

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

REGULAR MEETING

August 17, 2011

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

DIRECTORS: SANDS FIGUERS
 JOHN GRECI
 AJ MACHAEVICH
 RICHARD QUIGLEY

DIRECTORS ABSENT: DIRECTORS MOORE, PALMER, STEVENS

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
 KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
 JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE
 JUDY RECTOR, BOARD SECRETARY

COUNSEL: REN NOSKY, DOWNEY BRAND

Item 3 - Citizens Forum – None.

Item 4 - Minutes of the Regular Meeting of July 20, 2011

On a motion by Director Greci with a second by Director Machaevich, the minutes of the Regular Meeting of July 20, 2011, were approved as presented by a voice vote of 4-0 with Directors Moore, Palmer and Stevens absent.

Item 5 - Consent Calendar

Director Quigley moved to approve Consent Items 5a through 5h and President Figuers seconded the motion. The resolutions were approved by a roll call vote of 4-0 with Directors Moore, Palmer and Stevens absent.

Resolution 11-4097* Approved Director Quigley's request to substitute at the off-site ACWA Board Meeting held in San Jacinto, California, for Region 5 board member, Vice-Chair Kathy Foulkes. (Item 5a)

*numbering error from July 20th Board meeting

Resolution 11-4101 Approved President Figuers casting the vote to concur with the Region 5 Nominating Committee's recommended slate including Director Dick Quigley's selection as Region 5 Vice Chair. (Item 5b)

- Resolution 11-4102 Approved the addition of one unfunded Senior Engineer/Geologist position to supervise existing engineering projects and staff, and to allow the General Manager flexibility in optimizing efficient management of the Engineering Section. (Item 5c)
- Resolution 11-4103 Approved the addition of one unfunded Associate Water Resources Planner to existing staff to allow the General Manager flexibility in cross-training, optimizing efficiency and succession planning within the Planner series. (Item 5d)
- Resolution 11-4104 Approved requesting the Board of Supervisors to convey the Quitclaim Deed to Dublin San Ramon Services District. (Item 5e-1)
- Resolution 11-4105 Approved the General Manager negotiating and approving the License Agreement with Dublin San Ramon Services District. (Item 5e-2)
- Resolution 11-4106 Approved the General Manager negotiating and executing a professional services contract with ESA PWA for design services on the Arroyo Mocho – Stanley Reach Project for a not-to-exceed amount of \$76,500. (Item 5f)
- Resolution 11-4107 Approved the General Manager negotiating and the Board President executing an amended professional services contract with Downey Brand to provide continuing as-needed part-time General Counsel legal support services for the period beginning July 1, 2011. (Item 5g)
- Resolution 11-4108 Approved the General Manager be authorized to accept a Quitclaim Deed from Legacy Pleasanton Land, LLC, and execute a certificate of acceptance causing the same to be recorded at the Office of the Recorder of Alameda County. (Item 5h)

Item 6 - Staffing Updates

Item 6 (a) - Congratulations to Retirees

President Figuers extended congratulations to retirees Jeanne France and Suzanne Alaksa.

- 1) General Manager Jill Duerig informed the Board that Jeanne France had worked for Zone 7 for about 25 years and was recently Employee of the Month. She is very active in her tribe and Native American activities and recently was on an exchange program with visitors from New Zealand. She kept us all in line regarding payroll and correcting timesheets

On a motion by Director Quigley with a second by Director Greci, Resolution 11-4109 acknowledging, commending and thanking Ms. France was approved by a voice vote of 4-0 with Directors Moore, Palmer and Stevens absent.

- 2) General Manager Jill Duerig informed the Board that Suzanne H. Alaksa retired after 15 years of service with Zone 7 as an Engineer who did a lot of facility work. She was one of the first engineers to start doing the internal design work. She mentored some of the younger engineers who were less comfortable doing in-house designs and she actually did a lot of checks and provided support for them.

On a motion by Director Quigley with a second by Director Greci, Resolution 11-4110 acknowledging, commending and thanking Ms. Alaksa was approved by a voice vote of 4-0 with Directors Moore, Palmer and Stevens absent.

Item 6 (b) - Employee of the Month Recognition

Mona Olmsted, Associate Civil Engineer, was chosen as the June 2011 Employee of the Month. Mona has worked in the Water Supply Engineering Section at North Canyons for the past nine years. According to the recommendation, she has a very positive and optimistic attitude, shows great initiative and takes on new assignments willingly and enthusiastically. Mona is described as a great team player and is always willing to help others while never complaining about other people or situations. She personifies the “Blue” attitude and has been recognized through the Employee of the Month program as an asset to Zone 7.

