

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

April 20, 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 Director Stevens left at 9 p.m.

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER  
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING  
JOHN YUE, ASSISTANT GENERAL MANAGER, FINANCE  
CAROL MAHONEY, ASSOCIATE PROFESSIONAL GEOLOGIST  
DIANA GAINES, SENIOR ENGINEER  
JOE SETO, PRINCIPAL ENGINEER  
GINGER STATON, HUMAN RESOURCES ANALYST II  
JUDY RECTOR, ACTING BOARD SECRETARY

COUNSEL: REN NOSKY, DOWNEY BRAND

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**Item 3 - Citizens Forum**

None.

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

On a motion by Director Figuers with a second by Director Palmer, the minutes of the Regular Meeting of March 16, 2011, were approved as presented by a voice vote of 7-0.

**Item 5 - Consent Calendar**

Director Quigley moved for approval and Director Stevens seconded the motion. The resolutions were approved by a roll call vote of 7-0.

Resolution No. 11-4070      The Board of Directors supports and declares May as Water Awareness Month.

Resolution No. 11-4071      Accept Quitclaim Deed and authorize the General Manager to record the Quitclaim Deed at the office of the Recorder of Alameda County, and authorize payment of \$5,000 to the County for the property.

Resolution No. 11-4072      General Manager is authorized to negotiate and execute an agreement by ACTC for possession and use of portions of the Arroyo Mocho channel needed for the State Route 84 Widening Project in Livermore.

## **Item 6 - Staffing Updates**

### **Item 6a –Congratulations to Retiree**

Vince Wong, Assistant General Manager of Operations and Maintenance, retired from the Agency on April 1, 2011 after over 40 years of service with Zone 7. Vince has been an integral part of the Agency over the years, overseeing both the Engineering and Operations divisions during his long tenure with Zone 7.

Ginger Staton, Human Resources Analyst II, presented a brief slide show of pictures of Vince over the years. General Manager Jill Duerig described him as not just a fantastic engineer, but a wonderful gentleman and mentor for so many people and staff. In lieu of a retirement party and gifts, cards were passed around Zone 7 and, at Vince's request, donations in the amount of \$360 were made in his name to the Chinese Community United Methodist Church in Oakland for their "Youth and Children's Visionary Missions" project in Uganda.

The Directors had many compliments for Vince including noting his calm, charismatic personality, his honesty, intelligence, kindness, and for having a great deal of corporate, institutional knowledge of Zone 7. President Greci, on behalf of the board, noted their best wishes and a thank you for everything Vince has done for this organization.

On a motion by Director Stevens, seconded by Director Moore, Resolution No. 11-4073 congratulating Vince Wong on his retirement was adopted by a voice vote of 7-0

### **Item 6b. New Employee Introduction**

Donna Fabian joined Zone 7 on April 4, 2011, as an Administrative Assistant at the North Canyons Building. Donna and her family were present at the meeting and acknowledged by the Board. Donna has more than 20 years of administrative experience in the public sector including positions at Alameda County Superior Court, the Alameda County Administrator's Office and Alameda County Public Works Agency. She attended Chabot College and has been working at Zone 7 on a temporary basis since April 2010.

President Greci commented that she is the first face you see when you walk in the door and he has never come through the door without a big smile on her face and her being very helpful. He added that Zone 7 is lucky to have her.

### **Item 6c. Employee of the Month Recognition**

Robyn Navarra, Water Conservation Coordinator, was also present at the meeting. She was chosen from among those nominated because of her exemplary work. Robyn's work is performed under the Office of the General Manager. She puts a great deal of effort into everything she does. Robyn is a high energy person who will never lose a moment on the job. Every moment she is the Energizer Bunny, writing proposals, coming up with new ideas, implementing new ideas and having the energy to do the work of ten people. She has helped put together an Integrated Regional Water Management Program (IRWMP) grant. It looks like it might be accepted by the Department of Water Resources so Zone 7 may have quite a few more dollars to help with the conservation program. Zone 7 stands to gain a half million of the six million dollar grant because of Robyn's personal efforts over the past few months. She is organized and cheerful.

