

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

January 15, 2014

President Stevens called the meeting to order at 7 p.m. The following were present:

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

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
JOHN KOLTZ, SENIOR ENGINEER, WATER FACILITIES ENGINEERING
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 1 - Call Meeting to Order

Item 2 - Pledge of Allegiance

President Stevens led a salute to the flag.

Item 3 – Citizens Forum - None.

Item 4 - Minutes of the Regular Meeting of January 29, 2014:

Director Palmer moved and Director Ramirez Holmes seconded the motion to approve the minutes as presented. The minutes passed by a 7-0 voice vote.

Item 5 - Consent Calendar

Director Ramirez Holmes requested that Consent Item 5 (b) be pulled from the Consent calendar for discussion. Director Palmer moved that Item 5 (a) be approved and Director Greci seconded the motion which was approved by a voice vote of 7-0.

Resolution No. 14-4331	Authorized a four-way funding agreement among EBRBD, ACWD, SCVWD and Zone 7 to continue the Quagga and Zebra Mussel prevention program for Lake Del Valle. (Item 5a)
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Director Ramirez Holmes questioned the cost of a candidate's statement for the 2014 election as stated in Consent Item 5 (b). Ms. Rector responded that the Registrar of Voters has not completed the computation for the actual cost of the candidate's statement of qualifications for the 2014 election but there was agreement among the Directors that the amount in the resolution, \$1740, was too low and the resolution should be revised. Director Ramirez Holmes said that it might be hard to collect the extra money from candidates after they file, so she suggested that the resolution be revised to reflect an upfront amount of \$3,093, the 2012 cost, although the actual cost will be higher because it is based on the number of voters in 2014.

After further discussion, Director Ramirez Holmes moved and Director Quigley seconded a motion to amend the resolution to \$3,093. A roll call vote of 7-0 was called and the amended resolution was approved.

Resolution No. 14-4332 Authorized and requested the Board of Supervisors to call an election for the election of four members of the Zone 7 Board of Directors in the Director Primary Election to be held on June 3, 2014. (Item 5b)

Item 6: Staffing Update:

Ms. Duerig announced that Dale McCombs, Water Plant Operator III, has been selected as the November 2013 Employee of the Month. Dale works in the Distribution and Wellfield section of Operations, based out of the Parkside office. He handles the Underground Service Alerts (USAs) and his verbal skills allow him to communicate confidently about Zone 7 facilities with contractors in addition to his skills and knowledge of pipelines and equipment that assure our facilities are protected. The Board applauded him in absentia.

Item 7 – Award of Construction Contract for the PPWTP Ultrafiltration Clarifier Corrosion Control Upgrades Project

Kurt Arends, Assistant General Manager, Engineering, told the Board that the Clarifier at the Patterson Pass Ultrafiltration plant has been showing signs of corrosion of steel within the clarifier. This project's scope is to go in and patch the coating of the steel where there are signs of corrosion as well as the cathodic protection. This project was exempt from CEQA and a Notice of Exemption for the project was filed with the Alameda County Clerk and Recorder's Office. Three bids were received and the lowest responsive bidder, Industrial Coating and Restoration Service, Inc., was determined not to be a responsive bidder because of not submitting bid certification documents. They contacted Zone 7 that they had made a monetary error in their bid which is why their bid was significantly lower than the other bids. The second lowest responsive and responsible bidder was TPA Construction, Inc. with a bid of \$190,000 and they also had an error in their original bid of \$200,000 in the mathematical summation. Staff re-added TPA's numbers and corrected the bid to \$190,000 so Staff is recommending an award of the bid to TPA Construction for \$190,000.

Director Figuers asked if TPA Construction had been contacted that their bid had been changed. Mr. Arends said they had been contacted and there is not much they can do. They would have to demonstrate that they made a material error in the bid process if they had chosen to remove their bid.

Director Ramirez Holmes asked about the lifespan of the clarifier since it was just installed in 2003. Mr. Arends responded that the corrosion was premature and a corrosion expert checked the facility in 2011 and two causes of corrosion were identified 1) the coating was worn off edges where it could have been dinged or hit and 2) cathodic protection was deemed not adequate for the facility.

Director Ramirez Holmes asked about the future CIP project and if it would be cost effective to move up the CIP project or if they are two separate projects. Mr. Arends said they are two different projects and both have to be done. This project is more immediate because the steel is corroding but the concrete is more of an Asset Management project and there isn't any duplication between the two projects.

Director Figuers asked if there is sufficient variation in the water chemistry/quality going into the tank and if the ground currents going into the tank are checked? John Koltz, Senior Engineer, responded that there is not sufficient variation in the water quality and that currents are checked annually with the corrosion evaluation.

Director Ramirez Holmes moved and Director Quigley seconded the motion which was approved by a roll call vote of 7-0.

