

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

May 18, 2011

President Greci called the regular meeting to order at 7:00 p.m. The following were present:

DIRECTORS: SANDS FIGUERS
JOHN GRECI
AJ MACHAEVICH
CHRISTOPHER MOORE
SARAH PALMER
RICHARD QUIGLEY
BILL STEVENS

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE
CAROL MAHONEY, ACTING SENIOR GEOLOGIST
ROBYN NAVARRA, WATER CONSERVATION COORDINATOR
BONI BREWER, COMMUNICATIONS SPECIALIST
JOHN KOLTZ, SENIOR ENGINEER
GINGER STATON, HUMAN RESOURCES ANALYST II
JUDY RECTOR, BOARD SECRETARY

COUNSEL: REN NOSKY, DOWNEY BRAND

Item 3 - Citizens Forum

None.

President Greci stated that May is Water Awareness Month and the Board tries to focus on water awareness including the Science Fair winners. It is enlightening for the Board and staff to take part and help sponsor this program because our future is in our youth and someday they may be in the water industry.

Item 4 – Minutes of the Regular Meeting of March 16, 2011

On a motion by Director Palmer with a second by Director Quigley, the minutes of the Regular Meeting of April 20, 2011, were approved as presented by a voice vote of 7-0.

Item 5 - Consent Calendar

Director Quigley pulled Consent Item 5a.

Director Moore made a motion approving Consent Items 5b through 5e and Director Palmer seconded the motion. The resolutions were approved by a roll call vote of 7-0.

- Resolution 11-4079 Approved an \$85,700 contract with Maggiora Brothers Drilling for the Camp Parks and Test Well Destructuations Project, Project No. 213-11. (Item 5b)
- Resolution 11-4080 Approved a contract amendment to Contract A11-37-LIE with Liebert Cassidy and Whitmore increasing the contract by \$120,000 to provide legal support services for employment issues. (Item 5c)
- Resolution 11-4081 Approved intent to provide access to Alameda County Surplus Property Authority (ACSPA) for the limited purpose of mitigation and channel restoration over certain real property owned by Zone 7. (Item 5d)
- Resolution 11-4084 Authorizing exchange of real property with KB Homes and Eden Housing. (Item 5e)

Director Quigley discussed why he supports Consent Item 5a, Memorandum of Agreement to conduct site-specific analysis of the Bay Area Regional Desalination Project. He feels the project is a good partnership Zone 7 is going to get into with EBMUD, SFPUC, SCVWD, and CCWD. It is a million dollar project for evaluating a 25 MGD desalination project over in CCWD's territory. This project will put Zone 7 on track for Delta reliability and sustainability of water. Director Quigley moved to approve the resolution and Director Machaevich seconded the motion. The resolution was approved by a roll call vote of 7-0.

- Resolution 11-4078 Approved a Memorandum of Agreement to Conduct Site-Specific Analysis of the Bay Area Regional Desalination Project (BARDP). (Item 5a)

Item 6 - Staffing Updates

Item 6a –Congratulations to Retiree

General Manager Jill Duerig commented that May, Water Awareness Month, is also a time to celebrate people who dedicated their career to water. The Board congratulated Todd Wendler, Water Resources Technician II who retired from the Agency on May 7, 2011, after over 24 years of service with Zone 7. Todd joined Zone 7 as a Water Plant Operator III in December 1986, moved to a Water Resources Technician I position in October 1987, and was promoted to Water Resources Technician II in March 1989. Todd worked for both the Water Resources and Groundwater Sections during his tenure with Zone 7's engineering department.

On a motion by Director Quigley and seconded by Director Palmer, Resolution 11-4082 congratulating Todd Wendler on his retirement was approved by a voice vote of 7-0.

Item 6b. New Employee Introduction

Mike Wallace joined Zone 7 on Monday, April 25, 2011, as a Staff Analyst working for the Office of the General Manager. Mike will be located at the North Canyons Building reporting

directly to Jill Duerig and acting as the Assistant to the General Manager. Mike comes to Zone 7 with over 16 years of management experience including public affairs, sales and marketing, and operational experience. Mike is transferring to Zone 7 from ACERA where he worked as an Administrative Specialist for the past two years. He obtained a Bachelor of Science degree in Business Administration with a minor in Economics from California State University, Hayward.

