

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

July 18, 2012

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

DIRECTORS: SANDS FIGUERS
JOHN GRECI
A J MACHAEVICH
SARAH PALMER
RICHARD QUIGLEY
ANGELA RAMIREZ HOLMES
BILL STEVENS

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
JARNAIL CHAHAL, ENGINEERING MANAGER
RHETT ALZONA, SENIOR ENGINEER, FACILITIES ENGINEERING
TAMARA BAPTISTA, FINANCIAL & SYSTEMS SERVICES MANAGER
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 1a - Swear in Newly Appointed Directors

Assemblywoman Joan Buchanan administered the oath of office to newly-elected directors Sands Figuers, Richard Quigley and Angela Ramirez Holmes.

Item 3 – Reorganization of the Board

President Figuers opened nominations for Board President.

Director Quigley moved and Director Stevens seconded the nomination of Sarah Palmer for Board President for FY 2012-2013. There were no other nominations for President and nominations were closed.

President Palmer moved and Director Quigley seconded the nomination for Bill Stevens for Board Vice-President for FY 2012-2013. There were no other nominations for Vice-President and nominations were closed.

After a voice vote of 7-0, Director Palmer was elected as President and Director Stevens was elected as Vice-President for FY 2012-2013.

President Palmer selected Director Ramirez Holmes to replace retiring Director Chris Moore on the Finance Committee. All other standing committee membership will remain the same. Ad Hoc committee membership will be discussed at a Special Board Meeting on August 22, 2012.

Item 4 - Citizens Forum - None.

Item 5 - Minutes of the Regular Meeting of June 20, 2012

President Palmer asked that the minutes be corrected to reflect the actual wording of the motion made in Item 9, Director Compensation. The vote was also corrected to 6-1 instead of 6-0 with President Figueroa voting no. Director Quigley moved and Director Greci seconded a motion to approve the minutes with corrections. The corrected minutes were approved by a voice vote of 7-0.

Item 6 - Consent Calendar

Director Ramirez Holmes asked that Consent Items 6 (c) and (d) be pulled because she had a brief comment to add for clarification before the vote to approve these items.

Director Greci moved and Director Quigley seconded a motion to approve 6 (a), (b), (e), (f) and (g). The following resolutions were approved by a roll call vote of 7-0.

Resolution 13-4205 Board of Directors acknowledge, commend and thank Mr. Christopher Moore for his public service on the Board of Directors in 2006 and again from 2009-2012. (Item 6a)

Resolution 13-4206 Authorized out-of-state travel for Robyn Navarra, Water Conservation Coordinator, to attend the WaterSmart Innovation 2012 Conference in Las Vegas, Nevada October 2-7, 2012. (Item 6b)

*** break in numbering due to Items 6c and 6d being pulled for discussion.

Resolution 13-4209 Authorized the General Manager to negotiate and finalize the Grant of Easement document for the overhead electric line with the City of Livermore and that the Board of Supervisors approve granting the easement and authorize the President of the Board of Supervisors to execute same. (Item 6e)

Resolution 13-4210 Authorized the General Manager to negotiate and execute an Easement Agreement, accept easement from Dublin San Ramon Services District (DSRSD), and execute a certificate of acceptance causing easement to be recorded at the Office of the Recorder of Alameda County. (Item 6f)

Resolution 13-4211 Authorized the General Manager to negotiate and execute a contract with the Dublin San Ramon Services District in an amount not to exceed \$70,000 for the Dublin School Irrigation System Hardware Rebate. (Item 6g)

Director Ramirez Holmes clarified that Consent Items (c) and (d) can only qualify for one grant, not both. If Zone 7 qualified for the grant in Item (d), Zone 7 will be saving money but both projects will not be moving forward. Director Quigley added that if another partnering agency were to take the lead and submit an application, it might be looked at differently. General Manager Jill Duerig added that it might be too late to move forward with that option but could be considered in the future.

Director Quigley moved that the following resolutions be approved and Director Figuers seconded the motion. The following resolutions were approved by a voice vote of 7-0.

