

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS

DATE: Wednesday, July 17, 2024

TIME: 6:00 p.m. Closed Session
7:00 p.m. Open Session (time approximate)

LOCATION: Zone 7 Administration Building
100 North Canyons Parkway, Livermore, California

VIDEO/TELECONFERENCE:
<https://us02web.zoom.us/j/83931360704>
(669) 444-9171, Meeting ID: 839 3136 0704

LIVE STREAMING: Comcast Channel 29
AT&T U-Verse Channel 99 (Livermore)
Streaming Live at tv29live.org

ADDITIONAL TELECONFERENCE LOCATION (Gov't Code § 54953(b)):
1385 Farm to Market Rd.
Kalispell, MT 59901

Any member of the public wishing to address the Board on an item under discussion may do so upon receiving recognition from the President. If the public wishes to provide comment before the meeting, please email publiccomment@zone7water.com by 3:00 p.m. on Wednesday, July 17th.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Executive Assistant, Donna Fabian, at (925) 454-5000. Notification 48 hours prior to the meeting will enable Zone 7 to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}.

AGENDA

1. Call Zone 7 Water Agency Meeting to Order
2. Closed Session
 - a. Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): (1 potential case).
 - b. Conference with Labor Negotiators pursuant to Government Code section 54954.5: Agency Negotiators: Valerie Pryor/Osborn Solitei 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
 - c. Conference with Legal Counsel – Existing litigation pursuant to Gov't Code section 54956.9(d) (1): (1) State Water Contractors v. California Department of Fish & Wildlife (JCCP Case No. 5117), (2) Stark v. Alameda County Flood Control and Water Conservation District, Zone 7 (Alameda County Superior Court Case No. 22-CV-5837), (3) Bautista v. Alameda County Flood Control and Water Conservation District, Zone 7 (Alameda County Superior Court Case No. 22-CV-10679); (4) Alameda County Flood Control & Water Conservation District, Zone 7 v. County of Alameda, (Alameda County Superior Court Case No. 23-CV-51449); (5) Alameda County Flood Control & Water Conservation District, Zone 7 v. City of Pleasanton (Alameda County Superior Court Case No. 24-CV-61595); (6) In re: Aqueous Film-Forming Foams Products Liability Litigation (S.D. South Carolina, MDL No. 2:18-mn-2873-RMG); (7) Munsell v. County of Alameda Civil Service Commission et al (Alameda County Superior Court, Case No. 24-CV-77110).
 - d. Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to § 54956.9(d) (one case)
3. Open Session and Report Out of Closed Session
4. Pledge of Allegiance
5. Roll Call of Directors
6. Reorganization of the Board
7. Public Comment on Non-Agenda Items

The Public Comment section provides an opportunity to address the Board of Directors on items that are not listed on the agenda, or informational items pertinent to the agency's business. The Board welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the agency or are within the jurisdiction of the agency. The Board will not be able to act on matters brought to its attention under this item until a future board meeting.

8. Minutes
 - a. Special Board Meeting Minutes of May 1, 2024
 - b. Regular Board Meeting Minutes of June 11, 2024
9. Consent Calendar
 - a. Award of Contract to Hazen and Sawyer for Water Supply Risk Model Enhancements and Optimization
 - b. Amendment to Contract for Hydrologic and Hydraulic Modeling Support Services for Flood Management Plan Phase 2A with ESA
 - c. Amendments to Contracts for Water Supply System Engineering Services and Electrical Engineering Services with Water Works, Stantec, and Beecher Engineering
 - d. Award a Contract for Computerized Maintenance Management System (CMMS) Enterprise Software System
 - e. Amendment to Contract for Cintas Corporation No. 2, Uniform Orders and Replacements
 - f. Award Contract for Goat Grazing Services for Flood Protection Facilities
 - g. Request for Out-of-State Travel to Attend 2024 Annual Floodplain Management Association Conference
 - h. Independent Accountants' Report on Applying Agreed-Upon Procedures in Regard to Purchasing Card Transactions for Calendar Year Ended December 31, 2023
 - i. FY 2023-24 Progress on the 2020-24 Strategic Plan

Recommended Action: Adopt Resolutions

10. Agreement between Zone 7 Water Agency and the City of Pleasanton for the Regional Groundwater Facilities Project – Phase I

Recommended Action: Adopt Resolution

11. Committees
 - a. Finance Committee Meeting Notes of May 29, 2024
 - b. Finance Committee Meeting Notes of June 13, 2024
12. Reports – Directors
 - a. Written Reports
 - b. Verbal Reports
13. Items for Future Agenda – Directors
14. Staff Reports
 - a. General Manager's Report
 - b. June Outreach Activities
 - c. Legislative Update
 - d. Monthly Water Inventory and Water Budget Update

15. Adjournment

16. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, unless otherwise noted.)
 - a. Special Board Meeting: August 7, 2024, 6:00 p.m.
 - b. Finance Committee Meeting: August 8, 2024, 11:00 a.m.
 - c. Regular Board Meeting: August 21, 2024, 7:00 p.m.



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

SPECIAL MEETING
May 1, 2024

Directors Present: Dawn Benson
Sandy Figuers
Dennis Gambs
Laurene Green
Kathy Narum
Sarah Palmer

Directors Absent: Angela Ramirez Holmes

Staff Present: Valerie Pryor, General Manager
Chris Hentz, Assistant General Manager – Engineering
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Nzinga Arrington, Administrative Assistant

Item 1 – Call Meeting to Order

President Figuers called the Special Meeting of the Board of Directors to order at 5:35 p.m.

Item 3 – Pledge of Allegiance

President Figuers led the Pledge of Allegiance.

Item 4 – Roll Call of Directors

Director Ramirez Holmes was absent.

Item 5 – Public Comment

No public comments were received.

Item 6 – State Water Contractors Briefing

Valerie Pryor, General Manager, stated that this item will be an informational briefing on State Water Contractors activities. Ms. Pryor emphasized the importance of this organization, as Zone 7 receives the majority of its water supply from the State Water Project. Ms. Pryor introduced Jennifer Pierre, the General Manager of the State Water Contractors.

Jennifer Pierre provided an extensive update on the State Water Contractors' objectives and activities for 2024. She began by outlining the organization's structure, noting that it comprises 27 of the 29 contractors involved in the State Water Project. Zone 7 shares a board seat with two other agencies. The organization, with its small staff of nine, relies heavily on consultants to manage interactions between the contractors and the Department of Water Resources (DWR), particularly in financial and operational matters.

Pierre detailed six key objectives for the upcoming fiscal year: business practices, energy, infrastructure, outreach, science, and water supply. In business practices, the focus is on implementing contract extensions and affordability, ensuring clear financial management of the State Water Project. Energy costs, the fastest-growing expense, are being addressed with an aggressive goal of achieving 100% renewable energy by 2035, along with tracking legislative efforts and rate cases that affect these costs.

Infrastructure maintenance is critical, with ongoing efforts in strategic asset management, storage opportunities, aqueduct subsidence repair, and dam safety enhancements. Outreach activities are expanding to include more engagement with regulatory agencies and legislators at both state and federal levels, emphasizing the importance of the State Water Project.

The science program, now in its sixth year, continues to grow, with significant funding and collaborative projects aimed at improving the management and operation of the State Water Project. Water supply efforts are focused on adapting to changing hydrology, with initiatives in species act consultations, Delta conveyance, and improved monitoring and data collection.

Pierre also highlighted the importance of legislative actions, including the Healthy Rivers and Landscapes Framework and ongoing efforts to resolve litigation and enhance storage capacities, particularly in groundwater. The organization's accomplishments in 2023, such as significant cost savings and progress in legislative engagement, set the stage for continued focus on financial stability, renewable energy, and public outreach in the coming year.

Director Green requested clarification on the "central procurement cleanup" mentioned in the legislative and budget focus slide. Ms. Pierre explained that the Department of Water Resources (DWR) has various functions, including operating the State Water Project, flood control, and regional planning. The new procurement bill assigns DWR the responsibility of procuring energy for all state agencies, not just water-related issues. Ms. Pierre emphasized the importance of maintaining a distinct separation between the DWR branch operating the State Water Project and the branch responsible for energy procurement to ensure that the State Water Project is not unfairly burdened with high-cost green energy. This separation aims to align with the state's clean energy goals while keeping the missions of each branch distinct.

Director Gambs highlighted the significance of the State Water Project, which supplies about 70% of the water in the area. He inquired about the alignment among contractors and the challenges the State Water Contractors face in representing them. Ms. Pierre responded that while each contractor has a different portfolio, there is a common focus on the State Water Project. This focus facilitates a clear direction and alignment around shared values such as reliable, clean, and affordable water supply. Although rare, disagreements do occur, and in such instances, contractors may form different coalitions. Ms. Pierre ensures that the organization does not advocate for one perspective over another, striving for common ground to present a unified stance.

Director Palmer asked about the shift from Voluntary Agreements to the Healthy Rivers and Landscapes framework and its impact on the State Water Project. Ms. Pierre clarified that the term "voluntary" was misleading since compliance with the Water Quality Control Plan is mandatory. The new framework better represents the enforceable nature of commitments to achieve healthy rivers and landscapes. The organization has submitted extensive documentation on governance, enforcement provisions, biological goals, funding, and transparency since the MOU in March 2022. This comprehensive approach aims to reflect the true nature of the agreements and reduce confusion.

Kelly Abreu, a resident of Fremont, gave public comment.

Item 7 – Strategic Plan Kickoff

Ms. Pryor stated that the current 5-year Strategic Plan covers the period from 2020 to 2024. This item initiates the update for the next Strategic Plan. By the end of this year, the goal is to have a new 5-year Strategic Plan in place. Staff have engaged Ed Means to facilitate this process, and he presented online to provide the Board with an overview of the process and schedule.

Mr. Means provided an introduction to the strategic planning process, aimed at familiarizing new Directors with the 5-year Strategic Plan. He emphasized the importance of strategic planning in setting the direction for the organization, aligning goals, and addressing new issues and opportunities.

Mr. Means explained that the purpose of this meeting was to introduce the process, discuss the nature and reasoning behind strategic planning, and outline the roles of participants. He highlighted the importance of identifying preliminary priorities based on the Board members' experiences. Approximately two-thirds through the meeting, he would ask each Board member to share any significant priorities they perceive as important for the Strategic Plan update.

Mr. Means then shared his extensive background in the water business, including 45 years of experience, with 20 years at the Metropolitan Water District in various management roles and subsequent consulting work focused on strategic planning for utilities. He emphasized the value of his broad experience in connecting organizational aspects to develop robust plans.

He elaborated on the benefits of strategic planning, such as stepping back from daily operations to reassess direction, document specific goals, and align the organization. The

update would build on the existing Strategic Plan, incorporating new issues and goals. He stressed that the Board would set the direction (vision, mission, goals), while management would handle the implementation.

Mr. Means explained the structure of the Strategic Plan, likening it to a pyramid where initiatives support goals, which support the mission, and ultimately achieve the vision. He also mentioned the importance of revisiting the organization's values to ensure they remain relevant.

He addressed the relationship between the Strategic Plan and other plans like the CIP, Integrated Resources Plan, Urban Water Management Plan, and Asset Management Plan, noting that the Strategic Plan serves as an overarching framework.

The process outlined involves data collection through interviews and workshops, using a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis to identify opportunities and risks. A draft plan would be prepared based on Board feedback, followed by the development of supporting initiatives with the management team. The draft plan would then be submitted for Board review and approval.

Mr. Means emphasized the need for Board participation in workshops, defining goals, and owning the outcome of the Strategic Plan. He encouraged Board members to think about important aspects to include in the plan update and participate actively in the discussions during the June face-to-face meetings.

Director Benson expressed that significant progress has been made with the flood protection system, specifically highlighting Goal D and Initiative 10, which needs updating to reflect the extensive work done and ongoing efforts. She mentioned the advances in Initiative 6, dealing with Treatment Requirements and Strategy for PFAS and Chromium 6, and noted that updates are necessary following new EPA requirements.

Director Benson emphasized the importance of the groundwater study in the basins and the need to diversify the water supply plan, including involvement in the Sites Reservoir, Los Vaqueros expansion, and the DCA. She also stressed the importance of empowering employees, considering their perspectives on the future, and providing them with the necessary tools, training, and support from the Board. She acknowledged the innovative thinking of the employees and the nearing completion of the energy strategy, underscoring the numerous accomplishments achieved.

Director Palmer highlighted the significant progress made, echoing Director Benson's remarks. She emphasized the importance of continuing with the new studies, especially those discussed in the recent Water Resources Committee meeting, as they present exciting opportunities.

Director Palmer supported the emphasis on professional development for staff, particularly Initiative 11, and expressed satisfaction with the achievements in this area. She stressed the need to focus on staff retention, noting the challenges posed by the "silver tsunami" and recent retirements. Retaining current staff and attracting new talent are priorities. Additionally,

Director Palmer underscored the importance of integrating and collaborating with other agencies and cities in the valley to enhance overall effectiveness and cooperation.

Director Narum emphasized several key priorities for consideration. She highlighted the importance of moving from developing the flood control master plan to implementing its components. Continuing work on groundwater basin modeling and ultimately expanding or diversifying the water portfolio were also identified as critical areas of focus.

Director Narum stressed the importance of ongoing employee development to foster innovative thinking within the organization, noting the positive impact she has observed during her tenure on the Board.

Addressing regulatory compliance, particularly in ensuring clean water and staying ahead of regulations, was deemed essential. Director Narum commended the staff for their efforts in this regard but emphasized the need for continued vigilance. Lastly, Director Narum underscored the significance of sound financial management, advocating for prudent, conservative fiscal practices within the agency.

Director Green outlined her top three priorities for the Strategic Plan update. Firstly, she emphasized the importance of water quality, particularly focusing on addressing issues such as PFAS and Chrome 6. Secondly, she highlighted the significance of water supply and storage as long-term priorities that require ongoing attention. Additionally, flood management was identified as crucial, with an acknowledgment of the need to integrate energy considerations into all relevant areas.

Director Green commended the organization's efforts in outreach and transparency but emphasized the need to sustain and enhance these initiatives. She reiterated the importance of the groundwater basin model as an essential tool for in-house use.

In alignment with Director Narum, Director Green underscored the critical role of financial management as the overarching framework for addressing various priorities. She emphasized the need for prudent fiscal practices and highlighted the importance of seeking outside funding opportunities, acknowledging recent successes in this area while recognizing the challenges ahead.

Director Gambs expressed agreement with the priorities identified by fellow Board members. He emphasized the importance of water supply reliability, acknowledging the Agency's effective management in this regard.

Regarding flood control management, Director Gambs anticipated the transition from planning to implementation phase, underscoring its significance for future flood protection efforts. He also highlighted the importance of Agency culture in recruiting and retaining quality staff, suggesting a potential elevation of focus on this aspect.

Director Gambs then addressed the multifaceted nature of water quality, emphasizing the need to characterize it comprehensively. This includes meeting regulatory requirements, managing salt loading in groundwater basins, and considering the impact of water import

projects on recharge and delivered water quality. He proposed the idea of a coordinated approach to water quality management, incorporating aspects such as energy management and operational decisions at facilities like the RO facility. This integrated approach would ensure alignment with overarching goals while considering cost implications.

Mr. Means provided a brief overview of the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) that will be conducted during individual meetings with Board members. He assured the Board that they would receive an email in advance detailing the key points to facilitate the discussion. Mr. Means emphasized the importance of identifying strengths to maintain, weaknesses to address through initiatives, opportunities to capitalize on for efficiency and effectiveness, and threats to mitigate, including potential political disruptions, natural disasters, cybersecurity risks, and financial challenges.

Mr. Means outlined the upcoming schedule, including onsite visits starting in mid-May, individual interviews with the Board from June 10-13, SWOT workshops with staff and supervisors in late June, strategic planning workshops with the Board, and a draft Strategic Plan presentation to the Board in November for review and adoption. He welcomed feedback from the board and expressed enthusiasm for the collaboration ahead.

Kelly Abreu, a resident of Fremont, gave public comment.

Item 8 – Budget Workshop

Osborn Solitei, Treasurer/Assistant General Manager – Finance, presented the budget highlights and overview, addressing Zone 7's current and future challenges, education and outreach programs, long-term financial stability, water rate revenue fund breakdown, budget highlights and process, and FY 2024-25 and FY 2025-26 budgeted funds. He explained the agency-wide revenue and expenses, Water Enterprise funds, Flood Protection funds, and recommended actions/next steps.

