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

REGULAR MEETING
January 20, 2010

President Quigley called the regular meeting to order at 7:00 p.m., with a salute to the flag. The following were present:

DIRECTORS:	JOHN GRECI STEVE KALTHOFF CHRISTOPHER MOORE SARAH PALMER DICK QUIGLEY BILL STEVENS
DIRECTORS ABSENT:	DIRECTOR FIGUERS
ZONE 7 STAFF:	JILL DUERIG, GENERAL MANAGER ROGER PETERS, BEST BEST & KRIEGER, SPECIAL COUNSEL KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE JUDY RECTOR, ACTING BOARD SECRETARY

Item 3 – Citizens Forum: None

Item 4 – Minutes of the Regular Meeting of December 16, 2009

On a motion by Director Kalthoff with a second by Director Palmer, the minutes of the Regular Meeting of December 16, 2009, were approved as presented.

Item 5 – Consent Calendar

On a motion by Director Moore with a second by Director Greci, Consent Items 5a through 5d were adopted by a roll call vote of 5-0. Director Stevens abstained. The following resolutions were approved by a roll call vote:

Resolution No. 10-3369	Approving request by Director Stevens for reimbursement authorization for actual and necessary expenses associated with his attendance at the "Groundwater Withdrawal-Induced Land Subsidence in the San Joaquin Valley: A 2009 Perspective" Seminar in Fresno, California on November 4, 2009. (Item 5a)
Resolution No. 10-3370	Authorizing the Board President to execute the approved Amendment No. 1 to the Delta Specific Project Committee (DSPC) Agreement which allows the Delta Committee members greater flexibility in naming its representatives to the State-Federal Agency. It would also allow General Managers of DSPC member agencies to serve on the State-Federal Agency Board. (Item 5b)

Resolution No. 10-3371	Authorizing and requesting the Board of Supervisors of the County of Alameda to call an election for the purpose of electing four members of the Board of Directors of Zone 7, said election to be consolidated with the District Election, on June 8, 2010 (Item 5c)
Resolution No. 10-3372	The Board authorized Assistant General Manager Kurt Arends' attendance at the Association of California Water Agencies (ACWA) DC Conference in Washington, DC February 23-25, 2010 and that he be reimbursed for actual and necessary expenses associated with his attendance at this event. (Item 5d)

<u>Item 6a—New Employee Introduction</u>

Bob Martin had a prior commitment and was unable to attend the Board meeting. He joined Zone 7 on January 11, 2010, as an Electrician in the Maintenance Department, reporting to Barry Ivy. Bob has over 18 years of professional experience as an Electrician and Construction Supervisor. His technical training was completed through the International Brotherhood of Electrical Workers (I.B.E.W.) in Alameda County and he is a Certified General Electrician. His previous work experience is with Harris Electric.

<u>Item 6b—Employee of the Month Recognition</u>

Ms. Duerig announced that the Zone 7 employee of the month for November 2009 is Mr. Pony Lim, Water Quality Chemist. Pony joined Zone 7 in August 1993 as a Laboratory Technician and was promoted to the position of Water Quality Chemist in April of 1995. Pony is recognized for his positive attitude and willingness to help everyone, troubleshooting skills and knowledge in the field. He also promotes a feeling of community within the Agency.

It was noted that there were three retirements and one resignation under the Voluntary Resignation Program and there will be a detailed report on the agenda for February 17, 2010.

Director Quigley mentioned the new employee newsletter and that the employee of the month was in there, too.

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<u>Item 7—Board of Directors Comments on BART to Livermore Extension Draft Environmental Impact Report and Alternative Alignments</u>

Carol Mahoney, Enginering, thanked BART Director McPartland and Malcolm Quint for being present at this Board meeting and to update from BART and plans and various alignments. Also there was a discussion of the Administrative Committee comments the Board wants to make to BART on the environmental document. Comments are due tomorrow (Jan 21).

Directors Moore, Palmer and Greci felt the letter is a good one and responds to the draft EIR; the issues are real, it is important that the BART board hear them and that there is a public record. The Administrative Committee met last week and was in agreement with the letter opposing El Charro pathways.

Director Quigley moved and Director Greci seconded with a vote of 6-0 to authorize signing the BART letter as drafted and to forward to BART in a timely manner.

Item 8—Increase Expenditure Authorization for Bay Delta Conservation Plan Consulting Services Through February 2010

Kurt Arends, Assistant General Manager, Engineering, discussed the need for more funding to perform analysis and prepare documents for the BDCP. The work has significantly increased with a heavier effort on the effects analysis than originally anticipated. The cost of the current scope is expected to exceed the currently authorized amount by approximately $800,000 by the end of February 2010. This would increase the total authorized amount for BDCP contracts to $10.3 million.