Director Palmer complimented Robyn regarding a friend's interaction with her over a low flow toilet rebate application.

### **Item 7 – Historical Narrative of the Chain of Lakes by Former General Manager, Mun J. Mar**

President Greci began the introduction for past Zone 7 General Manager Mun Mar by referring to him as the person responsible for having the foresight and being a visionary in getting Zone 7 in the position we are now by working with the quarry operators and establishing the Chain of Lakes.

Carol Mahoney, Associate Geologist, continued the introduction of Mr. Mar saying he has shared his recollections of what happened during his tenure as General Manager and the background for the negotiations for agreements with quarry operators and other information that will help Zone 7 in the future from a historic perspective.

Mr. Mar shared his historical narrative of Livermore-Amador Valley gravel mining and the Chain of Lakes with the Administrative Committee on March 31, 2011. A summary paper was provided, which was distributed to the Board to aid in the series of presentations on Chain of Lakes "opportunities" that is currently scheduled over the next few months.

In conclusion, Mr. Mar stated that once mining is completed, Zone 7 will come into possession of a completely secured series of lakes, interconnected with controllable conduits, for the conveyance and storage of water. Mr. Don Kahler of PGC was present and confirmed this. Additionally, there should be a sizable fund from fees collected to purchase extra water to replace some of what was lost in years past. Additional to the water supply management capability is the potential for flood control and the maintenance of the Zone's Flood Control channels. Cope Lake might be developed for flood detention. There will be an area set aside for Zone 7 outside PGC's lakes that could be useful for disposal of silt materials removed from the Zone's flood control channels. Such materials can also be placed in Cope Lake. There are lots of options to deal with and see what is more cost effective and efficient to maximize water rights.

The Directors expressed their appreciation for his presentation.

**Item 8 – Pilot Use of Mitigation Funds for Restoration/Enhancement Projects: Caltrans and Alameda County Surplus Property Authority (ACSPA) Mitigation at Stanley Reach on Arroyo Mocho**

Associate Geologist Carol Mahoney gave an update on the proposed pilot project on the Arroyo Mocho including opportunities for using mitigation funds that will become available from Caltrans and other entities, opportunities to fund long-term maintenance on our stream channels, and to fund those elements of the SMMP related to habitat enhancements. This was presented to the Administrative Committee on March 31, 2011.

Carol's presentation included the following questions and main points:

- Project goals.
- Looking at different channel configurations.
- Better understanding of how sediment moves through our system.
- The science behind what a natural channel would look like in Zone 7's system on the Arroyo Mocho.
- How would a modified channel affect the sands and gravels that are moving through our system today?
- Looking at creating additional capacity by adding floodplains.
- Reducing velocity within a channel.
- Habitat enhancement and fish passage.
- What options we have for seeing if it is possible for us to reduce temperature enough along that stream corridor to inform development of a TMDL by the Regional Water Quality Control Board?
- Long-term maintenance on channels that are opportunities for alternative funding. If someone mitigates on your property, they can be required to provide a certain type of endowment (annual payment or lump sum) which is a way to help Zone 7 look at maintaining the site in the long run without the expense coming out of our general flood control fund.

After some questions and discussion by Directors Quigley, Stevens, Machaevich and Palmer, Director Figuers expressed that he felt that in the long run such habitat enhancements will be too expensive to maintain and recommended voting against it.

On a motion by Director Stevens and seconded by Director Palmer, Resolution No. 11-4074 was adopted by a roll call vote of 6-1 with Director Figuers voting no.

**Item 9 - Zone 7 Annex to the Association of Bay Area Governments' Multi- Jurisdictional Local Hazard Mitigation Plan, Taming Natural Disasters, for the San Francisco Bay Area**

President Greci reminded everyone that it is a public hearing and all input from the audience will be noted before a motion is made.