Mr. Solitei presented a slide on "What does a dollar of water rate revenue fund?" Director Green questioned how frequently the dollar proportions would change to which Mr. Solitei responded that they would likely remain consistent, with potential slight increases in Regulatory Compliance but predominantly in Operations and Capital Investments.

Director Narum inquired about the investment rate comparison, with Mr. Solitei noting it was currently around 3.3%. She also asked about the \$17 million allocated for Capital Projects, and Mr. Solitei confirmed the Agency had the necessary resources. Director Narum also inquired about the 34,000 acre-feet of planned water sales, wondering how water sales revenue would be affected if fewer water sales were realized. Ms. Foss explained that the current rate structure mitigates major revenue fluctuations due to its fixed charge component.

Lizzie Foss, Financial Analyst, reviewed the revenue, expenses, and reserves of Fund 100 – Water Enterprise Operations (Fund 100) and Fund 120 – Water Renewal/Replacement and System-wide Improvements. She detailed Fund 100 expenses, estimated at \$69.4 million for the first year and \$72.4 million for the second year, and provided an overview of Fund 100 reserves.

Ms. Foss then discussed Fund 120 – Renewal/Replacement and System-wide Improvements, outlining planned Capital Projects for FY 2024-25 and FY 2025-26 and their associated costs.

Director Gambs asked about the accuracy of project cost estimates. Chris Hentz, Assistant General Manager – Engineering, highlighted factors such as staffing, resource levels, decision-making time, land acquisition, and approvals. Valerie Pryor, General Manager, added that this was a two-year budget, with major construction included in the next budget cycle to allow for necessary adjustments.

Director Benson commended the presentation and inquired about the Unallocated Fund Balance of \$876,000 by the end of FY 2025-26 as compared to previous years, with Mr. Solitei confirming consistency. She also asked about Section 115 Pension Trust funding, which Mr. Solitei explained was driven by ACERA's estimates, but aims to allocate \$150,000 to cover future costs.

JaVia Green, Financial Analyst, reviewed projections for remaining Agency Funds. For Fund 110 – State Water Project (Fund 110) she outlined proposed revenue, expenses, and reserves, primarily funded by property taxes. Fund 130 – Water Enterprise Expansion is funded by water connection fees, DWR refunds, and interest income.

Ms. Green then reviewed proposed budgets for Fund 200 – Flood Protection Operations and Fund 210 – Flood Protection Development Impact Fee, emphasizing external funding sources and grant assistance for 2023 storm repairs.

Director Narum asked about development impact fees for redevelopment sites, with Ms. Green clarifying fees are charged to developments creating new impervious surfaces.

Director Green suggested reconsidering Fund 110's minimum and maximum due to cost variances. Mr. Solitei emphasized the importance of maintaining reserves to manage state-driven debt costs, with Ms. Pryor noting the challenges in controlling these expenses.

Director Narum expressed support for the proposed budget which incorporates the previous Board-approved 5.5% water rate increase. She cited balanced budgets and accurate reserves and anticipates the results of the Connection Fee Study. Director Gambs highlighted that project timing and connection fee expansion would drive project execution, with Mr. Solitei explaining that current projects are already budgeted, and future studies will inform project funding strategies.

Kelly Abreu, a Fremont resident, provided public comment.

Item 9 – Adjournment

President Figuers adjourned the meeting at 7:58 pm.

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

REGULAR MEETING
June 11, 2024

Directors Present: Dawn Benson
Sandy Figuers
Dennis Gambs
Laurene Green
Kathy Narum
Sarah Palmer

Staff Present: Valerie Pryor, General Manager
Chris Hentz, Assistant General Manager – Engineering
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Lizzie Foss, Financial Analyst
JaVia Green, Financial Analyst
James Carney, Senior Planner
Donna Fabian, Executive Assistant

General Counsel: Rebecca Smith, Downey Brand

Item 1 – Call Zone 7 Water Agency Meeting to Order

President Figuers called the Regular Meeting of the Board of Directors to order at 7:04 p.m.

Item 2 – Closed Session

The Board went into Closed Session at 6:13 p.m. and concluded Closed Session at 6:36 p.m.

Item 3 – Open Session and Report Out of Closed Session

There was nothing to report out of Closed Session.

Item 4 – Pledge of Allegiance

President Figuers led the Pledge of Allegiance.

Item 5 – Roll Call of Directors

All Directors were present.

Item 6 – Public Comment

There was no public comment.

Item 7 – Minutes

Director Palmer made a motion to approve the Regular Board meeting minutes of May 15, 2024, and Director Narum seconded the motion. The minutes were approved by a voice vote of 6-0.

Item 8 – Consent Calendar

Director Palmer motioned to approve Items 8a through 8q, with Director Benson seconding the motion. The items on the Consent Calendar were then unanimously approved by a roll call vote of 6-0.

Item 9 – Commendation for Director Angela Ramirez Holmes

Each Member of the Board of Directors read a section of the Commendation for Director Ramirez Holmes, who resigned from the Board effective May 12, 2024. Each Director then shared their tribute to her.

Director Palmer expressed that serving with Angela Ramirez Holmes was an honor, praising her intellect and the value of her well-thought-out opinions.

Director Narum appreciated Angela's pragmatism, commitment to transparency, and significant contributions to good governance, noting her lasting impact on the agency.

Director Gambs highlighted Angela's diligence, hard work, and expertise in finance and legislation, emphasizing her role in advancing women in water and her conscientious approach to spending.

Director Green thanked Angela for her service, particularly in finance and legislation, and valued her ability to foster robust debate, which improved decision-making processes.

Director Benson acknowledged Angela's support during her transition back to the serving on a water Board, her political acumen, and her contributions to transparency and good governance. She noted her skill in building relationships and articulating complex topics.

President Figuers reflected on Angela's growth from her early days on the Board, commending her detailed focus on finance and her significant contributions as a chair and leader, particularly in financial matters.

Angela Ramirez Holmes stated that it was a great honor to serve on the Zone 7 Board of Directors for three terms, thanking Tri-Valley residents, business leaders, employee groups, elected officials, and retailers for their support. She highlighted her efforts in policy making, particularly noting the funding of the 115 Trust in the current budget and urged the Board to continue to ask tough questions. She emphasized the importance of regional service through her roles in the ACWA State Legislative Committee and as chair of the Los Vaqueros JPA Board. Acknowledging the hard work of staff, she emphasized the need for high standards and performance to best serve the public. Finally, she expressed gratitude for the kind comments from her colleagues and wished the Directors, staff, and the Agency well, thanking them for the opportunity to serve.

Director Palmer made a motion to approve the Commendation and Director Green seconded the motion. The Commendation was unanimously approved.

Item 10 – Appointment of Los Vaqueros Reservoir Expansion Joint Powers Authority Board Representative

Valerie Pryor, General Manager, stated that with the resignation of Director Ramirez Holmes from the Los Vaqueros JPA Board, there is currently no primary Director to sit on the Los Vaqueros JPA Board. She added that after discussions with President Figuers, it is anticipated that he will nominate Director Narum to assume the role of Director while he continues to serve as the Alternate Director.

President Figuers confirmed this plan, emphasizing the importance of the Los Vaqueros Board. He expressed confidence in Kathy's ability to effectively represent Zone 7, given her strong background.

Angela Ramirez Holmes provided public comment.

Director Gambs made a motion to approve the resolution, which was seconded by Director Benson. The resolution was passed by a roll call vote of 6-0.

Item 11 – Proposed Two-Year Operating and Capital Budget for Fiscal Years 2024-25 and 2025-26

Osborn Solitei, Treasurer/Assistant General Manager – Finance, presented the Two-Year Budget for Fiscal Years 2024-25 and 2025-26. The proposed budget had been introduced to the Board during the Special Board Meeting on May 1, 2024, where no changes were recommended. Mr. Solitei provided a summary of the budget highlights.

Fund 100 – Water Enterprise Operations - Revenues are projected to be approximately \$69 million in FY 2024-25 and \$72 million in FY 2025-26, assuming a 5.5% rate increase and treated water sales of 34,000 AF and 35,000 AF, respectively. Fund 120- Water Renewal/Replacement and System-wide Improvements - a sub-fund of Fund 100, has a budget of approximately \$13.3 million in FY 2024-25 and \$25 million in FY 2025-26, earmarked for significant capital projects including PFAS treatment, Chain of Lakes conveyance system, and Patterson Pass improvements.

Fund 110 – State Water Facilities - Covers debt payments for the State Water Project and has budgets of approximately \$29 million in FY 2024-25 and \$31 million in FY 2025-26, with no recommended increases in the property tax override, thereby maintaining the collection of \$22 million.

Fund 130 – Water Enterprise Expansion’s main revenue source is connection fees. The revenue is projected to be approximately \$10 million annually despite declining revenue since 2019, with expenses of approximately \$21 million in FY 2024-25 and \$23 million in 2025-26. An upcoming connection fee study will evaluate the future of connection fees and future project allocations.

Funds 200 – Flood Protection Operations and 210 – Flood Protection Development Impact Fee are for flood protection. Fund 200 will benefit from approximately \$29 million in federal funding from the Army Corps of Engineers for storm damage repairs and an additional \$3.7 million for high-priority site repairs, with further FEMA grants expected. Fund 210 will continue flood management planning with a steady budget of approximately \$1.8 million for both years.

Mr. Solitei concluded by recommending the Board adopt the Resolution approving the two-year operating and capital budget for fiscal years 2024-25 and 2025-26, effective July 1, 2024.

Director Narum inquired about the sensitivity analysis conducted by Mr. Solitei regarding the potential impact of lower water sales on the budget. Mr. Solitei explained that a sensitivity analysis assuming a 5% decrease in water sales would result in a 2.6% reduction in water sales by acre-foot, translating to a loss of 3,450 acre-feet over the two-year period. This would reduce revenue by approximately \$3.6 million over two years and deplete reserves by \$2.5 million. While the budget would not be fully funded under these conditions, adjustments could be made, if necessary.

Director Narum appreciated the sensitivity analysis, highlighting its importance in the context of variable weather, conservation efforts, and rate hikes in the Valley. She emphasized that even with a 5% reduction in water sales, there are sufficient reserves and time to adjust spending. Director Narum noted that the budget includes a 5.5% rate increase, funding for the Section 115 Pension Trust as per policy, significant investment in capital projects, and reserves on target. She acknowledged the Finance Committee's concern about declining connection fees and Mr. Solitei's plan to address it.

With these considerations, Director Narum moved to adopt the Resolution approving the Two-Year Operating and Capital Budget for Fiscal Years 2024-25 and 2025-26. Director Palmer seconded the motion. The Resolution passed unanimously by a roll call vote of 6-0.

Item 12 – Adoption of Energy Policy

James Carney, Senior Planner, presented the draft Energy Policy developed as part of the ongoing Energy Master Plan study. The presentation included three sections: background information, a summary of the Board's direction that informed the policy drafting, and an overview of the draft policy itself.

The study includes four components: a baseline assessment, the energy policy, upcoming project discussions, and a final compiled report by the end of the year.

Mr. Carney explained that the Energy Policy's purpose is to outline Zone 7's energy management goals and priorities, providing guidance for staff in evaluating potential energy investments. The policy development process incorporated input from a Board workshop in April, where the Board emphasized aligning the policy with Zone 7's mission and values, ensuring compatibility with existing procedures, promoting fiscal responsibility, and maintaining flexibility.

The draft policy, organized around five focus areas: compliance and governance, resource optimization, fiscal responsibility, reliability and resilience, and environmental responsibility, addresses various aspects of energy management. Each focus area includes specific policy statements to guide staff in achieving energy management objectives.

Mr. Carney summarized how the draft policy incorporates the Board's direction and supports Zone 7's mission. He recommended that the Board approve the Resolution to adopt the draft Energy Policy, noting that the next phase of the Energy Master Plan study would involve project identification and prioritization, to be discussed later in the summer.

Director Gambs moved to approve the Energy Policy and Director Benson seconded the motion. The Resolution passed unanimously by a roll call vote of 6-0.

Item 13 – Committees

There were no comments on the Committee notes.

Item 14 – Reports – Directors

Director Palmer submitted a written report but added that she attended an ACWA Board meeting this past week. Director Benson attended a Central Valley tour and she went to the ACWA 2024 SGMA Implementation Summit.

Item 15 – Items for Future Agenda – Directors

No items were requested for consideration at an upcoming Board meeting.

Item 16 – Staff Reports

Ms. Pryor presented highlights from her General Manager's report. She discussed the State Water Project Delivery Capability Report released in May by the Department of Water Resources (DWR), which updates estimates of water delivery capabilities and includes analyses of three climate change scenarios. The report underscores the need for investments in storage, modernization, and repair of State Water Project facilities, as well as the construction of the Delta Conveyance Project and repairs to the California Aqueduct.

She also highlighted recent developments regarding the Delta Conveyance Project, noting that an updated cost estimate and benefit-cost analysis were released in May. Representatives from DWR and the Delta Conveyance Design and Construction Authority (DCA) will attend the August Zone 7 Board meeting to provide detailed discussions on these documents. The project's cost estimate has risen to \$20 billion, reflecting inflation.

Item 17 – Adjournment

President Figuers adjourned the meeting at 8:11 p.m.

ORIGINATING SECTION: Integrated Planning
CONTACT: James Carney/Ken Minn

AGENDA DATE: July 17, 2024

SUBJECT: Award of Contract to Hazen and Sawyer for Water Supply Risk Model Enhancements and Optimization

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable water and flood protection services and to implement Strategic Plan Initiative #1: Establish a diversified water supply plan, and #2: Evaluate and develop appropriate new water supply reliability opportunities, Zone 7 maintains a water supply risk model (risk model) that is used to analyze long-term water supply planning.
- As part of the 2022 Water Supply Evaluation Update, Zone 7 developed an advanced water resources modeling tool based on the RiverWare platform to replace the previous risk model, which was an Excel-based model. This RiverWare model was built by the consultant Hazen & Sawyer, Inc. and designed to analyze Zone 7's water supply portfolios, including potential future water supply and storage projects.
- As a participant of the San Francisco Bay Area Integrated Regional Water Management (IRWM) Program, Zone 7 applied for a grant under the IRWM grant program in early 2023 to enhance the model's capabilities to be used as a decision support tool (DST) for the Agency's ongoing water supply planning efforts.
- In spring 2023, Zone 7's "Water Supply Risk Model Enhancements Project" was funded up to \$130,000 under DWR's Proposition 1, Round 2, IRWM Implementation Grant Program. The scope of work eligible for grant funding includes developing the risk model DST, evaluating additional potential regional projects and water operation schemes, refining the groundwater component of water supply, and accounting for climate change impacts.
- In addition to the grant scope of work, staff identified additional modeling needs for the 2025 Urban Water Management Plan (UWMP), annual operations planning, sensitivity analysis refinement, and cost optimization to support future Water Supply Evaluation Updates.
- In accordance with Zone 7's Purchasing Policy, a competitive procurement process for professional services was completed to select a consultant. A Request for Proposals (RFP)

was issued on February 7, 2024, with responses due on March 8, 2024. Zone 7 received one qualified proposal from Hazen & Sawyer.

- After reviewing the proposal, the selection committee determined that Hazen & Sawyer is well qualified and that the proposal meets all the requirements and recommended awarding the contract to Hazen & Sawyer.
- Hazen & Sawyer has expertise in RiverWare modeling and has worked for several Bay Area water agencies, providing them with a strong knowledge of regional water systems and projects. Zone 7 has worked with Hazen & Sawyer in the past and has been satisfied with the services provided.
- The total contract value for the scope of work, including optional tasks, with the 10% contingency, is \$571,600. With an expected 3-year schedule, Zone 7 expects that \$130,000 of contract costs incurred in the first year will be reimbursed from the IRWM grant.
- Staff recommends that the Board authorize the General Manager to negotiate and execute a contract with Hazen & Sawyer for an amount not to exceed \$571,600, including a 10% contingency.

