

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

REGULAR MEETING

November 20, 2013

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

DIRECTORS: SANDS FIGUERS
JOHN GRECI
AJ 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
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 October 16, 2013:

Director Ramirez Holmes noted that on the minutes the vote of 6-0-1 implies that Director Figuers abstained from the vote instead of when he was absent. General Counsel David Aladjem clarified that this is Zone 7 practice and General Manager Jill Duerig added that it would not be correct without the explanatory phrase "6-0-1 with Director Figuers absent" which clarifies that the "1" is not an abstention. Director Ramirez Holmes then corrected the wording in her statement on Page 2 from "is not raising rates" to "cannot raise rates."

Director Palmer moved that the corrected minutes for October 16, 2013, be approved and Director Quigley seconded the motion. The minutes passed by a 7-0 voice vote.

Item 5 - Consent Calendar

Director Ramirez Holmes requested that Consent Item 5(b) be pulled because she had questions regarding the item. Director Ramirez Holmes moved that both resolutions for Consent Item 5(a) be approved and Director Palmer seconded the motion which was approved by a voice vote of 7-0.

Resolution No. 14-4321 The Board of Directors designated Director Dick Quigley as the Zone 7 Water Agency voting representative in the upcoming ACWA Officer Elections to be held at the 2013 ACWA Fall Conference. (Item 5a-1)

Resolution No. 14-4322 The Board of Directors endorsed John Coleman as ACWA President and directed and authorized Director Dick Quigley to cast the Zone 7 Water Agency vote for John Coleman as ACWA President and such other candidates as deemed appropriate at the time of voting. (Item 5a-2)

Director Ramirez Holmes asked about the sole source professional services for the Water Treatment Support and Investigation contract in Item 5(b). Under what circumstances are sole source awards allowed as opposed to going for a proposal? General Counsel David Aladjem responded that the sole source criteria as opposed to bidding a contract is (1) the threshold for the bidding requirement as this contract is and (2) the nature of the services to be provided under the contract. If the services are construction services, they go out to bid. If they are professional services such as engineering, analysis or evaluation, as this one is, then it can be sole sourced. Director Quigley moved for approval of the resolution and Director Machaevich seconded the motion. The motion passed with a roll call vote of 7-0.

Resolution No. 14-4323 Authorized the General Manager to negotiate and execute a Contract with Water Quality & Treatment Solutions, Inc., to provide professional services to evaluate mitigation measures to improve filter performance at the Del Valle and Patterson Pass Water Treatment Plants in an amount not to exceed \$105,000. (Item 5b)

Item 6 - Staffing Update:

Ms. Duerig announced that Elena Scharnhorst, Employee Services Specialist, was chosen as the September 2013 Employee of the Month. The program allows a repeat nomination if it has been over 18 months since being chosen so this is her second time receiving this honor. Ms. Duerig noted that she has a fantastic attitude and has done a lot to improve her knowledge in this area by acquiring a Professional in Human Resources Certification (PHR) as well as Water Treatment and Distribution Operator certificates which allow her to better understand the issues the Operators are facing. The Board applauded her in absentia.

Item 7 - Renewal of Municipal Water Quality Investigations Program Agreement

Kurt Arends, Assistant General Manager, Engineering, told the Board that this item continues Zone 7's involvement in the Municipal Water Quality Investigations Program which monitors and provides valuable information regarding the water quality of the Delta and the water being delivered to the State Water Contractors, especially Zone 7 since we are so close to the Delta, by tracking the water quality and trying to forecast what changes are occurring. The annual total cost for the program is about \$3.1 million and \$2.7 million is funded through the Statement of Charges, with the other \$400,000 set aside for the Specific Programs Committee that controls the money that goes to DWR for special studies and technical services funded through a separate program. The \$3.1 million is divided among the Table A contractors so Zone 7's share is not to exceed \$88,187 per year and funds both the MWQI and the Specific Programs' efforts.

President Stevens asked about monitoring the water as it travels through 100 miles of canals. Mr. Arends said monitoring happens throughout the system in real time data so we know specifically what is coming through the system.

Mr. Arends responded affirmatively to both of Director Ramirez Holmes' questions regarding if the previous contract renewal was for three years, and has it been previously budgeted for this year?

Director Quigley noted that a report called the Fingerprint Report is produced which assesses the health of the Delta from a throughput standpoint. He feels the information is worthwhile and the investment is worth the cost.