Kurt Arends, Assistant General Manager of Engineering, gave a quick summary explaining that the federal Disaster Mitigation Act of 2000 requires that all local agencies in the country adopt a federally-approved Local Hazard Mitigation Plan (LHMP) in order to receive disaster mitigation funds from the Federal Emergency Management Agency (FEMA). This plan must be updated every five years. In order to facilitate development of this plan, Zone 7 partnered with the

Association of Bay Area Governments (ABAG) to develop a Multi-Jurisdictional LHMP that addresses the whole Bay Area. In order to participate and take advantage of this regional effort, Zone 7 staff had to prepare a local Annex to the regional plan as well as mitigation strategies. The Annex itself is focused on issues specific to Zone 7 and our area. By going through this effort, Zone 7 staff are able to Annex and use this regional effort to streamline our process and adopt the common mitigation for the entire area.

The Annex was pre-approved by FEMA in mid-March 2011 pending adoption by the Zone 7 Board. Staff is recommending adoption of the Resolution to approve the Zone 7 Annex and adopt the ABAG Multi-Jurisdictional *Taming Natural Disasters* LHMP as the Zone 7 LHMP as modified by the Zone 7 Annex after hearing any public comments that may be heard at this board meeting.

Diana Gaines, Senior Engineer, and Sara Whatley, Safety Technician, were key in developing this Annex and working with ABAG on it.

Director Figuers asked questions regarding liquefaction and also if there was a major earthquake and we lost power to the wells, how would we supply water? Ms. Gaines responded that there are several different plans dealing with losing utilities and/or damages from earthquakes in the Emergency Operations Plan. This is an overall plan with lots of sub-plans. Ms. Gaines said the Annex actually highlights all the different things we have been doing and have already done which pre-dates the disaster mitigation plan.

Director Bill Stevens left.

Since there were no comments from the public, Director Greci closed the public hearing. Director Palmer moved and Director Figuers seconded a motion to approve the Zone 7 Annex and adopt ABAG's Multi-Jurisdictional Plan "*Taming Natural Disasters*" as Zone 7 Water Agency's Local Hazard Mitigation Plan as modified by the Zone 7 Annex. Resolution No. 11-4075 was approved by a roll call vote of 6-0 with Director Stevens absent.

#### **Item 10 - Award of Contract for Operated Equipment Supply Contract for Maintenance and Emergency Work For Flood Control Facilities, Project No. 211-11**

Assistant General Manager of Engineering Kurt Arends described the primary maintenance contract for flood control facilities as an annual contract typically extended for three years and then re-advertised with a competitive bid process. Fanfa, Inc. won the bid with a total bid amount of \$723,900.

A brief slide overview of the work done with the Channel Maintenance Program was given by Joe Seto, Principal Engineer in Flood Control, in order to show the work done by this contract and through the flood maintenance program.

Zone 7 owns and maintains about 37 miles of flood control channels; 10 percent are concrete-lined channels and ninety percent are earthen channels. There are three types of maintenance activities: major maintenance repair; emergency repairs (both maintenance and emergency repairs are handled by this contract); and routine maintenance activities performed by other contracts.

Director Moore asked if Fanfa had been the contractor in the past and if their performance has been satisfactory? He also asked about slope repairs and if slope stability can be engineered? Mr. Seto replied that it is hard to have a proactive plan and predict failure or high ground water at certain locations. Historically the Pleasanton area at #I-680 used to be a lake so the materials are not the best and at the mercy of Mother Nature.

Director Figuers talked about the plate piles. Joe Seto said they experimented with plate piles for 400 feet along the Arroyo Mocho and re-compacted the surface. There has been some success. No horizontal cracks and no vertical separation so will try it for another four years. The Board was asked to authorize the General Manager to negotiate and issue change orders for an amount needed not to exceed \$850,000 annually. In addition, the General Manager would be authorized to extend the contract for up to two additional one-year periods and adjust the Contract Unit Prices in accordance with the contract documents.

On a motion by Director Quigley and seconded by Director Palmer, Resolution No. 11-4076 was adopted by a roll call vote of 5-0-1 with Director Machaevich abstaining and Director Stevens absent.