FUNDING:

Funding for the Water Supply Risk Model Enhancements and Optimization is available in the FY 24-26 Two-Year Budget for Fund 100 – Water Enterprise Operations Fund.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Award of Contract for Water Supply Risk Model Enhancements and Optimization

WHEREAS, this agreement supports Zone 7's mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, and Strategic Plan Initiative #1: Establish a diversified water supply plan, and #2: Evaluate and develop appropriate new water supply reliability opportunities; and

WHEREAS, enhancement and optimization of the water supply risk model will allow Zone 7 to continue to analyze long-term water supply reliability more effectively and

WHEREAS, the water supply risk model will function as a decision support tool for Zone 7 water supply and storage investment planning and

WHEREAS, in accordance with Zone 7's Purchasing Policy, a competitive process was completed to select consulting firms to provide consulting services for water supply risk model enhancements and optimization. A Request for Proposals was issued on February 7, 2024, and one qualified proposal was received by the deadline, and

WHEREAS, upon review of the proposal, the selection committee determined that Hazen & Sawyer was best qualified to provide the requested services based on the evaluation criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a professional services contract with Hazen & Sawyer to complete the Water Supply Risk Model Enhancements and Optimization in an amount not-to-exceed \$571,600, including 10% contingency.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors



ORIGINATING SECTION: Flood Protection Engineering

CONTACT: Jeff Tang/Edward Reyes

AGENDA DATE: July 17, 2024

SUBJECT: Amendment to Contract for Hydrologic and Hydraulic Modeling Support Services for Flood Management Plan Phase 2A with ESA

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable flood protection services, Zone 7 implements flood protection projects and related activities. The proposed action is in support of Strategic Plan Initiative 9 – Continue to maintain the Flood Protection System.
- In February 2023, the Board authorized a contract with Environmental Science Associates (ESA) in an amount not-to-exceed \$71,000 (which includes 10% contingency) for hydrologic and hydraulic modeling for Phase 2a of the Flood Management Plan (FMP). In March 2023, the General Manager negotiated and executed contract A23-79-ESA with ESA for these services.
- The hydrologic and hydraulic modeling were peer reviewed and further calibration was performed to incorporate the 2022/23 winter storms. These revisions are intended to enable more detailed and accurate modeling that will be applied to the FMP. Revisions to the model result in additional iterations and re-modeling beyond ESA's current scope of work. An amendment to Agreement A23-79-ESA is needed to provide additional modeling for Phase 2a of the FMP.
- Staff recommends that the Board authorize the General Manager to amend contract A23-79-ESA with ESA, for an additional \$66,000 (which includes 10% contingency), for a total not-to-exceed amount of \$137,000.

FUNDING:

Funding is available in the FY 2024-26 Adopted Budget for Fund 200 – Flood Protection Operations and Fund 210 - Flood Protection Development Impact Fee Fund.

RECOMMENDED ACTION: Adopt the attached Resolution.

ATTACHMENT: Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

**Amendment to Contract for Hydrologic and Hydraulic Modeling Support Services
for Flood Management Plan Phase 2A with ESA**

WHEREAS, the proposed action is in support of Strategic Plan Initiative 9 – Continue to maintain the Flood Protection System; and

WHEREAS, in February 2023, the Board authorized a contract with Environmental Science Associates in the amount not-to-exceed \$71,000 for hydrologic and hydraulic modeling support services to the Flood Management Plan Phase 2a; and

WHEREAS, in March 2023, the General Manager negotiated and executed contract A23-79-ESA with Environmental Science Associates for these services; and

WHEREAS, Environmental Science Associates' performance under contract A23-79-ESA has been to the Agency's satisfaction; and

WHEREAS, the contract amount needs to be increased by an additional \$66,000 to provide additional modeling support for the Flood Management Plan Phase 2a.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to execute an amendment to the contract with Environmental Science Associates for continued hydrologic and hydraulic modeling support for the Flood Management Plan Phase 2a in an amount of \$66,000, for a total not-to-exceed amount of \$137,000, which includes a 10% contingency.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By:
President, Board of Directors



ORIGINATING SECTION: Water Supply Engineering
CONTACT: Mariza Sibal/Athena Watson/Brandon Woods

AGENDA DATE: July 17, 2024

SUBJECT: Amendments to Contracts for Water Supply System Engineering Services and Electrical Engineering Services with Water Works, Stantec, and Beecher Engineering

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver a safe and reliable supply of high-quality water for the Tri-Valley, Zone 7 implements improvements, modifications, and renewal/replacement projects under the Capital Improvement Program (CIP). The proposed action is in support of Strategic Plan Initiative 3 – Continue to effectively implement infrastructure projects in the Water System CIP.
- Amendments to three existing on-call professional services contracts are proposed to continue work on projects that are underway, including services to complete designs, facility evaluations, and engineering support services during construction.
- In July 2023, the General Manager negotiated and executed contract A24-18-WAT with Water Works Engineers, LLC (Water Works), in the amount of \$90,000 for on-call water supply system engineering services. Under this contract, Water Works has been providing design services for the Patterson Pass Water Treatment Plant (PPWTP) Coagulation Tank Replacement Project, an unplanned project resulting from a leak in the existing alum storage tank that has an estimated total project cost of \$800,000. The project is still in design, with engineering support services during construction needed through project completion in spring 2025. An amendment is requested to complete these services. The additional services require increasing contract A24-18-WAT by \$50,000, for a total not-to-exceed amount of \$140,000, which includes an approximate 10% contingency.
- In June 2023, the General Manager negotiated and executed contract A24-15-STA with Stantec Consulting Services, Inc. (Stantec), in the amount of \$90,000 for on-call water supply system engineering services. Under this contract, Stantec provided design services for the Del Valle Water Treatment Plant (DVWTP) Underdrain Pump Station Replacement Project. This project is in the final design phase, with an estimated total project cost of \$1,000,000, and with bid advertisement anticipated for summer 2024 and project completion in summer 2026. An amendment is requested to finalize the design and provide engineering support services during construction. The additional services require increasing contract A24-05-STA by \$105,000, for a total not-to-exceed amount of \$195,000, which includes an approximate 10% contingency.

- In June 2022, the General Manager negotiated and executed contract A23-05-BEE with Beecher Engineering, Inc. (Beecher), in the amount of \$50,000 for electrical engineering design and support services. Under this contract, Beecher provided design services for the DVWTP Booster Pump Station Variable Frequency Drives (VFDs) Replacement Project. This project is in the final design phase, with an estimated total project cost of \$675,000, and with bid advertisement anticipated for summer 2024 and project completion in summer 2026. An amendment is requested to provide engineering support services during construction. The additional services require increasing contract A23-05-BEE by \$45,000, for a total not-to-exceed amount of \$95,000, which includes an approximate 10% contingency.
- Staff recommends that the Board authorize the General Manager to:
 - 1) Amend contract A24-18-WAT with Water Works Engineers, LLC, to increase the amount by \$50,000, increasing the total contract to a not-to-exceed amount of \$140,000.
 - 2) Amend contract A24-15-STA with Stantec Consulting Services, Inc., to increase the amount by \$105,000, increasing the total contract to a not-to-exceed amount of \$195,000.
 - 3) Amend contract A23-05-BEE with Beecher Engineering, Inc., to increase the amount by \$45,000, increasing the total contract to a not-to-exceed amount of \$95,000.

FUNDING:

Funding is available in the FY 2024-26 Adopted Budget for Fund 120 – Water Enterprise Renewal & Replacement/System-Wide Improvements.

RECOMMENDED ACTION:

Adopt the attached Resolutions.

ATTACHMENT:

Resolutions

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Amendment to Contract with Water Works Engineers for Water Supply System Engineering Services for the PPWTP Coagulation Tank Replacement Project

WHEREAS, the proposed action is in support of Strategic Plan Initiative 3 – Continue to effectively implement infrastructure projects in the Water System Capital Improvement Program; and

WHEREAS, in July 2023, the General Manager negotiated and executed contract A24-18-WAT with Water Works Engineers, LLC, in the amount of \$90,000 for on-call water supply system engineering services; and

WHEREAS, Water Works Engineers, LLC’s performance under contract A24-18-WAT has been to the Agency’s satisfaction; and

WHEREAS, the contract amount needs to be increased by an additional \$50,000 to provide additional engineering services during design and construction for the PPWTP Coagulation Tank Replacement Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to execute an amendment to the contract with Water Works Engineers, LLC, for water supply system engineering support services for an additional \$50,000, increasing the total contract to a not-to-exceed amount of \$140,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Amendment to Contract with Stantec for Water Supply System Engineering Services for the DVWTP Underdrain Pump Station Replacement Project

WHEREAS, the proposed action is in support of Strategic Plan Initiative 3 – Continue to effectively implement infrastructure projects in the Water System Capital Improvement Program; and

WHEREAS, in June 2023, the General Manager negotiated and executed contract A24-15-STA with Stantec Consulting Services, Inc., in the amount of \$90,000 for on-call water supply system engineering services; and

WHEREAS, Stantec Consulting Services, Inc.'s performance under contract A24-15-STA has been to the Agency's satisfaction; and

WHEREAS, the contract amount needs to be increased by an additional \$105,000 to finalize the design and provide engineering support services during construction for the DVWTP Underdrain Pump Station Replacement Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to execute an amendment to the contract with Stantec Consulting Services, Inc., for water supply system engineering support services for an additional \$105,000, increasing the total contract to a not-to-exceed amount of \$195,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Amendment to Contract with Beecher Engineering for Electrical Engineering Services for the DVWTP Booster Pump Station VFDs Replacement Project

WHEREAS, the proposed action is in support of Strategic Plan Initiative 3 – Continue to effectively implement infrastructure projects in the Water System Capital Improvement Program; and

WHEREAS, in June 2022, the General Manager negotiated and executed contract A23-05-BEE with Beecher Engineering, Inc., in the amount of \$50,000 for on-call electrical engineering design and support services; and

WHEREAS, Beecher Engineering Inc.'s performance under contract A23-05-BEE has been to the Agency's satisfaction; and

WHEREAS, the contract amount needs to be increased by an additional \$45,000 to provide additional engineering services during construction for the DVWTP Booster Pump Station VFDs Replacement Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to execute an amendment to the contract with Beecher Engineering, Inc., for electrical engineering services for an additional \$45,000, increasing the total contract to a not-to-exceed amount of \$95,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ORIGINATING SECTION: Office of the General Manager/Maintenance

CONTACT: Valerie Pryor/Jon Nicolaus

AGENDA DATE: July 17, 2024

SUBJECT: Award a Contract for Computerized Maintenance Management System (CMMS) Enterprise Software System

SUMMARY:

- This proposed action is in support of Strategic Plan Initiative No. 14 – Evaluate current program to increase ratio of preventative to reactive maintenance. Key action items in this initiative include continue development and use of the Computerized Maintenance Management Program (CMMS); develop a consistent naming convention for assets in the CMMS; generate preventative maintenance work orders for all installations and large assets; develop work orders that code maintenance as preventative, reactive, or corrective; and develop CMMS reports that track preventative, reactive, and corrective maintenance.
- Zone 7 water system infrastructure has expanded significantly in recent years and new water system facilities present new maintenance responsibilities. This expansion includes major additions of ozone treatment at the Del Valle Water Treatment Plant, the Patterson Pass Water Treatment Plant and the Stoneridge PFAs Treatment Facility. Zone 7 Water does not possess a fully functioning CMMS, nor is the current system used consistently in the organization. There is a limited inventory of assets and equipment created in the current system, but the criticality assessment and development of all preventative maintenance protocols has yet to be accomplished. This has not been effectively linked to the work order system or procurement systems. Report generating capability is limited.
- In December 2022, the Board approved a contract with Kennedy Jenks for a CMMS Needs Assessment and Procurement Process consultant. Kennedy Jenks has performed the CMMS needs assessment, reviewed current maintenance workflow and business practices, developed procurement documents for a new CMMS system and provided vendor review assistance. Ongoing works will include implementation assistance with the new CMMS system, project management throughout the process, as-needed asset data improvement assistance, and maintenance analytics and business plan development.
- In accordance with Zone 7's Purchasing Policy, a competitive procurement process was completed. A Request for Qualifications (RFQ) was issued in January 2024 for a new CMMS system. Seven statements of qualifications (SOQs) were received. Three were shortlisted for further review.

- The selection panel consisted of multiple representatives from maintenance, operations and engineering. Each of the finalists had a half-day demonstration and interview session.
- Upon review of the proposals, KloudGin was found to be the best qualified vendor by the selection committee based on their system's ease of use, robust search features, user interface and KloudGin's attractive pricing structure for implementation as well as annual license fee costs.
- The proposed cost of the project for five years is \$987,000. This includes implementation costs of \$400,000 and license fees for five years.
- Note that this request is for the CMMS software and implementation only. There will be other implementation needs such as asset data cleansing, establishing asset data standards, attribute collection best practices, asset criticality assignment, GIS integration, development of Standard Operating Procedures, Preventative Maintenance and related work. These items will be requested in separate Board actions.
- Staff recommends that the Board authorize the General Manager to negotiate, execute, and amend a professional services agreement with KloudGin, Inc., to provide software as a service and implementation support for the Enterprise Asset Management System for a three-year (from August 1, 2024, through July 31, 2027) contract not-to-exceed \$758,000 which includes an approximate 10% contingency, with the option for the General Manager extend the initial term for an additional two years. At the end of this term on July 31, 2027, each additional year of license fees will include a 3% increase from the license fees paid in the previous year, not to exceed \$229,000, for a total contract value not to exceed \$987,000.

FUNDING:

Funding for this project is the Budget in Fund 120 – Water System Renewal/Replacement and System-Wide Improvements Fund.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

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

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**Award a Contract for
Computerized Maintenance Management System (CMMS) Software System**

WHEREAS, this agreement supports Zone 7's Strategic Plan Initiative No. 14 – Evaluate current program to increase ratio of preventative to reactive maintenance; and

WHEREAS, the Zone 7 water system infrastructure has expanded significantly in recent years and new water system facilities present new maintenance responsibilities. This expansion includes major additions of ozone treatment at the Del Valle Water Treatment Plant, the Patterson Pass Water Treatment Plant and the Stoneridge PFAs Treatment Facility; and

WHEREAS, Zone 7 Water does not possess a fully functioning CMMS, nor is the current system used consistently in the organization; and

WHEREAS, in accordance with the Agency Purchasing Policy, a Request for Qualifications was advertised to solicit Statements of Qualifications for a vendor to provide a CMMS software system. Of the seven received, the proposal from KloudGin was the responsible and qualified proposal and selected based on the selection criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate, execute, and amend a professional services agreement with KloudGin, Inc., to provide software as a service and implementation support for the Enterprise Asset Management System for a three-year (from August 1, 2024 through July 31, 2027) contract amount not-to-exceed \$758,000 which includes an approximate 10% contingency; and

BE IT FURTHER RESOLVED that the General Manager is authorized to negotiate, execute, and amend as needed a two-year contract extension, each additional year of license fees will include a 3% increase from the license fees paid in the previous year for a not-to-exceed \$229,000, for a total five-year contract amount not-to-exceed \$987,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ORIGINATING SECTION: Safety
CONTACT: Fermin Navarro

AGENDA DATE: July 17, 2024

SUBJECT: Amendment to Contract for Cintas Corporation No. 2, Uniform Orders and Replacements

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 provides uniforms to some classifications in the workforce. The proposed action is in support of Strategic Plan Initiative No. 11 – provide all required and recommended safety programs to employees.
- In June 2023 the General Manager negotiated and executed contract A23-101-CIN with Cintas Corporation No. 2 in the amount of \$50,000 for uniform services. The contract provides uniforms for new and existing employees.
- Zone 7 has experienced a higher demand for Zone 7 uniforms due to the number of new employees and to expanding issuance of and logoed clothing to additional staff positions to increase Zone 7 staff visibility to the public and expand our brand recognition.
- Staff recommends the Board authorize the General Manager to amend contract A23-101-CIN with Cintas Corporation No. 2 to increase the amount by \$25,000 in FY 2024-25, increasing the two-year contract total to a not-to-exceed amount of \$75,000

FUNDING:

Funding is available in Fund 100 – Water Enterprise Operations and Fund 200 – Flood Protection Operations.