Item 6c. Employee of the Month Recognition

Mary Lim, Associate Water Resources Planner, was the March 2011 Employee of the Month. Mary currently works in the office of the General Manager reporting to Carol Mahoney at the North Canyons Facility. Mary's work regarding current environmental regulations enables other personnel inside the agency to perform their work accordingly. She was complimented for providing a helpful interface with regulatory agencies when permits were required for projects. Mary assisted project engineers to stay on top of permitting deadlines by providing quick turnaround when questions arose, while also prompting personnel when a deadline approached.

As part of the May celebration of employees' public service, Ms. Duerig directed the Board's attention to the picture boards at the back of the board room for 1) Bring our Children to Work Day and 2) a thank you to those who have met milestones in their career at Zone 7. A slide show that was prepared for the Zone 7 Service Awards was played for the Board.

Item 7. Presentation by Science & Engineering Fair Awardees

After commenting about hoping that students get "hooked on water and become future 40-year service award winners down the road," Ms. Duerig introduced Boni Brewer, Communications Specialist, to present the Science and Engineering Fair Awardees.

Ms. Brewer explained that the Zone 7 awards are to honor students who earned special awards for water-related projects during the Tri-Valley Science and Engineering Fair, sponsored by the Lawrence Livermore National Laboratory. There were a record number of water-related projects at the fair and it was a huge success. This year's judges from Zone 7 staff were Amparo Flores and John Koltz, engineers from the Water Supply Engineering section.

Ms. Brewer also recognized Nick Williams. Mr. Williams is the Special Awards Coordinator who works with agencies like Zone 7 who do the special types of awards as opposed to overall judging. The awards recognize the great work these students did in their research, congratulates them in a public setting, and serves as a way to help recognize May as Water Awareness Month.

Mr. Koltz was present to introduce the students and each gave a brief presentation of their project. As he announced the winners, President Greci issued each a certificate and the cash award. The following students received Zone 7 awards for their projects:

- **Johannes Fischer, Monte Vista High School**, who got a senior (grades 9-12) individual water award for his study, "Effect of Prolonged Shutoff of the Water on Bacterial Growth in Domestic Water Heating Systems." Johannes' parents are from Germany, where households turn off their water heaters at night and turn them back on in the morning to save on energy costs. Johannes wondered why this is not practiced in the United States. In his research, he discovered that regulations restrict this practice due to concerns about a rise in microbial levels in the water heaters when temperatures drop to conditions more favorable to microbial

growth. To test whether this is true, Johannes conducted a study in which he shut off the water heater in his home at the same time every night, and then monitored the resulting temperatures and bacterial quality from a hot water tap in the morning. His data, though limited, did not show adverse microbial impacts from the practice. The judges were impressed by Johannes' clear understanding of the problem and its potential implications. His project is novel, and has potential public health and environmental impacts.

Director Figuers commented about people dying of typhoid in the 1860's because of bacteria growing in their pipelines. A lot of the cities would advertise how few people would die from drinking their water. He felt that Johannes's study is one in a long line of interesting studies and he complimented him on a project well done.

- **Stephanie Herbert, Granada High School**, who received an individual senior (grades 9-12) water award for her study, "Testing for Toxins in Shadow Cliffs Lake and Their Effects on Aquatic Development." Spurred by anecdotes she had heard as a Livermore resident about the health dangers of swimming in Shadow Cliffs Lake, Stephanie decided to conduct a scientific investigation of the potential presence of toxins in the lake, and their effects on aquatic life. *Daphnia*, a planktonic crustacean more commonly called a water flea, was used as the aquatic indicator organism. *Daphnia* populations were exposed to a control water sample (spring water) and to samples of water from Shadow Cliffs. Their heartbeats and reproduction rates were monitored as indicators of potential toxic effects. While the results of the study were inconclusive, the judges were impressed by Stephanie's initiative in using the scientific method to check the veracity of anecdotal evidence, and her hard work in implementing the study. Stephanie also impressed us with her professionalism, eloquence, passion, and understanding of the limitations of her work.
- **Siddharth Kotapati, Rishabh Rao, and Wesley Wang, Windemere Ranch Middle School**, who got a junior (grades 6-8) team water award for their study entitled, "Desalinization Machine." After becoming aware of the use of desalinization plants in coastal cities, this team of middle schoolers became interested in the possibility of an individualized desalinization machine that could be used economically for potable water by rural families living in underdeveloped areas. The team's initial step was to brainstorm various designs on paper, followed by construction of a chosen prototype. After the initial prototype literally went up in flames, the experiment was saved and modified by using non-combustible materials easily available in a home or a hardware store. A teapot, tubing, ice, valves, and appurtenances were purchased. Concentrations of salt were added to a fixed volume of water that went through a boiling and condensation process. Data was gathered for the volume of potable water produced and the concentration of salt removed. Total capital and energy costs were calculated to determine efficiency. The judges were impressed by the students' brainstorming teamwork, their production of a prototype, and their ability to follow the scientific method of controlled parameters and data collection/analysis. Ms. Duerig added her congratulations to parents who allowed the experiment to continue after it had gone up in flames.