### **Item 11 - Proposed Budget for Fiscal Year 2011/12**

John Yue, Assistant General Manager of Finance, reported that the FY 2011/12 budget had been presented to the Finance Committee in addition to meetings with the Retailers to preview the proposed budget. The Finance Committee reviewed the numbers and recommended that it be taken to the full board. Current numbers from the original budget have been adjusted due to the El Charro Specific Plan which was appropriated in December 2010.

Tamara Baptista, Financial and Systems Services Manager, clarified that with the El Charro Specific Plan staff went to the Board and got an additional \$10 million appropriated and that impacted two funds, the General Fund/Flood Control (Fund 50) and Flood Protection/Stormwater Drainage DIF (Fund 76). After a meeting with the Finance Committee on March 29, 2011, the budget was discussed in detail including the three operating funds and three capital funds, revenue and expenses from each fund, and significant changes from year to year. There were a few follow-up items from the Finance Committee and a couple of them were addressed in the Staff Report, "Quarterly Report for Expansion of Fund 73" including a graph showing the number of connection fees and a timeline for the ISA which were requested by Director Figuers. He also requested a revenue graph that showed expenses and the use of the fund balance or fund balance versus treated water sold along with formatting suggestions. The result is the budget book binder that was included in the board members' agenda packets.

The budget summary for Operating Funds is \$91 million; the budget summary for Capital Funds is \$29.7 million. Proposed budgets provide for expenses and revenue levels that meet a balanced budget.

Recent issues that impact the 2011/2012 budget include: conservation (SBX7-7); economy (lower revenue estimates are being used and there is concern about increasing oil prices); and the Asset Management Program Study (a new study will be presented to the full Board in June).

Director Moore added for the board's information that the new Asset Management Plan will be taken into consideration with the new water rate discussions in the fall, but at this time the projected water rate increase is 5 percent for CY 2012 and that is built into this budget.

The recommended action was to adopt the resolution authorizing the General Manager to adjust accounts as necessary to account for any changes in available fund balances, revenues or expenditures. On a motion by Director Quigley and seconded by Director Machaevich, Resolution No. 11-4077 was adopted by a roll call vote of 6-0 with Director Stevens absent.

**Item 12 – Committees** – Finance Committee Minutes for March 29, 2011  
– Administrative Committee Minutes for March 31, 2011  
– Delta Committee Minutes for March 31, 2011

There was no discussion on any of the committee meetings.

**Item 13 - Items for Future Agendas – Directors**

No future agenda items were proposed.

**Item 14 - Reports - Directors**

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

Director Palmer commended staff for the Staff Report, “Hydrostratigraphic Investigation of Lakes C and D” (15f) and the fact that the work was done by in-house staff instead of by consultants. President Greci agreed that the Board has been trying to promote more in-house work and less consultants and the quality of the report was as good as any outside consultant could have put together. General Manager Jill Duerig concurred that it was a great job by in-house staff and that in-house staff also applied for and received a grant for a quarter million dollars to do the construction.

**Item 15 – 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. Quarterly Update of Expansion Fund
- f. Report for Hydrostratigraphic Investigation of Lakes C and D
- g. Verbal Reports

General Manager Jill Duerig added a verbal report regarding the Department of Water Resources increasing Zone 7's water allotment from 70 to 80 percent.

The Board went into closed session at 9:20 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 pursuant to Subdivision (a),  
Government Code Section 54956.9:

*Watershed Enforcers v. Department of Water Resources, et al.*, Alameda County  
Superior Court No. RG06292124

### **Item 14 – OPEN SESSION AND REPORT OUT OF CLOSED SESSION**

Following closed session, President Greci announced that the Board had voted 6 to 0 (Director Stevens absent) to approve a Settlement Agreement in the matter of *Watershed Enforcers v. Department of Water Resources*, for the payment of attorney fees in the amount of \$220,000. The settlement will not require any direct payment of funds by Zone 7.

The meeting was adjourned at 9:45 p.m.