RECOMMENDED ACTION:

Adopt the attached Resolution

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Amendment to Contract with Cintas Corporation No. 2

WHEREAS, the proposed action is in support of Strategic Plan Initiative No. 11- provide all required and recommended safety programs to employees; and

WHEREAS, in June 2023, the General Manager negotiated and executed contract A23-101-CIN with Cintas Corporation No. 2 in the amount of \$50,000 for employee uniform services; and

WHEREAS, Cintas Corporation's performance under contract A23-101-CIN has been to the Agency's satisfaction; and

WHEREAS, the contract amount needs to be increased to cover additional uniform orders for new employees and garments orders for existing employees during the term of the contract.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to execute a first amendment to the contract with Cintas Corporation No. 2 for uniform services for \$25,000, increasing the total of contract to-not-exceed amount of \$75,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

ORIGINATING SECTION: Flood Protection Maintenance
CONTACT: Michael Miller

AGENDA DATE: July 17, 2024

SUBJECT: Award Contract for Goat Grazing Services for Flood Protection Facilities

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 uses grazing services at its flood protection facilities. This action is in support of Strategic Plan Initiatives No. 9 – Continue to maintain the flood protection system.
- Grazing services are necessary for vegetation maintenance along flood control channels to abate fire fuels and to maintain channel capacity. Zone 7 relies on an outside contractor to provide labor, materials, and equipment to perform this service.
- The existing goat grazing services expenditures totaled approximately \$160,000 in FY 2022-23. The existing contract expires on July 1, 2024.
- A Request for Quotes (RFQ) was issued in May 2024 following Zone 7 procurement practices to identify the low-price contractor and establish unit prices for the first year of the contract. On March 26, 2024, Zone 7 received three quotes from contractors. Zone 7 staff reviewed the bids and determined that the lowest responsive and responsible bidder Blue Tent Farms with a bid price of \$156,975.
- The proposed contract is structured such that payments will be made on an on-call and time and materials basis using the unit prices included in the contractor's bid, with the unit prices adjusted for inflation in each year after the initial year.
- Staff recommends that the Board:
 - 1) Authorize the General Manager to negotiate, execute, and amend as needed a contract with Blue Tent Farms, for Grazing services for a not-to-exceed amount of \$480,000 (\$160,000 per fiscal year); and
 - 2) Authorize the General Manager to approve amend the contract for two additional one-year terms (for FY 2027-28 and FY 2028-29), for a total five year not-to-exceed contract amount of \$800,000 (\$160,000 per year).

FUNDING:

Funding is available in the adopted Two-Year Budget for FYs 2024-25 and 2025-26 for Fund 200 – Flood Protection Operation. Funding for additional years will be requested in subsequent budget requests.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Goat Grazing Services for Flood Protection Facilities

WHEREAS, to support Zone 7's mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 implements goat grazing to maintain its flood protection facilities; and

WHEREAS, these activities are in support of Strategic Plan Initiative No. 9 – Continue to maintain the Flood Protection System; and

WHEREAS, Zone 7 requires goat grazing services to provide labor, materials, and equipment to perform this service; and

WHEREAS, following established practices, Zone 7 issued a Request for Quotes for grazing services and received three bids; and

WHEREAS, staff reviewed the bids and determined that the lowest responsive and responsible bidder is Blue Tent Farms with a bid amount of \$156,975.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate, execute, and amend as needed a three-year contract with Blue Tent Farms in a total amount not to exceed \$480,000; and

BE IT FURTHER RESOLVED that the Board of Directors authorizes the General Manager to extend the contract for up to two additional one-year terms (for FY 2027-28 and FY 2028-29), for a total five year not-to-exceed contract amount of \$800,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ORIGINATING SECTION: Flood Protection Engineering
CONTACT: Edward Reyes

AGENDA DATE: July 17, 2024

SUBJECT: Request for Out-of-State Travel to Attend 2024 Annual Floodplain Management Association Conference

SUMMARY:

- To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable flood protection services, staff occasionally attend topical conferences out of state, which require Board approval for registration and reimbursement. These conferences are in support of Strategic Plan Initiative 9 – Continue to maintain the Flood Protection System.
- The Floodplain Management Association's annual conference provides a wide variety of technical sessions, exhibits, and a tour to share the latest on floodplain management, including flood risk, regulations, technologies, case studies, and research projects and their results. The Floodplain Management Association is a nationwide organization that promotes flood safety and maximizing floodplain resources.
- The conference will be held on September 3-6, 2024, in Henderson, Nevada. Registration for the conference is \$900 per person. There are also miscellaneous expenses associated with attendance, such as transportation, parking, accommodations, etc., with a total cost estimated at \$2,000 per person.
- As this conference is out of state, Board authorization must be obtained. Edward Reyes, Flood Protection Engineering Principal Engineer, and Jeff Tang, Associate Civil Engineer, would like to attend the conference on the agency's behalf.

FUNDING:

Funding is available in the FY 2024-26 Adopted Budget for Fund 200 – Flood Protection Operations.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT: Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Authorization for Out-of-State Travel to Attend 2024 Annual Floodplain Management Association Conference

WHEREAS, Edward Reyes, Flood Protection Engineering Principal Engineer, and Jeff Tang, Associate Civil Engineer, have expressed an interest in attending the Floodplain Management Association Annual Conference to be held on September 3-6, 2024, in Henderson, Nevada;

WHEREAS, the proposed action is in support of Strategic Plan Initiative 9 – Continue to maintain the Flood Protection System; and

WHEREAS, compensation and reimbursement of related expenses must be specifically authorized by the Board.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize Edward Reyes and Jeff Tang’s attendance at the 2024 Floodplain Management Association Annual Conference; and

BE IT FURTHER RESOLVED that Edward Reyes and Jeff Tang be reimbursed for actual and necessary expenses associated with attendance at this event.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors



ORIGINATING SECTION: Administrative Services
CONTACT: Osborn Solitei

AGENDA DATE: July 17, 2024

SUBJECT: Independent Accountants' Report on Applying Agreed-Upon Procedures in Regard to Purchasing Card Transactions for the Calendar Year Ended December 31, 2023

SUMMARY:

The Agency engaged with external audit firm, The Pun Group, LLP, to perform Agreed-Upon Procedures and perform an internal audit over purchasing card (P-Card) transactions for the period of January 1, 2023, through December 31, 2023. An internal audit of purchasing card transactions helps meet the Agency's Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency and continue to conduct an annual audit.

DISCUSSION:

The Pun Group, LLP recently performed Agreed-Upon Procedures of the Agency's purchasing card transactions for the calendar year ended December 31, 2023. The procedures performed were to assist the Agency with its compliance with the County of Alameda's "Purchasing Card Policies & Procedures Manual". The engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA).

Purchasing Cards

The Agency utilizes purchasing cards from Home Depot and MUFG Union Bank/ US Bank for small dollar purchases.

Number of Purchasing Card Transactions Calendar Year 2023		
Home Depot	MUFG Union Bank/ US Bank	Total
154	318	472

Procedures Performed by the External Auditors

1. Obtained the County's Purchasing Card Policies & Procedures Manual ("the Purchasing Card Policy") dated April 12, 2019, and revised on August 12, 2021, and determined if the policy is in place and if it is adequate.

2. Obtained the monthly statements for the year ended December 31, 2023, from Home Depot and selected a sample of 20 transactions.
3. Obtained the monthly statements for the year ended December 31, 2023, from MUFG Union Bank and US Bank and selected a sample of 40 transactions.
4. Tested samples selected above for the following:
 - Purchase is in compliance with policy
 - Purchase is supported by proper supporting documentation
 - Purchase is properly approved and authorized
 - Validate purchase is within P-Card use versus normal requisition and purchasing procedures
 - Purchase is within the limits established by the Purchasing Card Policy and the cardholder agreement.

Auditor's Findings

No exceptions were noted as a result of their procedures.

The Independent Accountants' Report on Applying Agreed-Upon Procedures for the Agency in Regard to Procurement Card Transactions for the Calendar Year Ended December 31, 2023, was discussed at the June 13, 2024, Finance Committee and the Committee recommended for the report to be presented to the full board for acceptance.

FUNDING:

There is no funding impact.

RECOMMENDED ACTION:

Receive and File

ATTACHMENTS:

Independent Accountants' Report

**Alameda County Flood and Water
Conservation District
Zone 7 Water Agency**

Livermore, California

**Independent Accountants' Report on
Applying Agreed-Upon Procedures in Regards to
Purchasing Card Transactions**

For the Year Ended December 31, 2023





INDEPENDENT ACCOUNTANTS' REPORT APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of the
Alameda County Flood and Water
Conservation District – Zone 7 Water Agency
Livermore, California

We have performed the procedures enumerated below, which were agreed to by the Alameda County Flood and Water Conservation District – Zone 7 Water Agency (“Agency”), solely to assist you in assessing whether purchasing card transactions made by the Agency were in compliance with the “Purchasing Card Policies & Procedures Manual” during the year ended December 31, 2023. The Agency’s management is responsible for compliance with the “Purchasing Card Policies & Procedures Manual”.

The Agency has agreed to and acknowledged that the procedures performed are appropriate for their purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purpose.

The procedures and associated findings are as follows:

PROCEDURES:

1. Obtained the Agency’s Purchasing Card Policies & Procedures Manual (“the Purchasing Card Policy”) dated April 12, 2019 and revised on August 12, 2021 and determined if the policy is in place and if it is adequate.

Findings: No exceptions were noted as a result of our procedures.

2. Obtained the monthly statements for year ended December 31, 2023 from Home Depot and selected a sample of 20 transactions.

Findings: No exceptions were noted as a result of our procedures.

3. Obtained the monthly statements for year ended December 31, 2023 from Union Bank and US Bank and selected a sample of 40 transactions.

Findings: No exceptions were noted as a result of our procedures.

To the Board of Directors of the
Alameda County Flood and Water
Conservation District – Zone 7 Water Agency
Livermore, California
Page 2

4. Tested samples selected above for the following:

- a. Purchase is in compliance with policy
- b. Purchase is supported by proper supporting documentation
- c. Purchase is properly approved and authorized
- d. Validate purchase is within P-Card use versus normal requisition and purchasing procedures
- e. Purchase is within the limits established by the Purchasing Card Policy and the cardholder agreement.

Findings: No exceptions were noted as a result of our procedures.

5. Review of cardholder Purchasing Card Agreement Form to ensure that limits by transaction and day are being followed.

Findings: No exceptions were noted as a result of our procedures.

We were engaged by the Agency to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether purchasing card transactions made by the Agency were in compliance with its “Purchasing Card Policies & Procedures Manual” during the year ended December 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Agency and is not intended to be and should not be used by anyone other than those specified parties.



Walnut Creek, California
April 30, 2023

ORIGINATING SECTION: Administration
CONTACT: Valerie Pryor

AGENDA DATE: July 17, 2024

SUBJECT: FY 2023-24 Progress on the 2020-24 Strategic Plan

SUMMARY:

On June 17, 2020, the Board of Directors adopted Resolution No. 20-34 adopting the 2020-2024 Strategic Plan. The 5-year Strategic Plan is intended to establish the framework for addressing the challenges to maintain reliable and high-quality water and flood protection service to Livermore-Amador Valley. The Plan includes 24 Major Strategic Plan Initiatives to support the Agency's Vision, Mission, Goals and Values as approved by the Board of Directors on February 6, 2020. These Strategic Plan Initiatives are the key items that are planned to be undertaken during the five-period to support each of the Goals.

The FY 2023-24 status of all items is included in the attached FY 2023-24 Strategic Plan Status.

FUNDING:

N/A

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

FY 2023-24 Strategic Plan Status

Strategic Plan Update FY 23-24

Initiative #1 – Establish a diversified water supply plan	
Activity	Status
Complete Final the Tri-Valley Municipal and Industrial (M&I) demand study	Completed FY 20-21
Complete the Conjunctive Use Study	Draft completed; work paused to focus on water supply evaluation update
Review, and update as necessary, the Agency’s water supply risk model to support its ability to rigorously inform decision-making	Completed the development of a RiverWare base model tool designed for Zone 7’s water supply sources in early 2023 to conduct water supply risk modeling, operational decision making, water supply planning, system optimization, water accounting and long-term water resource planning. Obtained a grant funding of \$130,00 to enhance the model’s capabilities to be used as a decision support tool for ongoing water supply planning efforts.
Complete the 2022 Water Supply Evaluation Update	Completed FY 22-23
Complete the 2020 Urban Water Management Plan	Completed FY 20-21
Complete and implement the Chain of Lakes Pipeline Alignment Study and determine how it can help increase local water supplies	Completed the pipeline alignment study in January 2023 and conceptualized the Chain-of-Lakes conveyance system project. Currently conducting a follow-up feasibility study to analyze the feasibility of the conveyance system and the costs and benefits of operational alternatives.
Develop a Chain of Lakes model that could support planning, design, and decision-making on water supply projects connected to the Chain of Lakes operations	Completed FY 21-22; to be integrated with upcoming Chain of Lakes Conveyance System cost benefit and operational study
Complete studies and planning activities to support policy decisions on enhanced water supplies, such as extending the permit for the Arroyo Valle water rights, evaluating the benefits and impacts of projects that provide enhanced reliability and water supplies	Completed studies. Filed petitions with the State Water Resources Control Board to license a portion of water rights and extend the permit for the remaining.
Assess the Agency’s current portfolio of projects to enhance long-term water supply reliability and evaluate options to diversify the portfolio	Ongoing activities include managing the water supply portfolio to meet annual demands, recharge local groundwater basins, and store for dryer time; Initiating the development of a long-term water transfer program to meet future water supply needs and manage available transfer water supply and costs.

Initiative #2 – Evaluate and develop appropriate new water supply and reliability opportunities	
Activity	Status
<p>Continue to pursue these projects as long as they demonstrate progress toward attaining new sustainable water supplies both regionally and locally and are fiscally feasible:</p> <ul style="list-style-type: none"> • Bay Area Regional Desalination Project • Delta Conveyance • Los Vaqueros Reservoir Expansion • Potable Reuse • Sites Reservoir • Water Transfers • Intertie with a neighboring water agency 	<p>Ongoing; key accomplishments in FY 2023-24 include:</p> <ul style="list-style-type: none"> • Completed water transfer sale to Westside water districts • Completed the contaminant mobilization study
<p>Continue to evaluate and pursue water conservation activities to help the retailers comply with State mandates for long-term water use efficiency standards beginning in 2023</p>	<p>Ongoing; standing monthly communications meeting with the retailers to coordinate efforts.</p>

Initiative #3 – Continue to effectively implement infrastructure projects in the Water System Capital Improvement Program (CIP)

Activity	Status
Implement capital projects in the CIP	Ongoing; key projects completed or in progress during FY 2023-24 include: <ul style="list-style-type: none"> • PPWTP Upgrades and Ozonation Project (completed) • Hopyard Well 6 Pump Replacement Project (completed) • MGDP Concentrate Conditioning Project (construction phase) • Wells and MGDP Electrical Upgrades/Replacement Project (construction phase) • Stoneridge Well PFAS Treatment Facility Project (construction phase) • COL PFAS Treatment Facility Project (construction phase)
Continue to maintain and update the water system Asset Management Program (AMP)	Ongoing
Complete Pipeline Inspection Program Study	Ongoing; scheduled for completion in FY 2024-25
Continue working with the Department of Water Resources to implement projects to maintain/improve South Bay Aqueduct reliability	Ongoing; quarterly SBA Executive Meetings held
Maintain as-built drawings	Ongoing

Initiative #4 – Implement Ozone	
Activity	Status
Complete the Del Valle Water Treatment Plant (DWWTP) Ozonation Project in calendar year 2020	Completed FY 20-21
Complete the Patterson Pass Water Treatment Plant (PPWTP) Ozonation and Expansion Project in calendar year 2022	Completed FY 23-24
Communicate the benefits of ozone to stakeholders	<p>Ongoing; key accomplishments in FY 2023-24 include:</p> <ul style="list-style-type: none"> • 2023 Consumer Confidence Report • PPWTP public tours held in May 2024 • Included information in the Consumer Confidence Report and Online Annual Report • Ongoing “Wondrous World of Water” digital education campaign