Item 7 - Award of Contract for the Santa Rita Pipeline Relocation Project – Project No. 212-11

Kurt Arends, Assistant General Manager, Engineering, stated that to accommodate the CalTrans Interstate Highway I-580 widening in Dublin for an HOV lane, Zone 7 was required to relocate about 700 feet of the Santa Rita pipeline. This is a distribution pipeline with one turnout. It was moved out of CalTrans’ way onto two County surplus properties. Zone 7 is putting in a larger section just in case there is ever a need for future development. It is categorically exempt under CEQA.

There were nine bidders on this project. The low bid was Platinum Pipeline, Inc. with a bid of \$346,350; the highest bid was \$440,000. Mr. Arends recommended approval of the project and award of the contract to Platinum Pipeline along with approval of change orders. He noted that John Koltz, Senior Engineer, was present and has been managing this project with CalTrans and other agencies.

Director Quigley moved and Director Machaevich seconded the motion. Resolution 11-4111 to accept the bid and award the contract to Platinum Pipeline, Inc., and authorize the General Manager to issue change orders when required for an amount not-to-exceed \$34,635, was approved by a vote of 4-0 with Directors Moore, Palmer and Stevens absent.

Item 8 – Committees – None.

Item 9 - Items for Future Agendas – Directors – None.

Item 10 - Reports - Directors

- a. Written report by Director Quigley

Director Quigley noted that he made an error in his written comments regarding his trip to the Diamond Valley Lake. He put in his notes that it would hold 175,000 acre feet but the number should be 810,000 acre feet; it is a huge new reservoir. It almost doubles Southern California water surface storage, helps secure six months of emergency water southwest of the San Andreas fault, and it reduces the threat of water shortages during drought and periods of peak summer use. The water source is a blend through a feeder and a tunnel from the Colorado River, a significant influence and will continue to be, through the California Aqueduct and delivered through the San Diego canal. Lake Del Valle has 16 miles of shoreline; this lake has 26 miles of shoreline. It produces a lot of hydro power and was constructed in a short time.

Director Quigley also participated in an ACWA Energy Committee meeting by phone on August 16th. Governor Brown has a 12,000 megawatt goal state-wide for improved power. There are some coalitions who have formed to help and there are likely to be incentives for contractors soon like PG&E, SoCal Edison and San Diego Gas.

b. Verbal reports

Item 11 – Staff Reports (Information items.)

- a. Update Related to the Bay Delta Conservation Plan
- b. General Manager's Report
- c. Recent & Upcoming Public Outreach Activities
- d. Legislative Update
- e. Status Report on Separation Efforts
- f. Verbal Reports

General Manager Jill Duerig added a verbal report concerning a letter from ACWA asking for nominations for the new two-year assignments to various ACWA committees. In the past President Figuers was involved in Groundwater and Director Quigley in Local Government and Energy. The Committees include: Communications, Energy, Federal Affairs, State Legislature, Local Government, Groundwater, Finance, Insurance and Personnel, Legal Affairs, Water Management and Water Quality. Some are "closed committees" where they have a limited number of people they accept from each Region and it is very competitive – an example is the State Legislature Committee; others are fairly open – the Water Quality and Groundwater Committees are not limited on the number of members so they welcome additional people. Ms. Duerig asked that Board Members let her know of any Committees they are interested in participating in so she can file the nomination papers. Most Committees have three to four meetings per year, usually at the Spring and Fall Conference, and then in between.

Randy Werner, City of Livermore, questioned a paragraph in the General Manager's Report:

- The California Department of Water Resources (DWR) is currently estimating that overall costs to Zone 7 for State Project water will increase \$5.5 million in 2012 over the 2011 charges, based on increases for the South Bay Aqueduct (SBA) project, as well as an increased transportation minimum.

Mr. Werner asked if the \$5.5 million is a one-time only charge or an ongoing cost?

General Manager Jill Duerig responded that the Department of Water Resources provides estimates to the State Water Contractors every year; they give us a projection each year on what they are going to charge Zone 7 for the following year but don't always provide a lot of detail.

They break it down and say what each contractor will have to pay; for instance, portions of our share's increase are due to a capitalized project, the South Bay pipeline failure and the repairs that were performed subsequently, so there will be an additional amount charged to Zone 7 that will be ongoing. There are also increased transportation minimums which are sometimes related to energy and other things.

John Yue, Assistant General Manager, Finance, added that we get DWR's statement of charges every mid-July and it goes up and down. For 2012 their statement of charges budget went up.

Ms. Duerig further added that those charges will be revised several more times before they are finalized.

President Figuers announced that the Closed Session was cancelled and adjourned the meeting at 7:20 p.m.