of Alameda County support - May need to take AB 1125 to AG's office or court for legal determination of interpretation - Potentially remain subject to the County's financial woes - Potentially remain subject to County policies and procedures
5. Referendum/Petition	Voter requirements vary for formation of new district; some legislation allows petitions by outside agencies (DSRSD, for example)	- Limited to existing structures of governmental agencies, many of which do not include clear authority for flood control - May reduce number of board members and/or force election by district/ward - Next steps unclear
6. Do nothing at this time/Status Quo	- Will meet the following objectives: - Keep Agency whole - Maintain Valley voters' original goal of local control - Continue to provide Flood Control and Water Supply	- Customers in DV area will not be able to run and vote for Zone 7 directors - Sunk costs in separation efforts, to date; additional costs related to putting on the brakes - No efficiency improvements related to separation - No separation-related cost savings to Agency (Management Partners' Report) - Loss of political momentum for separation - Remain subject to the County's financial woes - Remain subject to County policies and procedures

MAT/SAT Separation Committee – Review of Options for Moving Forward

Separation Committee Members:

Tamara Baptista
Jarnail Chahal
Gerald DeWitt
Joel Larson
Carol Mahoney
Barry Ivy
Jeff Tang
Pony Yim

DRAFT