Initiative #5 – Meet or surpass all drinking water health and safety requirements	
Activity	Status
Continue to meet all applicable water quality goals, standards, and regulations	Ongoing; all state and federal water quality standards have been met or exceeded. Meeting new Federal MCLs for PFAs ahead of compliance date of 2029. In compliance with new State MCL for Cr6.
Communicate transparently about water quality	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none"> • 2023 Consumer Confidence Report • Provided updates in the Digital Annual Report • Ongoing “Wondrous World of Water” digital education campaign • Educational videos about water treatment processes and facilities
Track regulatory changes at the State and federal levels pertaining to water quality	Ongoing; key regulatory development include PFAS, Hexavalent Chromium (Cr6), Microplastics, Lead and Copper Rule Revisions, Consumer Confidence Report Revisions, Cross-Connection Control, and Direct Potable Reuse.
Maintain Environmental Laboratory Accreditation Program (ELAP) certification and explore options to expand certification for additional methods	Ongoing; Water Quality Laboratory received a certificate of recognition for proactively implementing the National Environmental Laboratory Accreditation Certificate before the required compliance date from the State Water Board.
Optimize processes to continue producing water with turbidity of less than 0.1 NTU (Nephelometric Turbidity Unit) as compared to the standard of 0.3 NTU (one of the requirements of American Water Works Association’s Partnership for Safe Water)	Ongoing; all Partnership goals have been met

Initiative #6 – Assess treatment requirements and strategy for PFAS and Cr6

Activity	Status
Complete the PFAS/Cr6 treatment feasibility study in calendar year 2020	Completed FY 20-21
Discuss the outcomes of the study and potential rate impacts with the retailers and the Zone 7 Board in calendar year 2020	Completed FY 20-21
Design and construct necessary treatment facilities to continue providing safe drinking water that meets or exceeds standards for PFAS and Cr6	Work is underway: <ul style="list-style-type: none">• Stoneridge Well PFAS Treatment Facility Project completed in late summer 2023• COL PFAS Treatment Facility Project anticipated to be complete in fall 2024• Initiated studies to evaluate treatment options and operational improvements to Mocho wellfield and MGD to restore production capacity
Continue to engage the public on safe drinking water matters	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none">• 2023 Consumer Confidence Report• Incorporated safe drinking water messaging into social media content• New Stoneridge Treatment Facility and IX Treatment videos• Updated PFAS webpage

Initiative #7 – Manage the GSA and implement the groundwater management plan	
Activity	Status
Prepare required annual reports for the Sustainable Groundwater Management Program	Completed preparing 2023 annual report and submitted to DWR by the due date.
Implement the \$500,000 grant from DWR for the preparation of the first Five-Year Update of the Alternative GSP Update by January 1, 2022	Submitted the 5-year update in December 2021 and obtained DWR's approval in June 2024.
Continue to implement the permitting and monitoring programs such as, well permits and inspections, Toxic Site Surveillance, stream flow and precipitation measurements related to the sustainable management of the groundwater basin	Ongoing; closely collaborated with Alameda County Department of Environmental Health to process commercial septic tank permit applications and development of a process flowchart among agencies. Worked with the San Francisco Regional Water Quality Control Board to provide inputs on three toxic site cases and to complete case closures. Updating well permitting process to comply with Executive Orders.
Evaluate the groundwater monitoring program and well network in light of the Five-Year Update to the Alternative GSP and consider preparation of a grant request to DWR to install new monitoring wells, if needed	Ongoing
Migrate and update the groundwater databases to better communicate the status of the basin throughout the year	Completed FY 20-21
Incorporate information from the studies and planning efforts identified in Initiative #1 and Initiative #8	Ongoing

Initiative #8 – Study and refine knowledge of the groundwater basins	
Activity	Status
Refine and expand existing groundwater basin data, including geologic cross sections and monitoring wells to continue to model and understand the groundwater basin	Ongoing; completed geophysical investigations and well pumping tests to better define basin characteristics for the groundwater model upgrade.
Conduct additional basin modeling to incorporate the extended cross sections and other data to evaluate how the new information impacts future drought scenarios and future basin salt loading	Ongoing, initiated groundwater model upgrade in FY 22-23 to be completed by FY 24-25.
Investigate the sources and/or potential remedial alternatives, if feasible, for contaminants of emerging concern, such as PFAS	Ongoing; key accomplishments in FY include: <ul style="list-style-type: none"> • Completed PFAs mobilization modeling study in September 2022 to understand fate and transport of PFAS compounds. • Expand the PFAS monitoring network and increase the sampling frequency. • Continued coordination with retailers and San Francisco Regional Water Quality Control Board
Evaluate and update, as necessary, the estimated main basin sustainable yield (established in 1992) and operational and reserve storage volumes	Currently conducting groundwater model upgrade to define basin storage and sustainable yield in compliance with SGMA.
Incorporate Chain of Lakes current and projected activities in groundwater modeling and evaluation	Ongoing

Initiative #9 – Continue to maintain the Flood Protection System	
Activity	Status
Continue to perform preventative and reactive maintenance	Ongoing
Review and update, if necessary, inspection and maintenance Standard Operating Procedures	Prepared a standard procedure for documenting visual inspections semi-annually to identify and prioritize maintenance activities.
Review flood channel roads and access for potential improvements to make maintenance easier to perform	Ongoing
Continue public outreach and engagement efforts to increase the understand of flood protection as well as watershed processes and stewardship	Ongoing; significant activities listed under Initiative #19
Perform storm damage repairs in a timely fashion Continue to coordinate with local and regional park and recreation agencies for trail access where appropriate	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none"> • Design of high priority damage repair sites for bidding in 2024 and construction in 2025; • Coordinated with the United States Army Corps of Engineers to gain approval for them to provide funding and implement improvements to over 50 sites, planned for FY 24-25 • Completed design of a pilot project along Alamo Canal with state funding to evaluate natural approaches to improving channel stability

Initiative #10 – Update the flood protection strategy	
Activity	Status
Update the SMMP	Ongoing; Flood Management Plan Phase 1 completed August 2022; Phase 2a started in February 2023
Implement robust stakeholder engagement for the SMMP update	Will be conducted in ongoing Flood Management Plan work
Evaluate costs and benefits of returning flood control function to Alameda County	Not yet started
Complete the regulatory process to acquire a long-term, routine stream maintenance permits (aka Routine Maintenance Program or RMP)	Ongoing; in process of securing a programmatic permit for RMP.
Develop an Asset Management Plan (AMP) for flood protection facilities	Not yet started; to begin after completion of Phase 2a of Flood Management Plan work
Develop environmental mitigation strategy for both maintenance and capital projects	Not yet started; will be considered as part of the development of the Flood Management Plan
Continue public outreach and engagement efforts, such as the Living Arroyos Program to increase the understanding of flood protection, as well as watershed processes and stewardship	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none"> • Promoted California Flood Preparedness Week in October • Promoted Living Arroyos volunteer events
Advance policies with local municipalities which promote watershed-wide flood and stormwater management to provide effective flood protection system	Collaboration on-going; Developing full set of advance policies will be considered as part of the development of the Flood Management Plan; Quarterly collaboration meetings with local municipalities on storm drain infrastructure
Evaluate off-stream storage opportunities to help mitigate flood risk	Internal discussions on-going; Full evaluation will be considered as part of the development of the Flood Management Plan

Initiative #11 – Review professional development approach to maintain workforce capability for now and into the future	
Activity	Status
Review Human Resources section staffing and fill vacant Human Resources position(s) as appropriate	Completed; Hired HR Analyst December 2022
Standardize operating procedures and business process	Ongoing; Finalize procedures completed by August 2023. Revisions ongoing
Develop a comprehensive personnel manual	In progress; Initial phases complete; Drafts complete; Estimated completion by Fiscal Year 2025.
Develop an employee orientation/onboarding program	Completed FY 20-21; ongoing updates to program
Periodically conduct classification studies and update job descriptions as appropriate	Ongoing; job descriptions updated in FY 2023-24 include Network Engineer, Maintenance classification study still in progress
Provide supervisor training	Ongoing; Supervisor/Manager training sessions scheduled for Fall 2024
Conduct sexual harassment and abusive conduct prevention and awareness training for all employees	Conducted every other year; training scheduled for Fall 2025
Develop a comprehensive training program	In progress
Provide all required and recommended safety programs	Ongoing
Review cross-training programs	Scheduled for CY 2025 as part of comprehensive training program
Promote the tuition reimbursement program	Ongoing

Initiative #12 – Review and develop strategies for water treatment operator recruitment and retention	
Activity	Status
Perform a market survey of Water Plant Operator compensation and benefits	Completed survey Feb 2022
Review the use of an internship or apprentice program for Water Plant Operators	Completed FY 20-21
Review the use of temporary staffing services	Completed Jan 2022; ongoing assessment
Review the use of retired annuitants	Completed Jan 2022
Continue participation in BayWork (Bay Area water and wastewater workforce development collaborative)	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none"> • Staff re-elected to serve another term on the Board of Directors • Participated in career fairs and a Workshop on Wheels

Initiative #13 – Review and update Board policies	
Activity	Status
Develop a definition of Board Policy	Completed FY 21-22
Create an official template for policies which documents revision dates	Completed FY 21-22
Review and update Board policies	Completed FY 21-22
Implement a program of reviewing and updating each policy every 3-5 years	Completed FY 21-22

Initiative #14 – Evaluate current program to increase ratio of preventive to reactive maintenance	
Activity	Status
Fill vacant maintenance positions	Ongoing
Continue development and use of the Computerized Maintenance Management Program (CMMS)	Ongoing; consultant engaged for CMMS business needs assessment in December 2022; business needs assessment underway; contract for new system anticipated July 2024
Ensure staff is completely trained on CMMS	Not yet started; Pending procurement of new CMMS system starting in CY 2024
Develop a consistent naming convention for assets in the CMMS	Not yet started; will be done as part of the CMMS business needs assessment
Define maintenance assets (pumps, motors, valves, etc.)	In progress; further progress to made as part of the CMMS business needs assessment
For each maintenance asset, evaluate “level of service” maintenance standards	Not yet started; will be implemented with new CMMS implementation in CY 2024
For each maintenance asset, provide a preventive maintenance schedule and define calendar-based or usage-based maintenance	Not yet started; will be implemented with new CMMS implementation in CY 2024
Generate preventive maintenance work orders for all installations and large assets	Not yet started; will be implemented with new CMMS implementation in CY 2024
Develop Standard Operating Procedures (SOPs) for each preventive maintenance cycle	Not yet started; will be implemented with new CMMS implementation in CY 2024
Develop work orders that code maintenance as preventive, reactive, or corrective	Not yet started; will be implemented with new CMMS implementation in CY 2024
Develop CMMS reports that track preventive, reactive, and corrective maintenance	Not yet started; will be implemented with new CMMS implementation in CY 2024
Increase the use of mobile devices to integrate field activities with CMMS	Not yet started; will be implemented with new CMMS implementation in CY 2024
Evaluate and optimize maintenance workflow practices	In progress as part of CMMS business needs assessment

Initiative #15 – Optimize the procurement process

Activity	Status
Hire a Procurement Manager	Ongoing
Formalize purchasing processes	Completed, ongoing updates as needed
Create contract templates	Completed
Provide training	Completed, Ongoing updates as needed
Manage contract renewal and bid processes	Completed, Ongoing updates as needed

Initiative #16 – Develop and implement an energy strategy	
Activity	Status
Develop a Zone 7 Water Agency energy master plan	Ongoing; contract awarded for Energy Master Plan in July 2023; Prepared the energy policy. Completing the Energy Master Plan. Completed the design of Electric Vehicle chargers for North Canyon Office.
Evaluate and implement cost-effective energy-efficient systems and alternative energy solutions	Currently undergoing analysis as part of the Energy Master Plan
Conduct an energy assessment to identify ways to reduce energy use and/or reduce the carbon footprint	Currently undergoing analysis as part of the Energy Master Plan
Include discussion of the water/energy nexus in external communications	Not yet started

Initiative #17 – Refresh emergency preparedness program	
Activity	Status
Update the Emergency Response Plan	Completed FY 20-21 (water system); Storm Response Plan completed in early FY 23-24 and updated in late FY 23-24; Storm Response Plan won ACWA-JPIA Safety Award in FY 23-24 Conducted a joint treated water emergency response table-top exercise with retail customers in July 2024. Complete a Risk and Resiliency Assessment Update in FY 2024-25, including an update to the Emergency Response Plan, consistent with State requirements.
Review and update staffing assigned to emergency preparedness	Ongoing
Ensure that staff are trained appropriately and effectively for emergencies	Ongoing
Review emergency standby power strategy	Ongoing; last assessment completed in 2019, New standby power generator installed at DVWTP in 2020 and PPWTP in 2022
Review emergency communications strategies: both within Zone 7 and with responding agencies and fully integrate into the EBRCSA to coordinate with Alameda County agencies during an emergency	Ongoing; staff regularly attend and participate in the Alameda County Emergency Managers' Association Meetings New storm alert system and infographics created for flood preparedness
Coordinate emergency response planning efforts with the County and local cities and water retail agencies	Ongoing
Review the SCADA and Business network security and resiliency plan	Ongoing; assessment completed in 2022
Coordinate the Emergency Response Plan with the Hazard Mitigation Plan	In progress
Implement the EBRCSA to upgrade the radio system and provide radio interoperability for the Agency's public health first responders	Ongoing; first set of radios received and deployed in 2021. The plan for additional radio procurement and deployment will be updated with the risk and resilience assessment update.

Initiative #18 – Develop and implement a climate change strategy	
Activity	Status
Monitor climate change information and policy	Ongoing
Incorporate climate change impacts into water and flood system planning and engineering design	Ongoing; climate change specifically referenced and prioritized in development of a new Flood Management Plan
Coordinate with Retailers about the effects of climate change on the wholesale water and flood systems so Retail agencies can plan for water deliveries and flood impacts	Ongoing; as part of Annual Water Supply Planning, Water Supply Planning Updates and Flood Management Plan
Coordinate with the California Department of Water Resources and the Federal Emergency Management Agency's efforts on flood control modeling and initiatives	Ongoing

Initiative #19 – Optimize Agency communications program	
Activity	Status
Refine brand identity, develop the master narrative and key messages, and update design guidelines and branded materials	Ongoing; key efforts in FY 23-24 included: <ul style="list-style-type: none"> Continued to ensure all Agency collateral utilizes new branding for consistency Refreshed homepage Refresher training to staff on brand guidelines and resources
Produce the annual report	<ul style="list-style-type: none"> Published the third online version of the annual report
Prepare positioning statements, key messages, and Q&A style responses	Ongoing; key efforts in FY 23-24 included: <ul style="list-style-type: none"> Updated the PFAs FAQs Prepared various talking points as needed. Issued 12 news releases Revised Tri-Valley Water Solutions and Challenges presentation
Provide proactive updates to the community on flood maintenance, construction projects, potable reuse, and emergency operations	Ongoing; key efforts in FY 23-24 included: <ul style="list-style-type: none"> Emergency flood communications during 2023/24 storm events utilizing new Storm Alert messaging and landing page Created and maintained project pages for capital improvement projects Flood Preparedness campaign during Flood Preparedness week and during rainy season Flood Preparedness Open House in October
Manage and enhance the outreach and schools' program	Ongoing; rebranded the Kid Zone program to Water Academy and launched a teacher incentive program and media campaign
Increase presence and influence on social media platforms	Ongoing; continued to invest in campaigns to increase followers, increased video media for better engagement
Conduct a biannual report to the Board on the program	Completed July 2023
Develop an in-person or virtual tour program of water treatment facilities	<ul style="list-style-type: none"> Annual in-person tours held in May 2024 Tour requests for groups are being accommodated as staffing permits

Initiative #19 (continued) – Optimize Agency communications program	
Activity	Status
Promote water conservation and rebate programs	Ongoing; key efforts in FY 23-24 included: <ul style="list-style-type: none"> • Continued water conservation education campaign and coordination with retailers on conservation and rebate outreach • Promoted Fix-A-Leak Week in March • Tabled at community events and provided rebate information • Hosted two Lawn Conversion Parties with retail partners
Support and promote the Living Arroyos program	Ongoing
Continue cultivation of relationships with local media	Ongoing; reviewed and revised media contacts list and shared with retail partners
Facilitate annual legislative briefings for agency advocacy	Legislative briefing for state/local elected officials completed in FY 23-24.
Maintain strong working relationships with local agencies, non-profit, partner and government organizations	Ongoing; key efforts in FY 23-24 included: <ul style="list-style-type: none"> • Partnered with Livermore and Cal Water on the One Water Awards for the Science Odyssey • Partnered with Save Our Water, Delta Conveyance and Department of Water Resources on various outreach campaigns • Monthly communications meetings with the retailers • Promoted Alameda Clean Water Program messaging and staffed events • Participation in the ACWA and CUWA Communications Committees • Provided communications support to BayWork

Initiative #20 – Redesign Agency website	
Activity	Status
Map and analyze current website	Completed FY 20-21
Complete stakeholder surveys and focus groups prior to redesign to determine objectives and needs of new website	Completed FY 20-21
Ensure new content for website aligns with strategic goals of the agency and maintains consistent voice and branding throughout the site	Completed FY 20-21
Change hosting provider to a more secure platform	Completed FY 20-21
Change the Content Management System (CMS) to a more secure and user-friendly platform, to enhance security and enable training of additional staff to increase redundancy and ensure timely updates of the website	Completed FY 20-21

Initiative #21 – Conduct water supply reliability outreach program	
Activity	Status
Work with the retailers on all aspects of the water supply reliability outreach program	Ongoing; launched Phase 2 of the Tri-Valley Water Partners campaign highlighting solutions Continue to hold monthly meetings with retailers to review operations, water supply and water quality and emerging issues.
Conduct stakeholder meetings, surveys, and focus groups to understand public perception of water supply in the Tri-Valley area	Surveys conducted in FY 21-22; follow up survey to be conducted in fall 2024
Develop strategy and define key messages	Completed FY 21-22
Create program toolkit and plan for execution	Ongoing; launched Trivalleywater.org website in August 2023
Utilize a strategic mix of paid, earned, social, and owned media	Utilized earned, social, owned and paid media in FY 23-24
Report on key metrics and adjust the program as needed	Ongoing; quarterly analytics provided to the Board and retail partners

Initiative #22 – Develop a long-range finance strategy	
Activity	Status
Develop a long-range financial forecast	Completed as part of 2023 Bonds issuance process and updated in FY 2024-26 Two-Year Budget document.
Analyze debt financing versus pay-as-you-go	Ongoing; analyzed as part of the 2023 Bonds issuance process and will be analyzed as part of the upcoming CIP/AMP/Connection Fee updates in FY 2024-25.
Develop strategy to provide adequate flood control revenue as buildout occurs and Development Impact Fee revenues are reduced	Not yet started; will be analyzed as part of development of the Flood Management Plan Phase 2 (Initiative No. 10).
Develop strategy to provide adequate State Water Project and Zone 7 Water Agency infrastructure revenue as buildout occurs and connection fee revenues are reduced	Not yet started; will be analyzed as part of the Connection Fee Study in FY 2024-25.