Resolution 13-4207 Authorized and directed the General Manager to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with the California Department of Water Resources to obtain a Local Groundwater Assistance Grant and enter into an agreement to receive a grant for PCE Contamination Assessment, Central Bernal Subbasin, Pleasanton, California. (Item 6c)

Resolution 13-4208 Authorized that the Application be made to the California Department of Water Resources to obtain a Local Groundwater Assistance Grant and enter into an agreement to receive a grant for the Upgrades, Calibration, and Application of Zone 7's Groundwater Model for Groundwater and Salt Management purposes. (Item 6d)

Item 7 - Staffing Updates

Item 7a - New Employee Introductions

Joshua Chapman, Water Plant Operator III, was present and introduced by Ms. Duerig. He is a certified T4 water treatment operator and also has a Bachelor's degree in Organizational Leadership and a Master's degree in City and Regional Planning from California Polytechnic State University. The board applauded and welcomed Josh to Zone 7.

Mary Miller, Office Assistant in the Finance Section, originally came to Zone 7 through the County Temporary Assistance Pool (TAP) and worked in the Finance Section assisting with purchasing activities for the agency. Ms. Miller was not present so the Board applauded her in absentia.

Item 7b - Employee of the Month Recognition

The May employee of the month was Wendy Duldulao, Water Quality Lab Technician. She has worked in the Lab for almost five years and she is an indispensable resource in providing high quality laboratory services to Zone 7. Ms. Duerig said she exemplifies being "blue" at Zone 7 with her great attitude and performance of duties. The Board congratulated her in absentia.

Item 8 - Authorization for the General Manager to Negotiate and Execute Three Contracts for the Supply and Delivery of Water Treatment Chemicals

Tamara Baptista, Financial and Systems Manager, explained to the Board that in the past Zone 7 has worked with Alameda County's General Services Agency (GSA) to solicit bids for water treatment chemical contracts; however, Zone 7 staff has now been soliciting bids. Alameda County is responsible for issuing all of Zone 7's purchase orders and Zone 7 must comply with all of the County's purchasing requirements. In the past when GSA listed bids, they would present the award of contract to the Board of Supervisors for approval. Since Zone 7 staff is now soliciting bids, Zone 7 Board approval is needed.

Staff is recommending that the Board authorize the General Manager to negotiate and execute three water treatment chemical contracts for July 1, 2012 through June 30, 2013, with the following vendors: Univar for sodium hypochlorite and sodium hydroxide; Kemira for ferric chloride; and Nalco Company for polymer. This would result in a savings of approximately \$90,000 per year.

President Palmer asked for public comment and hearing none, Director Figuers moved that the item be approved and Director Quigley seconded the motion. Resolution No. 13-4212 was approved by a roll call vote of 7-0.

Item 9 - Award of Contract for the Cope Lake Slope Repair Project

Rhett Alzona, Facilities Engineer for the Facilities Engineering Section, recited a brief history of Cope Lake. Because the former siltation pond was given to Zone 7 in an “as is” condition, pre-existing erosion and slope failures continued which culminated in a Miller Pacific geotechnical assessment in 2009. Mr. Alzona showed a slide presentation detailing the effects of the erosion and where the repair would be made. The repair is needed to protect Cope Lake to make it safe and functional and prevent potential damage to neighboring properties. It also allows Zone 7 to capture potential discharges but the cost will increase due to future erosion and disrepair if the repair is further delayed.

The Directors discussed redlining, purchasing, and other options regarding the house at Cope Lake that could be compromised in the future. Director Figuers suggested removing the word “safe” from the statement “improvements (i.e., slope repairs and drainage) need to be made to Cope Lake to make it safe and functional.” Staff acknowledged that the work would improve conditions rather than make them “safe” but that wording was in the staff report, not the resolution.

Mr. Alzona then discussed the range of bids and the engineers’ estimate but the apparent low bidder was Steelhead Constructors at \$1.5 million. Staff recommended approval and has an October 1st deadline for upper slope grading in order to avoid potential problems with the red-legged frog.

Director Ramirez Holmes asked how long this will be a fix; will it be long-term and solve the problem? Mr. Alzona replied that our geotechnical firm, Miller Pacific, found the fix reasonable and staff works with them to generate slope stability design for the long term. Ms. Ramirez Holmes asked what will be reduced to cover the additional cost so Zone 7 is not over the budget. Mr. Arends replied that the money is coming from reserve funds.

