

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

March 21, 2012

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

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

DIRECTORS ABSENT: DIRECTOR FIGUERS

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
RHETT ALZONA, SENIOR ENGINEER, FACILITIES ENGINEERING
TAMARA BAPTISTA, FINANCIAL AND SYSTEMS SERVICES MANAGER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: MAYA FERRY STAFFORD, DOWNEY BRAND

Item 3 - Citizens Forum – None.

Maya Ferry Stafford from Downey Brand was introduced. She acted as General Counsel for this Board meeting due to David Aladjem's absence.

Item 4 - Minutes of the Regular Meeting of February 15, 2012

On a motion by Director Stevens with a second by Director Quigley, the minutes of the Regular Meeting of February 15, 2012, were approved by a voice vote of 6-0 with President Figuers absent.

Item 5 - Consent Calendar

Director Greci asked that Consent Item (a) be pulled and Director Quigley asked that Consent Item (f) be pulled for further discussion. On a motion by Director Moore with a second by Director Quigley, Consent Items b, c, d, e, g, h and i were approved by a voice vote of 6-0 with President Figuers absent.

Resolution 12-4170 Approved the Addendum to State of California Purchase Card Program Master Services Agreement with U.S. Bank and approve Zone 7 joining the CAL-Card program to obtain purchasing card services. (Item 5b)

- Resolution 12-4171 Authorized the General Manager to negotiate and execute an agreement with Alameda County Employees' Retirement Association (ACERA) for a 401(h) account (Item 5c)

- Resolution 12-4172 Authorized the General Manager to negotiate and execute an agreement with The Gualco Group, Inc. to provide government relations services for advocacy and legislative consulting. (Item 5d)

- Resolution 12-4173 Authorized the General Manager to negotiate and execute a services agreement for the area where Alameda County Water District's Sphere of Influence (SOI) and Zone 7's jurisdictional boundary overlap each other. (Item 5e)

- Resolution 12-4177 Authorized the General Manager to sign the contract with Southwest Environmental for the Direct Install High-Efficiency Toilet and Urinal Program. (Item 5g)

- Resolution 12-4178 Adopted Records and Information Management (RIM) Policy Framework to ensure protection and management of Zone 7 documents. (Item 5h)

- Resolution 12-4179 Authorized General Manager to negotiate and execute a contract with Kennedy/Jenks Consultants to provide Greenhouse Gas Analysis services for the Bay Area Regional Desalination Program (BARDP). (Item 5i)

Consent Item 5 (a), Public Entity Resolution for Banking Services, was pulled from the agenda by Director Greci and discussed separately. Director Greci asked if the \$5,600 one time setup charges with Wells Fargo Bank were negotiable since Zone 7 will have a substantial amount of money in their bank. Tamara Baptista, Financial Systems and Services Manager, responded that she is working with Wells Fargo but the setup fees are for Payment Manager which allows them to write checks for Zone 7 payroll and accounts payable; the setup fees are because of the checks.

On a motion by Director Greci with a second by Director Moore, Resolution 12-4169 was approved by a roll call vote of 6-0 with President Figuers absent.

Item 5 (f), Grant Easement to the City of Pleasanton for the Stoneridge Bridge Crossing over Arroyo Mocho, was pulled from the Consent Calendar by Director Quigley for further discussion. His concern is that this issue may not have gone through the Pleasanton Trail Ad Hoc Committee that the Council put together. If it is an engineering faux pas that could be corrected before building starts and permits are obtained, it could be recognized as a potential glitch and fixed. Director Quigley said if the south side could mimic the north side, it would be a good non-vehicular recreational pathway between Pleasanton and Livermore. He asked that the item be continued for thirty days to get more information rather than voted on at this meeting.

Vice-President Palmer commented that this issue is something that Pleasanton has gone through carefully in preparation for their EIRs and informing neighbors in that area. Zone 7 has been following this since 2008. Zone 7 could make suggestions to the City of Pleasanton but it is not Zone 7's business to tell them what to do in terms of trails.

Director Quigley said the Stream Management Master Plan, one of Zone 7's Board policies, does have a recreational element. Zone 7 seems to have been regularly protecting the passage of fish and

birds but we need to make sure we keep the passage of people intact in a similar way and he does not believe that has been done.