Initiative #23 – Track State and federal funding opportunities

Activity	Status
Track and pursue State and Federal funding opportunities	Ongoing; Key items in FY 23-24 include: <ul style="list-style-type: none">• \$959,752 FY 24 federal budget allocation approved for Chain of Lakes PFAS Treatment Facility through the EPA STAG – Drinking Water State Revolving Fund.• Ongoing: FY 2024-25 staff to initiate procurement process to hire a grant tracking consultant.• Continue tracking State and Federal funding opportunities

Initiative #24 – Continue to effectively manage financial resources	
Activity	Status
Provide quarterly and annual financial reports to the Finance Committee and Board	Ongoing
Update financial policies every 3-5 years	Ongoing; key accomplishments in FY 2023-24 include: <ul style="list-style-type: none"> • Investment Policy updated June 2024 •
Evaluate the Agency’s unfunded pension and other post-employment benefits (OPEB) liabilities	Completed; Pension Trust Fund contribution made for FY 2022-23 in April 2024.
Continue to conduct an annual audit	Ongoing; annual
Maintain target levels of reserves	Ongoing; reserves fully funded during FY 2023-24
Maintain a high bond rating	Ongoing; In October 2023, S&P Global Ratings raised its long-term rating on the Agency’s outstanding 2018 Series A Water Revenue Bonds to ‘AAA’, S&P also assigned a ‘AAA’ to the Agency’s 2023 Bonds, with a stable outlook. Fitch Ratings affirmed its ‘AA+’ rating and revised the rating outlook to ‘Positive’ from ‘Stable’.
Meet debt coverage ratios	Ongoing; 2024 Continuing Disclosure report (submitted March 2024) reflected compliance with debt service coverage ratios for FY 2022-23. Agency anticipates meeting debt coverage ratio requirement in FY 2023-24 (to be confirmed with audited actuals)



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

ORIGINATING SECTION: Groundwater
CONTACT: Ken Minn/Valerie Pryor

AGENDA DATE: July 17, 2024

SUBJECT: Agreement between Zone 7 Water Agency and the City of Pleasanton for the Regional Groundwater Facilities Project – Phase I

SUMMARY:

- To support the Mission to deliver safe, reliable, efficient, and sustainable water, Zone 7 Water Agency (Zone 7) is partnering with the City of Pleasanton (City) to evaluate the feasibility of a Joint Regional Groundwater Facilities Project (Project) in the Bernal subbasin. This action supports Strategic Plan Goal A – Reliable Water Supply and Infrastructure and is to implement Strategic Plan Initiative #2 – Evaluate and develop appropriate new water supply and reliability opportunities.
- Zone 7 has been exploring the Bernal subbasin to recover the groundwater production capacity, which has been reduced due to out-of-commission wells and PFAS treatment process, and also to meet projected future demands. The City of Pleasanton is also planning to install new groundwater wells to recover its annual groundwater pumping quota (GPQ) of 3,500 acre-feet (AF).
- If feasible, installing additional groundwater wells in the Bernal subbasin will allow Zone 7 to become more resilient to multiyear droughts by providing operational flexibility and redundancy and increasing water supply reliability.
- Developing a joint project with the City of Pleasanton will be mutually beneficial to both Zone 7 and the City as it will allow both agencies to achieve cost savings through the economy of scale, cause less impact on the local community, and gain operational efficiencies through centralized treatment.
- Zone 7's existing infrastructure, including the distribution system and the Hopyard Treatment Facility, can be upgraded to make adding new production wells to the system more cost-effective and efficient.
- The current phase of the joint project is the feasibility study. This feasibility phase involves installing up to three (3) test wells in the City of Pleasanton property to assess water quality and aquifer production. The test wells will be sampled and analyzed for water quality, including PFAS. They will also be evaluated to identify potential groundwater production yields and sustainability.

- If the test wells show that tested locations are productive and favorable for developing municipal production wells, projected production rates at the test well locations will be analyzed using the updated groundwater model to evaluate potential impacts on basin storage and water quality, including the known PFAS plume.
- The Feasibility Study will also include a basis of design report to prepare costs and conceptual designs for installing up to three new municipal supply wells, necessary infrastructure, pipelines to transport the water to the Hopyard wellfield, and upgrades to the Hopyard Treatment facility to treat increased water production. Various contacts will be brought to the Board for approval to conduct test well drilling and consulting services for the feasibility study.
- The feasibility study is anticipated to be completed in Spring 2025 to assist Zone 7 and the City in deciding whether to proceed with installing new production wells.
- Planned contractor and consultant services include exploratory test well drilling, technical feasibility review, and environmental compliance assessment. Zone 7 will be the contracting agency that enters into contract agreements for these services.
- The "Agreement between Zone 7 Water Agency and the City of Pleasanton for the Regional Groundwater Facilities Project – Phase I" defines the project description, the scope of work, contractor/consultant services, cost-sharing, and decision-making process, among others. If a joint project is determined to be feasible and the City and Zone 7 decide to proceed with joint development of the project, additional agreements for design, construction, and operations and maintenance will be negotiated and brought to the City Council and the Board for approvals.
- Staff recommends that the Board authorize the General Manager to negotiate, execute, and amend the Agreement between Zone 7 Water Agency and the City Of Pleasanton for the Regional Groundwater Facilities Project – Phase I, which includes provisions for Zone 7 to execute contracts with contractors and consultants to perform Phase I services with a combined not-to-exceed limit of \$2,000,000 equally shared (50 percent/50 percent cost share) by the City and Zone 7.

FUNDING:

Funding is available in the FY 2024-26 Adopted Budget from Fund 120 – Water Renewal/Replacement and System-wide Improvements and Fund 130 – Water Enterprise Expansion.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

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

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Cost Share Agreement for Joint Regional Groundwater Facilities Project

WHEREAS, in support of Zone 7 Water Agency's (Zone 7's) mission to deliver safe, reliable, efficient, and sustainable Water, Zone 7 is partnering with the City of Pleasanton (City) on a Joint Regional Groundwater Facilities Project, which supports Strategic Goal A – Reliable Water Supply and Infrastructure and is to implement Strategic Plan Initiative #2 – Evaluate and develop appropriate new water supply and reliability opportunities; and

WHEREAS, a feasibility study (Project Phase I) is necessary to evaluate benefits, costs, and groundwater sustainability, including potential impacts on basin storage, water quality, and the known PFAS plume, so that a well-informed decision can be made on whether to proceed with planning, design, and construction to install additional water supply wells in the Bernal Subbasin; and

WHEREAS, up to three test wells will be constructed and tested by a drilling contractor retained by Zone 7 through a public bid process; and

WHEREAS, the test results will be analyzed for water quality and groundwater sustainability, and a basis of design and feasibility study will be developed by a consultant retained by Zone 7 through a request for proposals process; and

WHEREAS, the City will reimburse Zone 7 for their share (50 percent) of the drilling contractor and consultant costs; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby authorizes and directs the General Manager to negotiate, execute, and amend the Agreement between Zone 7 Water Agency and the City Of Pleasanton for the Regional Groundwater Facilities Project – Phase I for a combined not-to-exceed limit of \$2,000,000 equally shared (50 percent/50 percent cost share) by the City and Zone 7.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on July 17, 2024.

By: _____
President, Board of Directors

ZONE 7 BOARD OF DIRECTORS
SUMMARY NOTES OF THE FINANCE COMMITTEE

May 29, 2024
11:00 a.m.

Directors Present: Dennis Gambs
Kathy Narum

Staff Present: Valerie Pryor, General Manager
Osborn Solitei, Treasurer/Assistant General Manager - Finance
Lizzie Foss, Financial Analyst
JaVia Green, Financial Analyst
Donna Fabian, Executive Assistant

Director Narum called the meeting to order at 11:00 a.m.

1. Public Comment on Items Not on the Agenda

There were no public comments.

2. Proposed Investment Policy

Osborn Solitei, Treasurer/Assistant General Manager – Finance, presented the Proposed Investment Policy (Policy) for annual approval, as required by Board policy and California Government Code. The policy includes a change mandated by Senate Bill 882, the Local Government Omnibus Act of 2023, which took effect January 1, 2024. This change affects section 12.14 on page 10 of the Policy, clarifying that asset-backed securities issued or guaranteed by Federal agencies are exempt from certain limitations. Additionally, references to the London Interbank Offered Rates (LIBOR) were updated to the secured overnight financing rate, reflecting the sunset of LIBOR. These changes have been reviewed by PFM Asset Management, the Agency’s Investment Advisor, ensuring compliance with California Code.

Director Gambs inquired whether the new law impacted the Agency's current investments. Mr. Solitei explained that the new legislation clarifies the code, affecting asset-backed securities minimally. Director Gambs sought further clarification on the Policy's purpose, questioning the balance between legal mandates and discretionary restrictions. Mr. Solitei clarified that while the law sets maximum limits, the Agency can impose stricter limits. Monique Spyke from PFM Asset Management provided an example involving negotiable certificates of deposit, noting the Agency’s additional criteria beyond the California Code.

Director Narum confirmed that the investment guidelines detailed in the Policy reflect both legal requirements and the Agency’s more restrictive criteria. Mr. Solitei affirmed this and pointed out specific guidelines unique to the Agency, like the Section 115 Pension Trust Fund.

Director Gambs raised broader questions about balancing short-term and long-term investment goals. Valerie Pryor, General Manager, suggested deferring this discussion to the next agenda item, which would focus on the investment portfolio. She emphasized the Agency's risk-averse approach. Mr. Solitei reiterated that the Policy guides investment decisions, highlighting the Agency's benefit of managing both long-term and more liquid portfolios.

The Committee agreed to forward the draft Policy to the full Board for adoption at the next regular Board meeting.

3. Investment Report as of March 31, 2024 (Unaudited)

Justin Resuello from PFM Asset Management provided an overview of the current market, noting they remain consistent with previous quarters. The economy continues to demonstrate strength, highlighted by significant job gains and low initial jobless claims. The unemployment rate has stayed below 4% for nearly 27 consecutive months, which has led to wage growth and positive consumer sentiment, encouraging spending.

Mr. Resuello discussed rising inflation as indicated by the Consumer Price Index (CPI). Inflation trended upward throughout January, February, and March, but April saw a slight dip of 0.1%, suggesting potential stabilization. Despite this, the quarter under review experienced inflationary growth. Demand for fixed-income assets remained strong, with high treasury yields driven by rising interest rates guided by the Federal Reserve. This environment presents a favorable opportunity for bond buyers and the Agency's investments.

Mr. Resuello provided historical context for inflation trends, referencing high gas prices in June 2022 and their subsequent decline up to mid-2023. However, inflation began rising again in early 2024, reaching approximately 4.6% by March before slightly decreasing in April. He also emphasized the strength of the labor market, noting that non-farm payrolls added 829,000 new jobs in the past quarter, the highest quarterly gain in 18 months.

Mr. Resuello noted that consumer activity continues to drive economic growth, with GDP growth at 4.9% in Q3 and 3.4% in Q4. However, forecasts for Q1 showed a significant drop to 1.6%, lower than the anticipated 2.5% (Atlanta Fed) and 2.0% (Bloomberg). Despite this, the economy continues to grow, contrasting with earlier predictions of a recession and negative growth.

In discussing interest rates, Mr. Resuello pointed out that expectations have shifted. Rates rose significantly as the economy remained strong, and labor markets performed well. The market anticipates higher interest rates for a longer period, with projections rising by 76 basis points for the end of the year and 72 basis points for late 2025. He highlighted that the Fed aims to see more evidence of inflation control before considering rate cuts, with potential reductions starting in September and the first full cut expected by November. Mr. Resuello's presentation included a review of the Fed's dot plot from March 20th, predicting three rate cuts by December 2024 and two in 2025. The projections show an upward trend in GDP, a downward revision in unemployment to 4%, and increased inflation forecasts to 2.6%. The Fed funds rate is expected to remain elevated through 2025-2026.

Mr. Resuello discussed the current investment environment, noting that treasury yields have stabilized at the higher end of their range. He emphasized the importance of strategic investment in short-term bonds to generate predictable income over the next five years. The Agency's cash flow needs are well-managed, with investments aligned to meet any immediate capital requirements.

Mr. Resuello concluded the presentation by affirming the positive performance of fixed-income investments over the past year. The Agency's portfolio remains well-positioned to take advantage of the current market conditions, ensuring strong returns and meeting financial needs effectively.

Director Narum asked if corporate bonds with shorter maturities would be considered for the portfolio. Mr. Resuello confirmed this, explaining that while the investment policy allows for various purchases, most corporate holdings are shorter in nature. He noted that recent corporate notes added to the portfolio would be detailed later.

Mr. Resuello emphasized the ongoing monitoring of inflation, which is a critical factor. He provided an overview of each fixed-income sector and their respective outlooks, indicating that even if trends suggest downward or upward movements, it doesn't necessarily halt purchases of certain asset classes for the Agency.

He presented sector analytics for the Agency's portfolio, which includes US Treasuries, federal agency securities, negotiable CDs, corporate notes, and asset-backed securities, money markets, all within policy constraints. The presentation highlighted the maximum maturities for these asset classes, showing that corporate holdings are just under five years, ranging from shorter to slightly longer-term issues.

Director Narum asked if different maturities within asset classes were generally rolled over upon maturity. Mr. Resuello explained that as active managers, they sometimes let them roll down or swap out early to capture attractive relative value opportunities. He mentioned that around \$10 million in new purchases were made for the portfolio, funded partly by sales totaling about \$6.2 million, including a small JPMorgan Chase corporate note.

Mr. Resuello then introduced the Certificate of Compliance, ensuring that the portfolio complied with the Agency's investment policy throughout the quarter. He reviewed the portfolio snapshot, noting that assets overseen by PFM Asset Management grew to \$140.3 million. The portfolio's duration slightly decreased to 2.54% but remained longer than the benchmark of 2.52 years. He highlighted the portfolio's overweight positions in the two, three, and four-year maturities, with 29% in the one to two-year range, reflecting attractive values along the yield curve.

