

SUMMARY NOTES OF THE WATER RESOURCES COMMITTEE
ZONE 7 BOARD OF DIRECTORS

Thursday, April 9, 2015
4:00 p.m.

Directors present: John Greci
 Jim McGrail
 Bill Stevens

Staff present: Jill Duerig, General Manager
 Kurt Arends, Assistant General Manager - Engineering
 Carol Mahoney, Integrated Planning Manager
 Brad Ledesma, Associate Engineer

Director Greci called the meeting to order at about 4 p.m.

1. Public Comment - No public comment.

2. Annual Sustainability Report

Staff member Brad Ledesma provided a presentation that summarized the report prepared for the April 15, 2014 regular board meeting, which states that Zone 7 can meet 100% of the 2015 delivery requests for M&I and untreated customers, and 96% of the 2016 delivery requests – even if there is no conservation in 2015 and 2016 should also be a critically dry year (i.e., 1977 hydrology). The estimates for water availability and storage for 2015 and 2016 used a conservative approach to provide maximum flexibility in planning. The Annual Sustainability Report is a tool in creating a water operations plan but does not act as the operations plan, itself. A similar presentation was provided to the retailers on April 7, 2015 and will be presented at the April 15, 2015 Board Meeting. Staff highlighted the completed drought projects that had been approved to move forward by the Board in January 2014 as a part of the original drought declaration, and introduced two projects that staff are working on to meet future water supply needs: 1) The reliability intertie with East Bay Municipal Utility District; and 2) Phase I of Busch Valley Well with the potential for the installation of a mobile pump station in the event that moving water from east to west in the valley becomes necessary under limited surface water conditions.

Questions from directors and the public were received. Don Kahler asked about acre-foot conversions. Director Stevens asked how the state calculates the long-term average reliability of deliveries on the State Water Project (SWP), and if Zone 7 should be exploring alternatives to using long-term average. Staff indicated that the Department of Water Resources (DWR) provides the reliability estimates and long-term averages based on overall SWP modeling, climate change estimates, regulatory constraints, and other information available to them, and since all other State Water Contractors use these estimates for reliability, it may be difficult for Zone 7 to justify using alternative methods. Director Stevens also noted that in discussions with our retailers and cities over the next summer, Zone 7 should be prepared to discuss the impacts

of development and include this in the 50 year planning horizon of the Water Supply Evaluation (WSE). Director Greci closed the discussion by thanking the community for successful conservation during 2014 that has positioned the Valley so well for 2015.

3. Continued Support of Statewide Emergency Water Conservation Efforts

Staff member Brad Ledesma provided a presentation. A staff item and resolution will be brought before the Board on April 15, 2015, that recommends lifting Stage 2 Actions from Resolution 14-4361, supporting statewide emergency water conservation mandates, directing staff to continue the local drought state of emergency, and to work close the with retailers on conservation messaging.

Director Greci noted the importance that storage in San Luis Reservoir and good operations on the part of DWR played a key role in demonstrating that storage projects are critical for the wise handling of water in California as a whole. Don Kahler asked if Zone 7 was worried if stating the agency can meet 100% of water demands in the Annual Sustainability Report would cause people to waste water or stop conserving water. Director McGrail expressed a concern that outreach and messaging needs to be carefully crafted to explain water availability, state requirements, and that it's important to be prudent and save water during the continuing drought. Director Greci stated that community pressures to conserve and conform along with clear messaging would likely rule the majority. Directors again noted the great job and prudent efforts of the community members in previous conservation that helped to put the valley in such a good standing this year for water supplies by allowing water conserved last year to be carried over for use this year. Ms. Duerig noted that this is also why staff will be recommending that the Board adopt a resolution next week to continue the drought emergency and send a clear message to the public that we are not out of the woods yet, by also authorizing staff to provide support for achieving conservation and crafting such drought messaging. Director Stevens queried retailers present if the concerns over economic vitality had subsided given the public's strong response and success of conservation during the drought restrictions last year. He noted that Pleasanton's Vice Mayor Brown had expressed concerns of back-to-back restrictive years during a Liaison Committee meeting but that nobody from Pleasanton was present at this meeting to comment. Ms. Duerig stated that the proposed requirements were still draft and that comments were welcome. Once the statewide standards are finalized, Zone 7 would be working with the retailers to help them meet the requirements.

4. Water Supply Evaluation Amendment

Staff member Brad Ledesma provided a verbal update. The amendment will largely examine changed conditions and new data points such as: Dry conditions, in addition to a catastrophic loss from earthquake, causing outage in delta; Inability to call back banked water at extremely low allocations (less than 10%); and little to no local control due to other political factors within the State. Staff are also exploring more about water demand management and what was learned from the recent conservation measures and the response of the Valley residents and coordination of the retailers. Likewise, the extension of mining in the quarry area to 2058 will limit use of the Chain of Lakes until much later. A kickoff meeting with the retailers was held in December 2014 and one-on-one meetings with each retailer were conducted in January and February 2015. The

goal is to complete the effort by the end of summer 2015 by evaluating the pros and cons of various options and working closely with the retailers.

A retailer Liaison Committee meeting on April 27, 2015 will discuss the Annual Sustainability Report as well as provide more information about the Water Supply Evaluation Amendment, conservation, and the plan for the year. Director Greci stated that he would like staff to explore management of water levels in Lake Del Valle, but acknowledged that this facility was owned and operated by DWR and could be a challenge to effect change. No public comments were made.

5. Verbal Reports

Assistant General Manager Kurt Arends gave an update on Zone 7's Well Ordinance. Alameda County has agreed to incorporate Zone 7's ordinance language into a countywide ordinance and completed a first reading on April 7, 2015. The goal will be to have the Board of Supervisors authorize County Public Works Agency staff negotiate an MOU with Zone 7 whereby the County will delegate authority to administer the Well Ordinance Program to Zone 7 within Zone 7's service area. Fees and authority to set fees will have to be negotiated separately, but the County is not opposed to adopting the Zone 7 fee structure.

6. Adjournment

Since there were no further issues or comments, the meeting was adjourned at 4:55 p.m.