Director Stevens clarified that the agenda item is a request for an easement and has nothing to do with design, other than to assure there's no impact on flood control by granting the easement and staff has done that.

Director Moore added that there is sensitivity to this project and there will be an ongoing opportunity for all of the neighbors to comment.

Since there were no public comments, Director Greci made a motion to approve and Director Machaevich seconded the motion. A roll call vote was taken and the resolutions were passed by a 5-1-0 vote with Director Quigley voting no and President Figuers absent. The following resolutions were approved:

Resolution 12-4174 Recommended and requested that the Board of Supervisors of Alameda County Flood Control and water Conservation District grant an easement to the City of Pleasanton for Stoneridge Bridge Crossing. (Item 5f - 1)

Resolution 12-4175 Authorized the General Manager to accept and record the Grant of Easement from Continuing Life Communities Pleasanton LLC (CLC Development) for access on the lands designated and to execute a certificate of acceptance to be recorded at the Office of the Recorder of Alameda County. (Item 5f - 2)

Resolution 12-4176 Authorized the General Manager to accept and record the Grant of Access Easements from the City of Pleasanton for Arroyo Mocho Line G and to execute a certificate of acceptance to be recorded at the Office of the Recorder of Alameda County. (Item 5f -3)

Item 6 - Staffing Updates

Item 6 (a) – New Employee

Ms. Duerig welcomed Dominique Johnson, Account Clerk, to Zone 7. Ms. Johnson replaces one of the two Account Clerks that retired during the soft hiring freeze. Ms. Johnson was not present but Ms. Duerig detailed Ms. Johnson's extensive background and experience.

Item 6 (b) – Employee of the Month Recognition

Ms. Duerig congratulated Sara Whatley, Safety Technician, as the January 2012 Employee of the Month. Ms. Duerig recited examples of Ms. Whatley's contributions. Ms. Whatley was not present but the Board recognized and congratulated her in absentia.

Item 7 – Award of Contract for the Patterson Pass Water Treatment Plant Sanitary Sewer Pipeline Project

Assistant General Manager, Engineering, Kurt Arends explained to the Board that the Patterson Pass Water Treatment Plant was constructed in 1962 in an unincorporated area of Livermore and plant construction included installation of a septic tank system for sewage disposal because of the

lack of facilities in that area. Fifty years later this system is near the end of its useful life so it is time to replace it with a new septic system or connect to the City's sewer system. The City Council has agreed to provide service to the Water Treatment Plant which is a better solution environmentally and protects the groundwater basin. It also allows Zone 7 to dispose of materials such as the citric acid wash used at the UV filtration plant which is currently hauled away in a truck for disposal.

The project was advertised as 4,100 feet of 8-inch PVC pipe to be installed in the roadway. Eleven bids were received and the lowest bid is \$494,445; the engineer's estimate is \$519,000.

Director Palmer asked if Zone 7 would be saving money in terms of being able to dispose of some of our waste? Mr. Arends said Zone 7 would pay the Livermore plant to treat the materials in lieu of hauling costs, but it will be more convenient and safer than to haul it by truck.

General Manager Jill Duerig said that in the Environmental Impact Report, the septic tank at Patterson Pass was noted as failing, too, but by using the City's sewer, it allows Zone 7 to use something that is ecologically friendlier.

Director Machaevich commented that the lowest bid is not always the best and wanted to emphasize that the contract does state that there is a not-to-exceed amount of 10 percent, but he wants the contractor to know upfront that Zone 7 will stick to the contract and not go beyond the 10 percent cap; the current trend is for contractors to push this issue.

Director Moore noticed that many of the bids were above the engineer's estimate. He asked if we had any background on Mozingo Construction. Mr. Arends replied that to qualify as a bidder, they needed to meet the bonding requirements. The Board asked and was informed that Mozingo Construction is located in Oakdale. Mr. Arends said hopefully this is a straightforward project but whenever you have underground projects, unknown situations may be found.

It was confirmed that it is a prevailing wage job in response to Director Greci's question.

Director Machaevich said the key is that they are bonded which protects Zone 7. Mr. Arends added that the City will also be doing the inspections. When the City incorporates this area, it will become a City facility and it will be part of the City's sewer system so their inspections insure that it meets their requirements.