The portfolio's yield at cost was 3.5%, up from 3.36% at the beginning of the quarter. Its credit quality improved to AA, with 88% rated AA and higher. Sector allocation showed growth in agency CNBS to 16.3% and asset-backed securities to 3.6% of the portfolio, both from zero in March and June of the previous year.

Director Narum inquired how investment income projections influence budget planning. Mr. Solitei noted the budget assumes 2.5% in FY 2024-25 and 1.5% in FY 2025-26. These estimates were developed considering potential Federal Reserve rate cuts and their impact on investment income, adjusting long-term budget projections accordingly.

Mr. Resuello noted the strategic reduction in US Treasury allocations from 82% to 63%, favoring spread products like agency CNBS, corporates, and ABS for their higher yields. He described the risk and return profile of US Treasuries as the risk-free asset class, contrasting it with other asset classes that offer higher yields due to slightly higher risks, all while adhering to investment policy and state guidelines.

Director Gambs asked about the diversification strategy, to which Mr. Resuello responded that diversification across numerous corporate names helps mitigate risk. The detailed slides he referred to showcased the diversity and concentration limits, ensuring no single corporate name exceeded 2% of the portfolio.

Mr. Resuello highlighted portfolio activity, noting \$10 million in new purchases and \$6 million in sales, including investments in agency CMBS, treasuries, asset-backed securities, and corporates. The portfolio earned \$918,000 in interest and returned \$268,000 due to market value changes, outperforming the benchmark despite rising rates.

Finally, Mr. Resuello emphasized the importance of diversification in the portfolio, minimizing concentration risk and corporate risk, with no single corporate name exceeding 2% of the investment. He pointed to the issuer distribution and quarterly detailed slides, which provided useful data for ongoing portfolio management.

4. FY 2023-24 24 Unaudited Third Quarter Revenue and Expenditure Report

Lizzie Foss, Financial Analyst, presented the Third Quarter Revenue Expenditure Report for fiscal year 2023-2024, aligning with the Agency's strategic goal of fiscal responsibility and Initiative 24 to effectively manage financial resources. She then provided third quarter highlights.

Ms. Foss explained that the Agency's funds are categorized into two classifications: unrestricted and restricted. She then discussed each unrestricted fund.

Fund 100, the Water Enterprise Operations Fund, covers daily operations and maintenance of the water system and is primarily funded through water rates. Ms. Foss stated revenue is slightly higher than budget due to higher interest earnings and additional water transfer sales with Westside and expenses are under budget by approximately \$2.7 million. The fund is expected to meet target levels for all reserves with an unallocated fund balance of approximately \$4.4 million.

Fund 120, the capital fund for water renewal replacement and system-wide improvements, is funded by water rates through capital funding from Fund 100 and interest earnings. While capital funding is slightly under budget due to the inflation adjustment, overall projected year-end revenue is higher than budget due to interest earnings. Capital expenses are close to

budget, reflecting ongoing multi-year projects. The year-end reserves for this fund are projected to comply with Board policy.

Ms. Foss then discussed the Agency's restricted funds. Fund 110 is funded through property taxes and covers the fixed cost of the state water project. Projected year-end revenue for this fund is slightly higher than budget and expenses are projected to be close to budget, and the year-end reserve complies with board policy. Ms. Foss noted that costs in this fund can be volatile and are expected to increase over the next 12 years.

Director Narum raised a concern regarding the projected year-end reserve's compliance with Board policy. She noted a discrepancy in the staff report, pointing out that the maximum reserve should be \$28 million, which would mean they are exceeding the limit. This conscious decision is to bank money in anticipation of large upcoming bills. Mr. Solitei agreed to footnote this for clarity, emphasizing that they are preparing for significant costs that could arise at any time. Ms. Foss confirmed that they would ensure this is clear in the staff report for the Board.

Ms. Foss then moved on to discuss Fund 130, the Water Enterprise Capital Expansion Fund. She reported that revenue for this fund is significantly under budget by about \$14 million and the expenses, primarily covering the State Water Project, South Bay Aqueduct capital debt payments, and capital expansion projects, total about \$18 million annually. Despite these challenges, the fund is expected to be compliant with end-of-year reserve requirements.

Director Gambs commented on the connection fees, noting that they are intended to mitigate new development costs and should balance out over time. He highlighted the need to adjust calculations for future projects and update the build-out estimate, emphasizing that economic conditions and interest rates are slowing development. Mr. Solitei acknowledged this concern, noting that while they are prepared for future costs, the slow pace of development necessitates continuous analysis and adjustment.

The discussion then shifted to Fund 200, the Flood Protection Operations Fund, funded primarily through property taxes. Ms. Foss reported that year-end revenue is slightly higher than budget and expenses are projected to be lower than budget. The fund is expected to comply with the Board's Reserve Policy.

Director Gambs raised a point about the terminology used for property tax revenue, clarifying that it differs between the flood protection funding and the State Water Project fixed costs. He suggested documenting this distinction more clearly in future reports to avoid confusion. Ms. Foss agreed to make this clearer in the documentation.

Finally, Ms. Foss covered Fund 210, the Flood Protection Development Impact Fee Fund, funded through development impact fees. She reported that revenue is about equal to the budget and expenses are also slightly lower due to the timing of projects and unspent contingency funds. The year-end reserves are projected to comply with board policy.

Director Narum questioned whether the flood protection fees from development would also be affected by the same development issues impacting connection fees. Mr. Solitei explained that while there is a slowdown, the impact varies based on the area of development. He clarified

that fees are determined during the permitting process and reviewed by the flood engineering staff, not directly by his department. Director Narum sought further clarification on how permit fees are calculated, to which Mr. Solitei responded that the permit fee is \$1 per square foot of new impervious area.

The Committee agreed to forward the report to the full Board.

5. Verbal Reports

There were no verbal reports.

6. Adjournment

Director Narum adjourned the meeting at 12:08 p.m.

ZONE 7 BOARD OF DIRECTORS
SUMMARY NOTES OF THE FINANCE COMMITTEE

June 13, 2024
11:00 a.m.

Directors Present: Dawn Benson
Dennis Gambbs
Kathy Narum

Staff Present: Osborn Solitei, Treasurer/Assistant General Manager - Finance
Teri Yasuda, Accounting Manager
Donna Fabian, Executive Assistant

Director Narum called the meeting to order at 11:00 a.m.

1. Public Comment on Items Not on the Agenda

There were no public comments.

2. Independent Accountants' Report on Applying Agreed-Upon Procedures in Regard to Purchasing Card Transactions for the Calendar Year Ended December 31, 2023

Sophia Kue from the Pun Group reported on the agreed-upon procedures conducted for calendar year 2023, outlining the scope of work, responsibilities, procedures performed, and findings. The procedures, performed in accordance with AICPA standards, involved reviewing the agency's purchase card policies and procedure manual, sampling transactions from Home Depot, Union Bank, and U.S. Bank, and ensuring compliance with policies, proper support, approval, adherence to P-Card usage, and policy limits. Ms. Kue stated that no findings or discrepancies were noted.

3. FY 2023-24 Audit: Communication with Those Charged with Governance

Sophia Kue from the Pun Group presented on the upcoming audit for the fiscal year ending June 30, 2024. She outlined the scope of work, responsibilities, engagement team, and timeline. The audit will cover the annual comprehensive financial report, including financial statements, internal controls, and compliance, following AICPA standards. If federal expenditures exceed \$750,000, a single audit will also be conducted.

The audit procedures involve evaluating internal controls, reviewing transactions, and assessing compliance with accounting policies and estimates. Management is responsible for preparing financial statements and maintaining internal controls. The engagement team includes Ken Pun as the lead partner, with Sophia Kue, Mark Hu, Andrew Roth, and Jack Georger.

The audit will proceed in four phases: planning in July, interim field work focusing on internal controls, year-end field work in September-October for substantive procedures, and reporting in October-November. The final report will be presented to the Board in November.

Director Gambs raised a question regarding the first bullet point on slide four, which mentions forming and expressing an opinion on financial statements prepared by management with Board oversight. He sought clarification on the Board's role in this oversight process.

Ms. Kue explained that the audit team communicates their responsibilities and plans to the Board before starting the audit, as they are hired by the Board. She clarified that while the financial statements are prepared based on management-provided information, this process is part of their non-audit services.

Director Narum inquired about the identification and assessment of risks of potential material misstatement, as mentioned on page five of the presentation.

Sophia Kue explained that their approach involves a thorough review of the financial statement, leveraging their extensive experience with Zone 7. They identified areas with significant risk, particularly focusing on financial reporting, budget adoption, and the manual journal entry process due to the potential for management override. Billing is another critical area, given its importance for revenue generation, and they assess the procedures for billing, money collection, allowances, and write-offs. Additionally, procurement processes, including requisition and purchasing approvals, are examined.

4. Adjournment

Director Narum adjourned the meeting at 11:44 a.m.

ORIGINATING SECTION: Administration

CONTACT: Valerie Pryor

AGENDA DATE: July 17, 2024

SUBJECT: General Manager's Report

SUMMARY:

The following highlights a few of the key activities which occurred last month. Also attached is a list of the General Manager (GM) contracts executed during June.

Engineering and Water Quality:

2023 Annual Consumer Confidence Report (CCR): Zone 7's 2023 CCR is now available on Zone 7's website. An electronic announcement of CCR availability was emailed to the current list of customers (retail and direct). A press release, an e-newsletter, and social media outlets, such as Facebook and Nextdoor, were used to reach non-bill paying consumers.

Chain of Lakes Wells PFAS Treatment Facility Project: The contractor completed construction of the vessel system concrete foundation and pad and continues with various other sitework, including installation of site storm drainage and electrical equipment. Underground piping work will begin in July, with vessel system installation projected to be in August. The project is anticipated to be complete in fall 2024.

Wells and Mocho Groundwater Demineralization Plant (MGDP) Electrical Systems Replacement/Upgrades Project: The contractor has completed installation, startup, and commissioning of five of the seven variable frequency drives (VFDs) at MGDP, with work on the remaining two VFDs to be completed in July. The contractor has begun installation of the new electrical switchgear for the Hopyard 9 and Mocho 2 well sites, with completion scheduled for mid-July. Delivery of the other well site switchgear (Hopyard 6 and Stoneridge) is tentatively scheduled for fall 2024, pending PG&E approval of the power shutoff applications for those well sites.

Flood Management Plan Phase 2a: The consultant completed revisions to the geometry of the hydraulic model and modified certain subbasins in the hydrologic model to address third-party review comments in early June. The revised model is being calibrated for accuracy using the high flow events from the 2022-2023 storm event. Staff is working with consultants to define the schedule for completion of modeling and assessment of implications from existing and future flood event scenarios.

2023 Storm Damage Repairs: As a result of the 2023 winter storms, staff have identified 177 damage sites along channels owned by Zone 7. Zone 7 is seeking assistance for repairing the damaged sites with aid from FEMA/CalOES and US Army Corps of Engineers (USACE). USACE has finalized and approved the project information reports (PIR) for rehabilitation assistance for 48 damage sites. USACE anticipates beginning construction in 2025. Staff is proposing for USACE to prioritize repairs on Arroyo Mocho, see photo, and Alamo Canal.



Integrated Water Resources:

Arroyo Valle Water Right: Staff submitted petitions to the State Water Resources Control Board on June 11 to split the agency's existing water rights into two processes – (1) seeking a license on a portion of the total water rights that has previously been recorded to be put to beneficial use, and (2) continuing with an extension of time on the remainder of water right. Although it is still considered one water right, splitting it provides certainty for a portion of the water right (license) while we wait on completion of the chain of lakes facilities to show that the remaining portion of the right can be put to beneficial use (extension of time). As part of stakeholder engagement, staff had engaged with Alameda County Water District, the California Department of Water Resources (DWR), the California Department of Fish and Wildlife, and the San Francisco Public Utilities Commission prior to submitting the new petitions. A public review process for the submitted petitions should take place in the coming months.

Sustainable Groundwater Management Act (SGMA) Compliance: On June 27, 2024, the California Department of Water Resources (DWR) announced that it approved the update to Zone 7's groundwater management plan, formally known as an Alternative to a Groundwater Sustainability Plan (Alternative GSP). This Alternative GSP was initially approved

in 2019. DWR determined that the Livermore Valley Groundwater basin continues to be managed sustainably to meet the Sustainable Groundwater Management Act (SGMA) requirements. Zone 7 has one of nine approved Alternatives in California.

Operations on the 2024 water operations plan, which anticipates a final SWP allocation of around 40%. June's treated water supply comprised 94% surface water and 6% groundwater.

Staff continues to track the demand conditions, and in June 2024, Zone 7's treated water production volume was 12% higher than the same time in 2023. Calendar year to date (through June) treated production and untreated deliveries are approximately 19% lower than that of the same period in 2020.

Delta Conveyance Project: DWR continues working towards attaining permits for construction and operation of the Delta Conveyance Project (DCP). The Delta Conveyance Design and Construction Authority (DCA) has an approved FY 2024-25 budget of approximately \$43 million and plans to support permitting efforts, continue to evaluate innovations, and prepare to scale up for construction. Zone 7 representatives continue to serve on the Boards of the DCA and the Delta Conveyance Finance Authority (DCFA). Board packets for both the DCA and the DCFA can be found at: <https://www.dcdca.org/meetings/>.

Los Vaqueros Reservoir Expansion (LVE): Director Kathy Narum was sworn in as a director representing Zone 7 on the Los Vaqueros Reservoir JPA Board. An updated cost estimate reflecting the revised project schedule, escalation, and costs associated with the backstop plan was shared. The project facility costs totaled \$1.6 billion, which is an increase of 10% since the prior estimate dated June 2023. The dam plans and specifications were approved by the DWR Division of Safety of Dams.

Sites Reservoir: The Sites Project was awarded an additional \$67.5 million as part of the Bipartisan Infrastructure Law. This increases the total federal funding committed to the project to \$516 million. The Sites Reservoir Committee and Authority Board met on June 21. The JPA provided an update on the status of the project workplan, which assumes that member agency boards will consider the Benefits and Obligations Contract in 2025.

Operations and Maintenance:

Staff worked on several projects including support work for the Del Valle Water Treatment Plant (DVWTP) Ozonation post-project work, the Patterson Pass Water Treatment Plant (PPWTP) Expansion and Ozonation Project, the Mocho Groundwater Demineralization Plant Concentrate Conditioning project and the Chain of Lakes PFAs Treatment Facility Project. Staff has mobilized for Summer 2024 operations and peak demands.

Monthly List of GM Contracts

June 2024

<u>Contracts</u>	<u>Amount</u>	<u>Purpose</u>
Ernst & Young	\$37,830	State Water Contractors Contract with Ernst & Young to Perform an Audit of the Department of Water Resources Annual Statement of Charges
Ising's Culligan Water	\$21,000	Maintaining and Servicing a Laboratory Water Purification System
Koff and Associates	\$50,000	2025 Market Salary Survey and other Human Resources Services
Stillwater Sciences	\$47,500	Environmental Permitting Support Services for Zone 7's Stanley Reach Project
Total June 2024	\$156,330	

ORIGINATING SECTION: Office of the General Manager
CONTACT: Alexandra Bradley

AGENDA DATE: July 17, 2024

SUBJECT: June Outreach Activities

SUMMARY:

To deliver on the Agency's 2020-2024 Strategic Plan Goal F which strives to engage our stakeholders to foster mutual understanding, staff implements and oversees a multi-faceted outreach and communications program to connect with and engage stakeholders. Through an open and transparent approach, the Agency seeks to deliver effective customer-centric communications, reaching constituents where, when, and how they prefer. Effective communication builds confidence, trust, and awareness among constituents, increases participation to help with effective decision-making, and helps strengthen Zone 7's commitment to its mission and vision. This monthly staff report provides timely updates on progress towards meeting the goal of engaging our stakeholders.

Communications Plan Updates

Conservation Outreach: Going into the hot summer weather staff promoted the water conservation rebates, specifically the smart irrigation controller, pool, and lawn conversion rebates as residents are more focused on the outdoor living in the summer months. Staff coordinated the monthly communications meeting with the retailers. Planning for the annual Water Conservation Art Contest will begin in July and this year all four retailers will participate in a region-wide event encouraging young artists to use their talents to promote water conservation in creative ways.

Newsletter: Staff sent out a special newsletter featuring this year's Annual Consumer Confidence Report which can be viewed [here](#).