Item 8. 2010 Enhancing Conservation Program, Future Conservation Programs, and Recognize Tri-Valley Businesses for their Conservation Efforts

Because May is Water Awareness Month, Robyn Navarra, Water Conservation Coordinator, gave a presentation detailing the components of Zone 7's Water Conservation Program.

The overall objective of the water conservation program is to achieve and maintain a high level of water use efficiency throughout the valley by eliminating wasteful practices in water use, developing information on current and potential water efficiency practices, and implementing these practices.

After a brief summary of funding sources for the Water Conservation Program, Ms. Navarra discussed the Integrated Regional Water Management Plan (IRWMP) Grant Program funded by Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River, and Coastal Protection Bond Act of 2006. Thirty-three million dollars is allocated to San Francisco Bay Area Region 1 (nine Bay Area counties). Water conservation was one of five projects submitted in the grant application package to the Department of Water Resources and includes water use efficiency, water conservation, recycling and reuse to help meet future water demands. This grant could bring approximately \$14.9 million to the Bay Area and an annual water savings of 1,930 acre-feet annually, beginning in 2012. Zone 7 was lead on this grant application seeking funding for water conservation incentive programs for public education and marketing outreach. Zone 7 is looking to the Department of Water Resources to fund 75 percent and Zone 7 will come up with 25 percent. The grant money will allow Zone 7 to do more than is already being done.

Ms. Navarra summarized the current Zone 7 programs:

- High-Efficiency Washer Program
- High-Efficiency Toilet (1.28 gallons per flush) Program
- Large Landscape Audit Support Services
- Schools Outdoor and Indoor Audit Support Services
- GreenPlumbers Certification Program
- Green Business Certification

In 2010, two businesses in the Tri-Valley Area applied for the Large Landscape Incentive Program and have implemented the recommended changes to their irrigation hardware to reduce their water consumption and energy use. Ms. Navarra recognized the following businesses 1) Shadow Cliffs Regional Recreation Area, part of the East Bay Regional Park District and 2) Oracle America, Inc., in Pleasanton, California. As part of the incentive program, staff will continue to monitor their water consumption use over the next two years.

Businesses involved with the Green Business Program are looking at water, energy, waste, etc., to be a green-certified business. Ms. Navarra announced a recognition award to Rodrigue Molyneaux Estate Winery and Vineyard who passed the Alameda Business Certification.

President Greci asked if there will be a press release on these issues. Ms. Navarra stated that when there are valid results to show the public, it will be presented.

Director Machaevich discussed Leadership in Energy & Environment Design (LEED) certification for new construction to help conservation initiatives become a reality. He encouraged Zone 7 to get involved in the design phase so businesses can see how it benefits them before they are committed to a design.

Director Stevens asked Ms. Navarra if these water conservation measures will help us establish documentation to meet the 2014 goal of 20 percent reduction? Ms. Navarra answered “yes” and

further explained that she and Brad Ledesma, Associate Civil Engineer in Water Supply Engineering, will be working on a way to measure demand and supply by retailers and what role conservation plays, not based on assumptions but actual data; they want concrete evidence, not assumptions. Director Stevens encouraged the use of actual data for documentation and not use routine documentation as others do.

Item 9 – Committees – Finance Committee Minutes for May 4, 2011

There was no discussion on the committee meeting but the Asset Management Plan Update, the subject of the Finance Committee, will be brought to the Board June 15 as a board item.

Item 10 - Items for Future Agendas – Directors

No future agenda items were proposed.