Under Public Comment, Randy Werner, City of Livermore, noted that in Table 1 and Table 2 the numbers in the Proportionate Share column are different. Mr. Arends noted that, although this is a draft, there is a mistake because one of the contractors is missing from Table 2. The math is correct but the total should be reduced by \$25,000. They are paying their portion of the \$2.7 million but they are not involved in the Specific Projects Committee or paying part of the \$400,000. Mr. Arends has asked DWR staff to correct the agreements.

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

Resolution No. 14-4324	Authorized the General Manager to negotiate and execute the Municipal Water Quality Investigations Agreement with the Department of Water Resources for the calendar years 2014 through 2016; and to execute the Specific Project Agreement with the State Water Project Contractors Authority for the calendar years 2014 through 2016 for a combined amount not-to-exceed \$88,187 per year.
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Item 8 - Committees - Water Resources Committee, October 21, 2013 - notes

Director Figuers described the November 14, 2013, Finance Committee (notes pending). He reported that the auditors gave Zone 7 the highest ranking possible. The Committee members are suggesting that trigger points be made internally which would mean that if a value for an account varies by a percentage, that should be flagged so it can be spotted easily. Other agencies have this. The Committee members need to decide what trigger point to set so it flags their attention quickly in a particular account and they can ask why it has changed. Director Palmer noted that it does not mean anything is wrong, but it could be, and allows them an opportunity to check. Director Ramirez Holmes said the Committee Members asked for more information on a number of items before it comes to the full Board.

President Stevens reported that the Water Resources presentation will be given to the full Board after modifications are made.

Director Figuers left the meeting at 7:20 p.m.

Item 9 - Reports - Directors

- a. Verbal comments by President
- b. Written report by Director Quigley
- c. Other Directors' Verbal Reports

Director Palmer reported on the GRACast she viewed on Salt and Nutrient Management, contrasting SNMPs for Northern California Wine Country and the Southern California Desert, and distributed copies of her notes from the GRACast. The San Francisco Bay Region discussion included Zone 7. She noted that the Livermore-Amador Valley was selected as a priority basin because early on Zone 7 staff developed salt management plans for our basin and we are now looked at as a model for development.

Director Ramirez Holmes reported that she attended the Tri-Valley Mayors' Summit on October 30 where Dublin Mayor Tim Sbranti discussed partnerships, which included Zone 7. On November 1, she attended the Stoneridge Drive Opening and Pleasanton's City Manager talked about Zone 7's contribution to the project. On October 8, she attended the Elected Women's Lunch. On November 15, she attended the ACWA Statewide Water Action Plan (SWAP) and was able to do some brainstorming with DSRSD representatives. She also graduated from the California Special District's Leadership Academy in Napa and will have more information soon.

Director Quigley also attended the November 15 Region 1 & 5 Statewide Water Action Plan (SWAP) at East Bay Municipal Utility District in Oakland. The SWAP is an ACWA proposal that proposes a statewide plan. ACWA is looking for all water agencies to comment and bring the plan back for endorsement. Director Quigley suggested that the endorsement might be a subject for a future Board meeting.

Item 10 - Items for Future Agenda - Directors - none.

Item 11 - Staff Reports (Information items.)

- a. General Manager's Report
- b. Communications Outreach Activities
- c. Legislative Update
- d. Monthly Budget Report
- e. Update Related to the Bay Delta Conservation Plan
- f. Verbal Reports

Ms. Duerig reported that title had transferred for the Patterson Ranch property and Zone 7 is now the owner of 5,000 acres in the Del Valle watershed that Zone 7 will be able to protect in perpetuity.

The State Department of Water Resources released its initial allocation and it was only 5 percent, the second time in the history of the project that it has been that low. Ms. Duerig distributed graphs that showed the Lake Oroville storage level the lowest level ever, even lower than the 1976-77 drought, so that we are going into this year with a very low storage level. We are about 1.4 million-acre feet and usually are closer to 2.2 million acre feet. The second graph showed that Northern Sierra Precipitation, Eight-Station Index, which is a critical piece for the State Water Project allocations, is well below average and given the low storage for the season and the dry season for October-November, it is no surprise we have such a low allocation.

The board went into closed session at 7:30 p.m.

Item 12 - Closed Session

- (a) Conference with Legal Counsel -- Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 1 case.
- (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.

Item 13 - Open Session and Report Out of Closed Session

The Board came out of Closed Session at 8:25 p.m. President Stevens stated there was no reportable action taken in closed session.

Item 14 - Adjournment

The meeting was adjourned at 8:26 p.m.