Resolution No. 14-4333 The Board approved the PPWTP Ultrafiltration Clarifier Corrosion Control Upgrades Project. (Item 7)

Item 8 - Award of Construction Contract for the Mocho 4 Well Repair Project

Mr. Arends said the contract was to replace the pump at the Mocho 4 Well facility. Over the past year the production and capacity of the well has decreased consistently over time. An investigation showed the most likely cause was failure of the pump that was installed in 2002. Another pump was pre-purchased to replace this pump by detaching the motor and pulling the column out, cleaning and doing a video inspection, replacing the column and needed parts and putting the pump back in.

Director Greci asked how they would clean the screens. Mr. Arends said they put a brush down and bail out any waste while adhering to discharge requirements into the creek by capturing the water. While the pump is out, staff is able to inspect and do any maintenance before replacing the pump.

Director Palmer asked if the casing is actually pulled out or just the shaft and was told just the shaft. Director Ramirez Holmes asked what the price of the pump purchased is and was told \$35,000. Director Greci said 10 years is a good life cycle as much as it is used for a domestic well pump.

Mr. Arends added that a Notice of Exemption was filed under CEQA guidelines and the project was advertised and bids solicited for the project. Three bids were received and Layne Christensen Company was determined to be the lowest responsive and responsible bidder with a bid of \$99,000.

Director Figuers asked if this well produces much silt or sand and Mr. Arends said this well does not produce that much which affects the lifespan of the pump.

Director Palmer moved for approval of the resolution and Director Quigley seconded the motion. The motion passed with a roll call vote of 7-0.

Resolution No. 14-4334 The Board approved the Mocho 4 Well Repair Project. (Item 8)

Item 9 – Committees - Water Resources Committee, January 13, 2014 - notes pending

As a member of the Water Resources Committee, President Stevens said Committee members reviewed the draft of the Chain of Lakes' study for Lakes H, I and Cope Lake. It provides a backbone structure to evaluate the rest of the lakes. A draft report will come to the Board next

month for approval. Director Greci commended staff for their effort to make the report simple and easy to understand regarding the functionality of the Chain of Lakes. It established the criteria for each lake and which are best for recharge and recreation. He said the report was well done and staff did a great job.

Item 10 - Reports - Directors

a. Verbal comments by President

President Stevens reported he went to a LAFCo meeting and they want a presentation on all of the water districts and sanitary districts. He thinks it is a great opportunity to tie in the Bay Delta Conservation Plan (BDCP) to the various agencies in Alameda County. He reported that LAFCo did not have any comments on Zone 7's letter on completing the Contra Costa Principles of Agreement.

President Stevens also attended a Liaison meeting with East Bay Regional Park District and the Livermore Area Recreation and Park District regarding Patterson Ranch with Director Quigley also attending. He gave them an update on Patterson Ranch and said Zone 7 had purchased it with reserves with the two main focuses being water rights and watershed management. Although the park districts were interested in hiking trails, President Stevens told them that there is a private lease and public access is not allowed yet. He suggested a Liaison meeting with East Bay Regional Park District and Livermore Area Recreation and Park District to discuss Patterson Ranch and the Chain of Lakes.

b. Written report by Director Quigley

Director Quigley noted the March 5 Tri-Valley Utility and Coordination meeting at the Martinelli Event Center and asked if Zone 7 knew about it and if anyone is attending the meeting. General Manager Jill Duerig said that the Liaison Committee has the March 5th date on their calendars.

Director Quigley took an Honors Class from Granada High School on a tour of DSRSD's wastewater treatment plant. Director Quigley said the plant has an average 12 MGD/day thru-put, six to purple pipe and six to LAVWMA.

c. Other Directors' Verbal Reports

Director Palmer reported she had attended a GRACast webinar on dioxin and urban runoff and the effect on groundwater and has copies of slides she wants to share at the next Board meeting.

Director Palmer asked if Zone 7 has a subscription to the Water Law & Policy Monitor Bloomberg Bluebird bureau of national affairs has a lot of good information on fracking and other things that are of interest. Director Figuers commented on whether there is going to be a time when MCLs are forced to be applied to private wells.

Director Ramirez Holmes reported that former Pleasanton Mayor Ken Mercer passed away and asked that tonight's board meeting be adjourned in his honor.

Item 11 - Items for Future Agenda - Directors

President Stevens noted that the Governor will probably make an announcement soon, possibly in February after the next snow measurement about the drought and we typically do not address our drought situation until April. He suggested to Ms. Duerig that staff keep the board informed.

Item 12 - Staff Reports (Information items.)