Director Moore moved and Director Greci seconded the motion to approve. Resolution 12-4180 was approved by a roll call vote of 6-0 with President Figuers absent.

Item 8. Committees – Finance Committee minutes will be available at the next Board meeting.

Item 9. – Reports – Directors

Vice-President Palmer reported that she was relaying President Figuers' verbal comment that the Directors keep the mission of Zone 7 in mind when dealing with the public.

Director Quigley added to his written comments by saying it was an honor to represent Zone 7 at the ACWA Washington DC meeting in February/March. He shared a briefing book on water issues that he brought back along with an ACWA delegate binder which is available for review with the Board Secretary. He also encouraged other Board members to attend the May ACWA Spring Conference in Monterey.

Director Moore shared that as part of the Tax Extension Bill signed in February, the National Safety Broadband system received \$7 billion so a nation-wide system can be developed that would include utilities to insure a reliable network. When asked how long before the Bay Area sees the system in place, he replied that the Bay Area is well positioned because of leadership so we will probably see it sooner than the projected five to seven years. There is not enough money to cover the entire country, probably half of what they need, but it is a great start to cover metropolitan areas and rural America where broadband service carriers do not make money so they do not provide service.

Director Quigley attended the Science and Engineering Fair which was larger than previous years. He saw three Zone 7 staff members, Boni Brewer, Brad Ledesma and Ralph Rodriguez, acting as judges and giving specific awards for the Zone 7 service area

Item 10. – Items for Future Agendas – Directors

Director Stevens stated that he has heard that in Canada they automatically choose the second highest bid. He asked that the practice be researched and confirmed. He mentioned past bids where the lowest bid was so much lower than the engineer's estimate. Usually the second, third and fourth bidders are within 5 percent of each other. Perhaps now is the time to establish it as a policy.

Ms. Duerig explained that California has its own public contracting code which limits Agency flexibility to adopt different kinds of policies. Staff can look into it and report back as a staff report and then decide whether it needs a full agenda item.

Director Moore's concern is what kind of due diligence is done on companies that we know nothing about. Do we actually check to make sure that they have completed projects that they claim to have done?

Ms. Duerig responded that especially on large projects, staff starts with a Request for Qualifications (RFQ) to pre-qualify companies to be able to bid.

Rhett Alzona, Senior Engineer, Facilities Engineering, said that Mazingo did complete a couple of almost \$250,000 projects.

Director Quigley asked for a tour of Chain of Lakes and the Parkside facilities since Zone 7 will have a new director coming in and all directors may not have visited those assets recently.

Two months ago there was a staff report on fleet inventory and, in an attempt to be Brown Act-compliant, Director Quigley requested that an e-mail be distributed to other Board members and maybe a brief fleet discussion on the agenda. Alameda County uses GPS in street sweepers and he has recommended that water agencies use them.

Item 11 – Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent Public Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Verbal Reports

Ms. Duerig gave a brief verbal report on the rain and snow recently but we are below half of normal for this time of year. There is no indication that the Department of Water Resources will increase the allocation and we will be lucky to hold on to it. The last snow survey is the first of April.

The Board went into closed session at 7:35 p.m.

Item 12 – 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: 1 case
- c) Conference with Legal Counsel - Existing litigation pursuant to Subdivision (a) of Government Code Section 54956.9: 1 case

Alameda County Flood Control & Water Conservation District, Zone 7 v. Dennis Baca, et al.,
Alameda County Superior Court Case No. VG06292844

Item 13 - Open Session and Report Out of Closed Session

Vice-President Palmer said there was nothing to report when the Board came out of closed session.

Resolution 12-4181 Approved amendment to Appendix A, Footnotes to Salary Schedules, contained in the Memorandum of Understanding with the Alameda County Building and Construction Trades Council, adding Section 2.14 – Heavy Equipment Operator.

Director Machaevich moved and Director Greci seconded the motion and Resolution 12-4181 passed 6-0 with President Figuers absent.

Resolution 12-4182 Approved salary adjustments for unrepresented classifications for Cell Phone Reimbursement for personal cell phones or computer tablets used in the course of company business; and Technology Reimbursement up to \$600 bi-annually for personal technology devices used in the course of company business.

Director Moore moved and Director Greci seconded the motion and Resolution 12-4182 passed 6-0 with President Figuers absent.

The meeting was adjourned at 8:25 p.m.