

**Zone 7 Water Agency
Administrative Committee
Summary Notes and Minutes**

Meeting Date: March 31, 2011

Start Time: 5:10 p.m.

Directors Present: J. Greci
S. Palmer

Staff Present: K. Arends C. Mahoney
J. Duerig E. Rank

1. Public Comment on Items Not on the Agenda

Members of the public did not provide comments.

2. Stanley Reach, Pilot Project Using Mitigation Funds on Arroyo Mocho

Carol Mahoney gave a presentation to the Committee on a potential pilot project on the Stanley reach of Arroyo Mocho.

Zone 7 Staff have been exploring various funding options for the Stream Management Master Plan (SMMP). Non-traditional funding sources will likely be necessary to complete many SMMP projects. This potential pilot project on the Stanley Reach of Arroyo Mocho came about partially by other agencies approaching Zone 7 to satisfy their mitigation needs related to 401 dredge/fill permits by implementing enhancement projects on our channels. The project would serve multiple purposes – (1) allow Caltrans, Alameda County Surplus Property Authority (SPA), and possibly a third entity or Zone 7 to meet their Regional Water Quality Control Board (RWQCB) permit requirements by mitigating on our channels, (2) address the habitat improvement and possible recreation related elements in the SMMP, and (3) serve as a pilot project for Zone 7 to learn about using volunteers to help implement planting plans and habitat improvements in our channels.

RWQCB is highly supportive of this project to enhance riparian habitat. Similar to the process that Zone 7 and the Board went through last year with the restoration/mitigation area for the City of Livermore's El Charro Specific Plan, the RWQCB will require the Zone 7 Board to commit to pursuing a deed restriction on the property to ensure the mitigation remains in perpetuity. This is a legal formality that is required for the issuance of most 401 dredge/fill permits by RWQCB.

Director Greci asked if Zone 7 would receive any mitigation credits for the project. Ms. Mahoney explained that mitigation credits would only be available to Zone 7 if areas outside of the Caltrans/SPA mitigation were completed with Zone 7 dollars (which could be the case if a third entity is not found to participate in the downstream portion of the project). This project could have the added benefit of enhancing our relationships with RWQCB, Caltrans, and perhaps also with various local environmental groups. Further, the City of Livermore had plans to open this area up as part of their trail system, but grant funding fell through. They have expressed a continuing interest in eventually opening this area to public access, and having the plantings installed prior to the area being open to the public will certainly increase the likelihood of plant success.

Director Palmer asked about cost. Ms. Mahoney answered that overall, Zone 7's cost will be minimal, provided that a third entity contracts for the removal and revegetation of the eastern dragon's teeth structure – otherwise, funding from Zone 7 for that portion (removal of dragon's teeth and revegetation) will in essence purchase mitigation credits for this effort. However, Alameda County Transportation Authority (ACTA) is currently considering the removal of the dragon's teeth as mitigation for one of their projects and is in discussion with Zone 7 staff to take on that portion of the project.

Initial funding for the project will be covered by Caltrans, who will pay for the design and planning/environmental studies required for the entire project reach, including: re-grading, plantings, and removal of several in-stream structures. A Cooperative Agreement will be entered into between Caltrans and Zone 7 to orchestrate the payment and reimbursement of all parties. Caltrans will pay for their share of the implementation of the project and for 10 years of monitoring. SPA will also pay for their share of the mitigation plantings and monitoring. ACTA is also looking for a mitigation project; if this project suits their needs, they would pay for the removal of the dragon's teeth and downstream revegetation, which would fulfill the costs requirements for the entire project – except for design and construction of the Surplus Property area. SPA currently only plans to contribute to riparian plantings as that satisfies their mitigation requirement.

Directors Greci and Palmer agreed that this is a good project and a good tool to help us fund parts of the SMMP. Ms. Mahoney will bring this item with a Resolution indicating the Committee's support for moving forward on this project in cooperation with Caltrans and RWQCB to the April 20, 2011 Regular Board Meeting.

3. Chain of Lakes, Historical Information

The consultant and distinguished guest speaker presenting this item was Mun J. Mar, former Zone 7 General Manager. Mr. Mar's tenure as General Manager spanned the concept development and planning period of the Chain of Lakes acquisition and his insight into its background is invaluable to understanding what opportunities may lie ahead.

Mr. Mar presented a historical narrative of the development of the "Chain of Lakes" concept. A summary paper was provided, which will be distributed to the Board to aid in the series of presentations on Chain of Lakes "opportunities" that is currently scheduled over the next few months. Mr. Mar also acknowledged Former Director Margaret Tracy, present in the audience, for her participation in the early years. Director Greci commended Mr. Mar for such forward thinking during his tenure as GM, as the valley will greatly benefit from the water supply, flood control, and recreation aspects of the lakes.

4. Verbal Comments

None.

5. Adjournment

Meeting was adjourned at 6:00 p.m.