

SUMMARY MINUTES

JOINT MEETING ZONE 7/DSRSD LIAISON COMMITTEE WITH CITY LIAISON COMMITTEES

September 11, 2012
4:00 p.m.

Zone 7

Sarah Palmer, President, Board
John Greci, Board Member
Dick Quigley, Board Member
G. F. Duerig, General Manager
Kurt Arends, Assistant Gen. Mgr., Eng.
Tamara Baptista, Financial Manager
Carol Mahoney, Integrated Planning Manager
Judy Rector, Board Secretary

Dublin San Ramon Services

Pat Howard, Director
Georgean Vonheeder-Leopold, Director
Bert Michalczyk, General Manager
Lori Rose, Financial Services Manager
Dan Gallagher, Operations Manager

City of Pleasanton

Jennifer Hosterman, Mayor
Nelson Fialho, City Manager
Dan Martin, Manager of Utilities

City of Livermore

John Marchand, Mayor
Doug Horner, Vice Mayor
Dan McIntyre, Director of Public Works
Darren Greenwood, Water Resources Mgr.

Item 1. Zone 7 Board President, Ms. Sarah Palmer, called the meeting to order at 4 p.m. Participants introduced themselves by name and agency.

Item 2. Public Comment – None.

Item 3. Delta Update and Issues

Kurt Arends, Zone 7's Assistant General Manager, Engineering, gave a brief update of issues affecting the Delta and the Bay Delta Conservation Plan (BDCP) in addition to distributing materials from the State Water Contractors and Alameda County Water District/Santa Clara Valley Water District/Zone 7. Mayor Jennifer Hosterman of Pleasanton asked what are the next steps? Mr. Arends said making a decision on what to do is difficult because of the various specific interest groups regarding the Delta. Ms. Duerig discussed the public draft of the BDCP and associated EIR/EIS which should be available September/October. Hopefully construction will begin in 2017 and operating by 2025.

Bert Michalczyk, General Manager of DSRSD, discussed endorsements and education. Ms. Duerig said the outreach efforts are ongoing such as the documents Mr. Arends distributed and public meetings are being held in areas of concentrated opposition. Although Zone 7 will be asked for money, not sure Zone 7 will be asked for endorsements.

Item 4. Water Reliability Policy

Carol Mahoney, Zone 7 Integrated Planning Manager, discussed the handout she provided which showed a schedule of meetings and workshops, a background of the Water Supply Evaluation (WSE) portfolio options (current plan, in-valley and intertie), reliability to achieve sustainability, and level of service Goals 1 and 2. The current plan allows for 85% reliability, intertie allows for 85-90% and in-valley is 75%. Only the “in-valley” portfolio would accommodate a reliability less than 85%.

Following Ms. Mahoney’s presentation, there was a discussion about the definition of sustainability and why 100% reliability is not reasonable.

Item 5. Water Rates

Tamara Baptista, Zone 7 Financial and Systems Services Manager, reported that staff will recommend to the Board no increase in water rates for 2013 but if the Board adopts a rate for 2014, the rate may be 2.65%. A half-page advertisement was printed in local newspapers regarding public meetings (regularly-scheduled Zone 7 Board meetings for September 19 and October 17) with options for no rate increase in 2013 and whether to adopt a rate now for 2014.

Reserve policies will be discussed in October. Director Quigley noted that a piece of the rate stabilization reserve was used last time to reduce the water rate increase. President Palmer said that if the Board agrees, that reserve may be used again this time, too. Mayor Hosterman asked if the City of Pleasanton can weigh in formally by letter or in a meeting? She also expressed concern about the aggregate cost of all services increasing (i.e., garbage, sewer and water rates) so she asked that the Zone 7 Board try to be creative because more people are not able to meet their financial obligations.

Director Quigley shared that the DWR website has a video by Hugh Howser on the value of water and, at 1 cent per gallon, it is the best deal in California.

Item 6. Recycled Water Update

The three public agency retailers each gave an update on recycled water:

Dan Gallagher, DSRSD – Sold 2,742 af of recycled water; 18% of potable water for EBMUD to service San Ramon; 6.2 million gallons per day for central Dublin residents; planning grant received for west of I-680 to Camp Parks and Santa Rita Jail by 2014.

Darren Greenwood, City of Livermore – City Council agreed to let Livermore sell some of its recycled water to Pleasanton and reserve the rest for future use as a hedge against a water shortage; also directed staff to initiate discussions with Zone 7 about cost sharing.

Dan Martin, City of Pleasanton – There is a feasibility study with Zone 7 to look at recycled water deliveries. Grant funding was received to study initial phase of 4 mgd in areas such as Hacienda Business Park and the Pleasanton Sports Park. He encouraged opening up regional storage.

Mayor John Marchand, City of Livermore – Increased use of recycled water impacts the groundwater basin and high TDS. He cautioned that the more recycled water used, the more desalination is needed at a cost because it is not free.

Pat Howard, DSRSD – Mr. Howard asked Livermore to be mindful of where recycled water is applied because DSRSD applies recycled water only over fringe groundwater basins. More care needs to be exercised over the Main Basin.

Item 7. Announcements

Director Greci discussed how important it is that Zone 7 is able to divert water into the Chain of Lakes and quarries for recharge and less water is needed from the Delta. The most exciting issue for Zone 7 is the valley basin for storage and recharge capabilities. The geography we have is the best for reliability.

President Palmer feels that there is a lack of communication and transparency in the valley and we have the potential to be the gem of watershed. She suggested the Liaison Committee meet more often to be able to brainstorm. Mayor Janet Hosterman, City of Pleasanton, agreed to meet quarterly and Mayor John Marchand, City of Livermore, suggested using a Doodle Poll to find available meeting dates. The Doodle poll will be sent out by Judy Rector in the near future to identify the best dates for the quarterly meetings.

Item 8. Adjournment

The meeting was adjourned at 5:07 p.m.