Director Greci mentioned the ground squirrel activity that causes damage and asked if Zone 7 is practicing any rodent control for slope protection? Ms. Duerig said there is rodent control at the water treatment plants but not at the Chain of Lakes.

Director Quigley asked what the impact of doing nothing is and not spending \$1.5 million? He also feels the quarry miners are a contributor to the damage because it is an inherent after-effect of mining. President Palmer reminded him that Cope Lake was given to Zone 7 “as is.”

General Counsel David Aladjem said the legal standard is that if the District has acted reasonably to address the slope failure, that is the best defense against potential liability. The geotech firm who has worked with Zone 7 has determined that this is a reasonable fix.

After affirming that the word “safe” was not in the resolution to be adopted and that the repairs are on Zone 7 property, President Palmer asked for public comments and, hearing none, Director Machaevich moved for approval of Resolution No. 13-4213 and Director Greci seconded the motion which was approved by a roll call vote of 7-0

Item 11 - Committees - None.

Item 12 - Reports - Directors

- a. Verbal comments by President

President Palmer stated this it will be a really good, effective Board and it is going to be wonderful working with the new Director, Angela Ramirez Holmes. President Palmer also mentioned that the Board Retreat will be in August.

- b. Written report by Director Quigley – none.

Item 13 - Items for Future Agendas – Directors

Item 14 - Staff Reports (Information items.)

- a. General Manager's Report
- b. Recent Outreach Activities
- c. Legislative Update
- d. Status Report on Separation Efforts
- e. Treatment Plant Residuals Management
- f. Quarterly Update of Expansion Fund
- g. Report on Water Sales and Connection Fee Revenue
- h. Annual Report for the Groundwater Management Program for 2011 Water
- i. Verbal Reports

President Palmer asked how many days would the Patterson Pass reservoir hold the plant under normal operations if you were using the raw water in the reservoir? How many acre feet are in there? Mr. Arends responded that it is a small supply but helps buffer water quality changes and currently there are a lot of algae problems.

Director Quigley asked if Dyer Reservoir and the South Bay Aqueduct are full and pumping. Mr. Arends said Dyer is not full yet. Jarnail Chahal added that the Department of Water Resources is trying to fill it and it may be half full. Director Quigley said Lake Del Valle is 12-16 feet lower than normal.

Ms. Duerig said the algae problems are increasing. The Del Valle Plant, which normally produces 40 mgd of water per day and does 3 filter washes a day, is now up to 24 filter washes a day and only producing 22 mgd because there is so much algae clogging the filters. There has been discussion with the Department of Water Resources about treating with an algicide but the algae growth is occurring in the Delta so there are huge treatment challenges right now causing more groundwater pumping than ordinary in the summer.

In anticipation of State and Federal public announcements on the BDCP and Delta Fix, Santa Clara Water District, one of our South Bay Aqueduct (SBA) sister agencies, met with the Mercury News editorial board. They gave them an updated brochure involving all three SBA contractors. Copies were distributed to board members and the public present at the board meeting. In addition, the brochure will be posted on the Zone 7 website.

Director Machaevich asked if there was any advantage to taking the surface water for recharge or is that not efficient? Ms. Duerig replied that Zone 7 had already maxed out current recharge capacities. Mr. Arends said that we recharge to the arroyos by releasing water. Ms. Duerig added that recharge capacity will be increased in the future by the Chain of Lakes and we have the water but are not able to treat it at the plants and do not have the capacity to do it in the Arroyos either.

Director Quigley mentioned the Annual Report and recommended that Zone 7 submit the Annual Report for the ACWA “Best in Blue” Communications Award.

Director Ramirez Holmes requested that she would like to see upcoming events in the Outreach report so she could attend or let others know.

The Board went into closed session at 8:00 p.m.

Item 14 - 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: 3 cases
- c) Government Code Section 54954.7: Public Employee Performance Evaluation
Title: General Manager

Item 15 - Open Session and Report Out of Closed Session

The Board came out of closed session at 9:04 p.m. President Palmer reported that General Manager Jill Duerig’s performance has been satisfactory and no increase or bonus was awarded based on the current economy.

Item 16 - Adjournment

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