Item 11 - Reports - Directors

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

Director Machavich reported on the April 29th tour of the Del Valle solar project. In addition to acknowledging a very well done presentation by Dennis Gambs, he said that the project team did a great job putting it together and the project will serve us well. General Manager Jill Duerig added that an Open House, similar to the ribbon cutting for the Demineralization Plant, is scheduled for June 22 for interested parties, Board members, staff, the public, etc. Invitations will be sent out soon.

Director Quigley had passed out copies of his written comments to the Board members regarding his attendance at the ACWA conference. He added that there were great modules and lots of information on the Delta, sustainability, and groundwater management. He brought back printed information to share on recycling, irrigation, SMART techniques and stressors in the Delta along with a booklet detailing all sessions. He added that East Bay Municipal Utility District received the Clair A. Hill Water Agency Award for Excellence for one of their projects.

Director Figuers also attended the conference and gave a verbal report on two breakout meetings he attended:

1. One session was on Sierra Nevada weather monitoring in the Feather River region where they monitored precipitation, groundwater, and soil moisture to understand the full spectrum of water movement through the localized area. They linked surface water and groundwater and how it related to tree growth. Snow pack is extremely difficult to measure. DWR puts core tubes down a hole and measures the water content of snow. Measuring snowfall is measuring the amount of snow that falls and has nothing to do with water content. If snow can be measured, real time reliability based on calculations of the snow pack can be done rather than waiting until the end of the year for statistics.
2. The second session he attended was on the pension debacle facing us, the sustainability of Other Post Employment Benefits (OPEB) and retirement program strategies. Girard Miller, the top person looking at pension throughout country, gave a well-done but scary talk.

Pensions are service-related and funded in some methods, written by law, and not too much you can do as an agency. However, the minute you retire in California, you get full medical, all unfunded. Nationwide medical is fully funded, but in California only 5-10 percent. Director Figuers outlined the history of pensions and how plans such as CalPERS have changed their strategies to meet their obligations by using accounting gimmicks and band-aids. In California, public employee compensation for police and fire is the best and the worst is for teachers.

Director Figuers asked what our arc will peak out as in 2015, 2017, or 2020 and at what level? He would like to hear more about pensions from staff.

President Greci suggested that when board members attend workshops or conferences, they get seven copies of handouts. He also stated that Director Figuers' gave the best description of a meeting that someone has gone to because it was informative, contained information about vital concerns, and brings awareness to protect Zone 7 employees.

Director Quigley referred to his written comments regarding State budget pension reform, Cal Forward, and reserves that were hot topics. He wanted his attendance at the ACWA/JPIA seminar, Outreach Task Force and Groundwater Committee noted for the record.

Director Machaevich reminded Directors to keep in mind that some people choose to pay into pensions and take lower salaries to get that pension. He would hate to see people on board for 15 to 20 years not be able to get the benefit of the pension they worked hard for and planned to get. Think about securing pensions for people.

Director Palmer reported that on April 25th, she and General Manager Jill Duerig met with City of Pleasanton Mayor Jennifer Hosterman and other City of Pleasanton staff regarding separation. The Mayor wants assurances that if Zone 7 separates, water rates will go down or stay the same. This is part of a series of meetings with various local governments regarding the separation of Zone 7 from Alameda County.

Director Quigley noted that San Francisco Public Utilities Commission (SFPUC) will be raising their wholesale water rates by 38 percent. He stated that this is why he pulled the first consent item off the Board agenda (Bay Area Regional Desalination Project) because we need to keep in our sights the inter-tie with the Lab and SFPUC, the San Antonio Reservoir off the South Bay Aqueduct, and also the Bernal wellfields that might be eligible for rehabilitation.

Item 12 – Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent & Upcoming Public Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Recent Employee Activities
- f. Annual Review of Sustainable Water Supply for Zone 7 Water Agency
- g. Update Related to the Bay-Delta Conservation Plan
- h. Verbal Reports

The Board went into closed session at 8:40 p.m.

Item 13 – 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--Existing Litigation, Government Code Section 54956.9(a): Margaret Chun v. Alameda County Flood Control and Water Conservation District, Zone 7, et al. (Alameda County Superior Court Case No. HG11559731)

Item 14 – Open Session and Report Out of Closed Session

There was nothing to report out of closed session.

The meeting was adjourned at 9:05 p.m.