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

General Manager Jill Duerig noted the incredibly dry "wet" season we are having and that everyone is expecting the Governor to have a Declaration of a State Emergency because of the drought which we are expecting after the February snow survey and will provide updates as they are received. The April Sustainability Report is when Zone 7 evaluates data and determines conservation needs. There are several reasons: 1) we stand on a lot of good history at Zone 7; 2) we have a very robust system where we bring in extra water; we buy, we invest, and recharge the groundwater basins or other basins where it is artificially recharged and not subject to evaporation so we have a lot of storage underground, we have invested in wells and other infrastructure and can withdraw that water from our underground storage. Zone 7's system allows us to sustain a year or two of drought. This is the third year so there is a good chance of asking for additional conservation. This is not just the driest year of record but a third less than the second driest year on record. The California Water Action Plan that Secretary of Natural Resources John Laird will be talking about on January 30th will address how the different components fit together to make sure that the whole state is in better shape.

Director Palmer asked about a statement in the General Manager's Staff Report about DWR getting a report of water flowing through a backyard in Fremont and why the entire South Bay Aqueduct had to be shut down. Ms. Duerig explained that there are some older isolation valves that can't be operated unless the pipeline is empty. We are in the process of putting in an isolation valve downstream of our last turnout and it was part SBA Enlargement and Improvement project but it still has not been tested and the current shutdown has caused no water at Zone 7 plants because they are testing the valve. Eventually that project will be completed and DWR will be able to close the valve and isolate downstream problems and keep us in water during that process. Director Palmer noted that it is a security issue since we are in earthquake country and we should have a number of isolation valves so we don't lose access to water. Ms. Duerig said we get two shutdowns with the way a functional valve is now but it will be changed as part of the project.

Director Ramirez Holmes thanked Zone 7 staff for donating \$890 to Open Heart Kitchen as part of the holiday potluck as noted in the General Manager's Report. She also noted that perhaps a program honoring the volunteers for the Living Arroyos project could be implemented. Ms. Duerig said she will take the suggestion back for discussion by staff and partners.

Director Ramirez Holmes also asked for information about the Stoneridge trail being blocked. Ms. Duerig clarified that residents and quarry operators said it was unclear to people using the trails what areas were open and what areas were closed to the public. We have license agreements with

the Cities to operate those trails so the Cities have added signage or blocked out areas which were never intended to be open to the public. We have not received any complaints since that action was taken.

Director Figuers looked at an analysis of snow fall records back to 1970 for the Tahoe Region and said that it is not that unusual for dry Januarys and Februarys and it occurs about every six to eight years.

Director Palmer thanked her students from her AP Class that came to the board meeting.

The board went into closed session at 7:45 p.m.

Item 13 - Closed Session

- (a) Conference with Legal Counsel -- Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 2 cases.
- (b) Conference with Legal Counsel -- Potential litigation pursuant to Gov't Code section 54956.9(d) (3): 2 cases.
- (c) 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.
- (d) Conference with Real Property Negotiator:
Property: APNs 946-1251-029-00 and 946-1251-8-6 (partial)
Agency Negotiator: G.F. Duerig
Negotiating Parties: Robert M. Krantz, UPRR and Daniel Woldesenbet, AlCo PWA
Under negotiation: Price and terms of payment

Item 14 - Open Session and Report Out of Closed Session

The Board came out of Closed Session at 8:42 p.m. President Stevens reported there were no reportable actions taken in closed session.

Then Director Palmer moved and Director Figuers seconded a motion approving Resolution 14-4335 by a voice vote of 7-0.

Resolution No. 14-4335	The Board of Directors approved that the Supplemental Agreement to the Memorandum of Understanding between the International Federation of Professional and Technical Engineering, Local 21 and Zone 7 shall continue in full force and effect through June 22, 2013, and salaries shall not be increased for the term of this Supplemental Agreement but bargaining unit employees shall receive a one-time payment of \$1,000 on the February 28, 2014 paycheck.
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Director Figuers moved and Director Machaevich seconded a motion approving Resolution 14-4336 by a voice vote of 7-0.

Resolution No. 14-4336 The Board of Directors approved the Memorandum of Understanding between the International Federation of Professional and Technical Engineering, Local 21, and Zone 7 which shall be effective for the period June 23, 2013, through July 1, 2017, and approve a salary increase of 3% each year.

Director Quigley moved and Director Palmer seconded a motion approving Resolution 14-4337 by a voice vote of 7-0.

Resolution No. 14-4337 The Board of Directors approved an amendment to Appendix A, Footnotes to Salary Schedule Section 2.15 - Boot Allowance (Local 21) to the salary schedule contained in the Memorandum of Understanding between the International Federation of Professional and Technical Engineering, Local 21, and Zone 7 which shall be effective beginning January 15, 2014.

Director Greci moved and Director Palmer seconded a motion approving Resolution 14-4338 by a voice vote of 7-0.

Resolution No. 14-4338 The Board of Directors approved a Side Letter of Agreement between the International Federation of Professional and Technical Engineering, Local 21, and Zone 7 for a “Me Too Clause” with regard to wages for the period 2016-2017 and this Side Letter of Agreement shall be effective for the period June 23, 2013 through July 1, 2017.

Item 15 - Adjournment

The meeting was adjourned at 8:45 p.m. in memory of former Pleasanton Mayor Ken Mercer.