Zone 7 is currently the Contract Administrator and is in the process of amending the cost share agreements with the San Luis & Delta Mendota Water Authority and Mirant Delta to ensure reimbursement to Zone 7.

The Board was asked to adopt the resolution authorizing the General Manager to:

> 1) authorize work and associated expenditures related to BDCP consultant contracts up to $10.3 million through February 2010;
> 2) negotiate and execute contracts and/or amendments for services with SAIC and other consultants as necessary in an amount not-to-exceed $10.3 million; and
> 3) execute amendments to existing or new reimbursement agreements as needed with the California Department of Water Resources, Mirant Delta, and the San Luis & Delta Mendota Water Authority.

Director Moore moved and Director Kalthoff seconded with a roll call vote of 6-0 and Resolution No. 10-3373 was approved.

Item 9—Resolution Concerning Board's Intent in Possible Separation from Alameda County

The Administrative Committee directed staff to prepare a resolution for the full Board's consideration and adoption to state that it is the Board's intent to maintain at least current levels of protections, benefits and salaries for employees if Zone 7 separates from the county.

The words "protections" and "salaries" were deleted and the final, amended resolution was revised to read "current levels of benefits for employees if Zone 7 separates from the County and, to the extent that enhancements are within the agency's financial capabilities, consider those as well."

Director Palmer moved and Director Greci seconded the adoption of Resolution No. 10-3374, as amended, with a vote of 6-0.

Item 10 – Committees

None.

Item 11—Items for Future Agendas —Directors

None.

Item 12 – Reports - Directors

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

Kurt Arends gave a brief presentation about the 60" pipeline that crosses the Wente property and failed on December 22, 2009. North side of hill where pipe goes up failed and several hundred feet of pipe were lost and ended up in the Wente parking lot. There are questions about where to put the pipe back, rebuild the hillside and lay in the same place or move the alignment where it is more stable. Designs will be finalized for both ideas and a decision made by the end of week by DWR. The goal is to do it the best way and get it done quickly.

Director Stevens encouraged Zone 7 Board members to go to the Wente site and take a look at what is happening because we are responsible for 53 percent of the cost. Two to four million is the estimated cost for repair.

Kevin Zollinger, Senior Vice President of Operations from Wente spoke about the impact on Wente. The pipeline design that is chosen needs to be as effective as possible. DWR has a couple of designs for putting it back in place and securing it or moving it further.

Director Quigley requested an update on cost in a month.

Item 13—Staff Reports (Information items. No action taken.)

a. General Manager's Report
b. Recent & Upcoming Public Outreach Activities
c. State Legislature: 2010
d. Status Report on Anticipated Partnership Agreement
   Regarding the City of Livermore's El Charro Specific Plan

Item 13d—Verbal reports

Kurt Arends gave a storm update. No flooding, no channel problems, small slides. The breaks in the rain make it easier.

Director Stevens expressed concern about a flooded walkway for high school kids so they have to walk on the berm or in the street behind a high school in Livermore. Carol Mahoney provided information on the FEMA flood plain and ownership. The question of liability was also discussed..

President Quigley recessed the meeting for a short break before reconvening in Closed Session at 8:10 p.m.

Director Figuers arrived.

Item 14—CLOSED SESSION

a) Conference with Legal Counsel – Existing litigation pursuant to Subdivision (a) of Government Code Section 54956.9: 1 case

Homebuilders Association of Northern California v. Alameda County Flood Control and Water Conservation District – Zone 7, et al.; Alameda County Superior Court Case No. VG09474043

b) Conference with Legal Counsel – Significant exposure to litigation pursuant to Subdivision (b) of Government Code Section 54956.9: 3 cases

c) Conference with Labor Negotiators:
Agency Negotiator: G.F Duerig
Employee Organization: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management

Item 15—OPEN SESSION AND REPORT OUT OF CLOSED SESSION

Item 16—Upcoming Board Schedule

(All meeting locations are 100 North Canyons Parkway, Livermore, unless otherwise noted)

a) Regular Board Meeting: January 20, 2010, 7:00 p.m.
b) Ad Hoc Delta Committee, January 26, 2010
c) Finance Committee, February 3, 2010, 3:00 p.m.
d) Special Board Meeting: February 3, 2010 5:00 p.m.

There was no further business, and the meeting was adjourned at approximately 9:30 p.m.