Press: Staff sent out one press release:

- [2023 Annual Water Quality Report Confirms High Quality of Zone 7 Water](#)

Annual Consumer Confidence Report: Staff published the annual consumer confidence report in advance of the required July 1, 2024, publication date. The report is being promoted through the website, social media, the newsletter, local news, and outreach postcards at events. The report can be found at www.zone7water.com/post/annual-water-quality-reports.

Outreach Program Updates

Schools' Program:

The schools' program team is taking a summer break and is excited to reach out to teachers in August for an outstanding 2024-2025 school year. Orders were placed in June for new giveaways for students and teachers receiving in-person classroom visits.

In-Person Events:

Alameda County Clean Water Program Booth at the Alameda County Fair, various dates and times from June 14-July 7. Staff supported Alameda County Clean Water Program working several shifts at the booth which featured educational information on watershed protection and stormwater pollution prevention. Fair goers enjoyed using an interactive map and a selfie station promoting zero-waste picnics in the watershed. Zone 7 provided supplemental materials of rebates and other hand-outs. Zone 7 staff interacted with 600 people during the shifts worked.

Splatter, Saturday, September 14, 2024, 12:00pm-8:00pm at Emerald Glen Park, 4120 Central Parkway, Dublin. Zone 7 Water will once again have a booth at the city of Dublin's popular event. Festival goers will be provided with rebate information and Zone 7 water-saving giveaways. Activities may include a Plinko game designed to help people focus on water facts and conservation.

Quest Science Center, Saturday, September 14, 2024, 11:00am-2:00pm, Quest Plaza at Stockmen's Park, 29 S. Livermore Ave., Livermore. Zone 7 will join other local groups in a hands-on science event focused on engineering. Families will be invited to use engineering processes to design a water filter. This activity will facilitate discussions of how Zone 7 treats raw water to make it safe for drinking.

Please visit www.zone7water.com/calendar for the most up-to-date schedule of public events.

ATTACHMENTS:

1. Social Media Dashboard
2. General Monthly Analytics Dashboard for Zone7Water.com
3. Quarterly Analytics Dashboard for the Online Annual Report
4. Quarterly Analytics Dashboard for the Trivalleywater.org

Social Media Insights

01 Jun 24 - 30 Jun 24

 Zone 7 Water Agency

 Zone 7 Water Agency

Followers

Zone 7 Water Agency

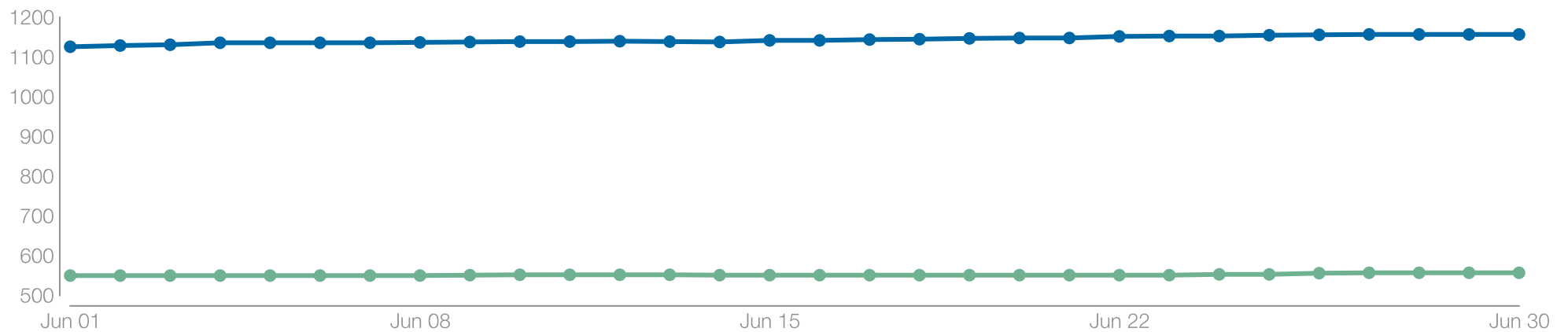
1,714
+2.27%

1,157
+2.75%

Facebook

557
+1.27%

LinkedIn



Jun 01 - Jun 30



Impressions

Zone 7 Water Agency

107.83K

-41.95%

106.09K

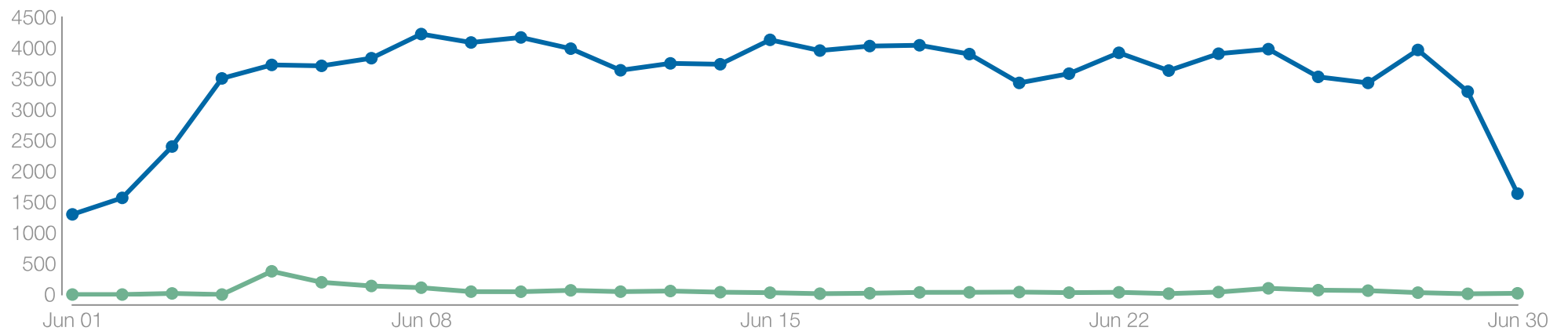
-42.73%

Facebook

1,743

+244.47%

LinkedIn



Jun 01 - Jun 30



Post interactions

Zone 7 Water Agency

309

-68.37%

41

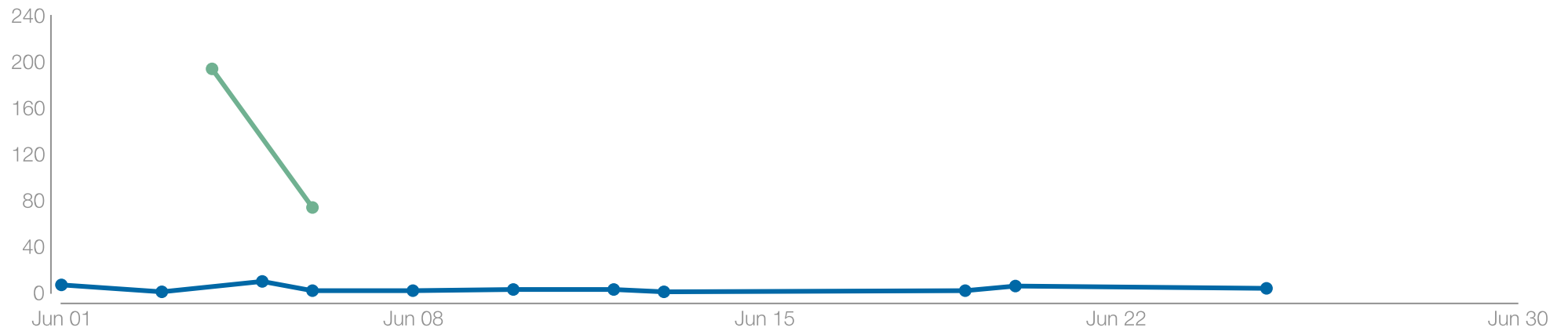
-95.8%

Facebook

268

-

LinkedIn



Jun 01 - Jun 30



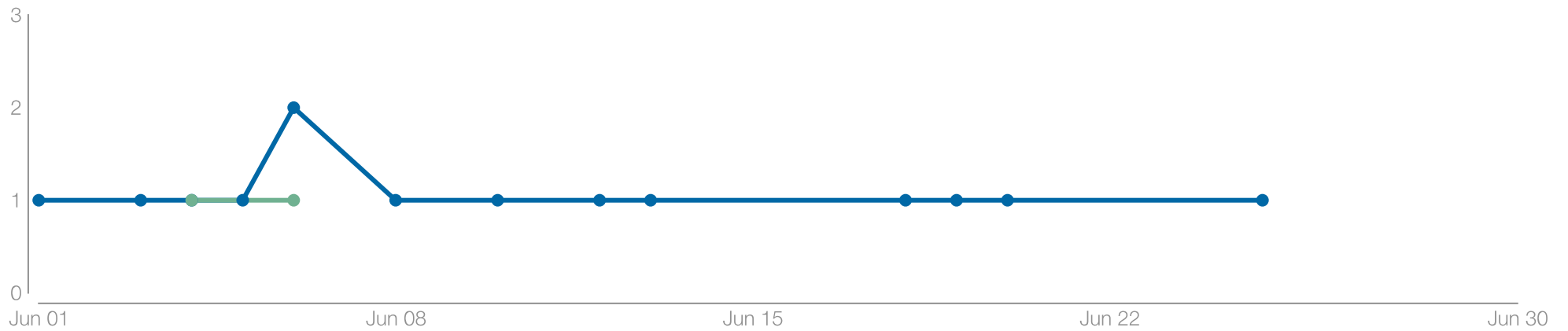
Posts

Zone 7 Water Agency

16
-27.27%

14
-36.36%
Facebook








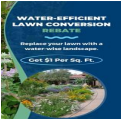



2
-
LinkedIn



















Ranking of posts


Zone 7 Water Agency

Showing 16 posts sorted by Impressions

Date	Text	Network	Impressions	Interactions
Jun 05, 2024 02:24 AM	Currently looking for talented Associate Civil ...	Go 	921	187
Jun 06, 2024 06:00 PM	Amazing opportunity to grow your engineering sk...	Go 	721	66
Jun 01, 2024 08:00 PM	 Conservation is a way of life! We want to help ...	Go 	122	7
Jun 05, 2024 08:53 PM	 DYK, before your water gets to you, there's a l...	Go 	109	10
Jun 03, 2024 10:05 PM	Get out and enjoy all that #CAWater has to offe...	Go 	95	1
Jun 10, 2024 07:20 PM	 If your lawn is a water guzzler, now is a great...	Go 	90	3
Jun 13, 2024 09:34 PM	 While we may have seen rain this winter, we're ...	Go 	77	1

Date	Image	Text	Network	Impressions	Interactions
Jun 20, 2024 09:51 PM		Zone 7 staff will be at the Clean Water Program...	Go 	70	6
Jun 08, 2024 11:57 PM		Another option we are exploring to ensure conti...	Go 	70	2
Jun 04, 2024 07:00 PM		Our monthly board meeting will be held on Tuesd...	Go 	66	0
Jun 19, 2024 06:15 PM		Zone 7 Water will be closed today in observance...	Go 	54	2
Jun 06, 2024 08:00 PM		As part of our responsible fiscal management st...	Go 	53	2
Jun 18, 2024 09:56 PM		Summer is officially here! We want to help you ...	Go 	50	0
Jun 26, 2024 12:16 AM		One of the solutions we are exploring to ensure...	Go 	38	4
Jun 07, 2024 05:15 AM			Go 	35	0



Date	Text	Network	Impressions	Interactions
Jun 12, 2024 09:27 PM	Did you know The Delta is at the center of Cali...	Go 	30	3



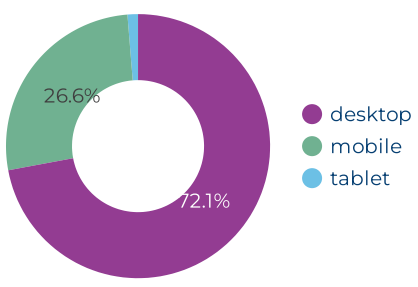
Highlights:

Total users	Views
3,315	9,767
↓ -31.0%	↓ -27.9%
New users	Engagement rate
2,981	57.83%
↓ -32.7%	↑ 0.1%
Sessions	User engagement
5.0K	57:26:53
↓ -28.3%	↓ -40.7%

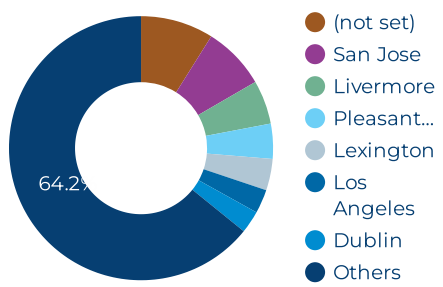
Most visited pages on the website - users and pageviews

	Page title	Views	Total users
1.	Zone 7 Water Agency - the Tri-Valley region's water wholesaler	1,426	836
2.	Construction & Business Opportunities - Zone 7 Water Agency	612	308
3.	Careers - Zone 7 Water Agency	493	312
4.	Examples of a Water Cycle Story - Zone 7 Water Agency	473	346
5.	Floating Solar Array on Lake I for Zone 7 Water Agency #2025-08 - Zone 7 Water Agency	303	206
6.	4. Label the Water Cycle - Zone 7 Water Agency	290	244
7.	Board Meetings - Zone 7 Water Agency	264	130
8.	Contact Us - Zone 7 Water Agency	209	134
9.	Landscape Maintenance Services #2025-10 - Zone 7 Water Agency	205	169
10.	Rebate: High Efficiency Clothes Washer - Zone 7 Water Agency	194	129

Device Type:



Users by City

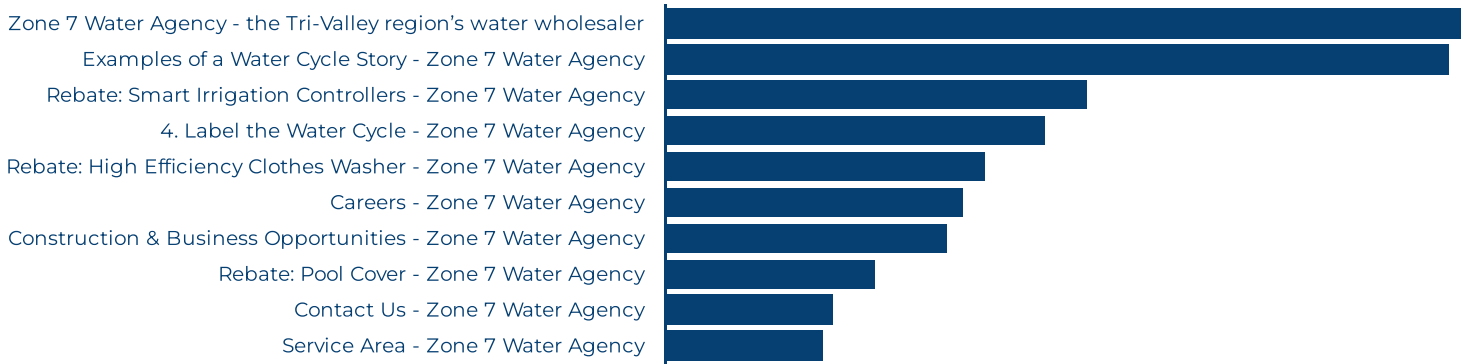


Acquisition source/medium - where traffic sessions come from

	Session source	Session medium	Sessions
1.	google	organic	2,390
2.	(direct)	(none)	1,680
3.	bing	organic	191
4.	cityofpleasantonca.gov	referral	131
5.	qr.io	referral	60
6.	dsrsd.com	referral	53
7.	governmentjobs.com	referral	41
8.	livermoreca.gov	referral	34
9.	homedepot.com	referral	30

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Pages with the most time spent by users



Facebook Snapshot Analytics

Total Posts

14

Engagement

35

Clicks

6

Page Followers

1,156

Reach

Facebook reach

21.7K ↓ 60.4%



Visits

Facebook visits

356 ↓ 9%



Follows

Facebook follows

40 ↑ 566.7%



Mailchimp Delivery Analytics

Total Eblasts Sent

2

Total Deliveries

1,832

Avg. Open Rate %

40.4%

Total Clicks

169

Monthly YouTube Performance

Total Views

15,741






Total Watch Time

315.6 hrs

Impressions

7,759

Top Five Videos of Month

- 1  Stoneridge Well Ion Exchange PFAS Treatment Facility Now ...
Sep 13, 2023
- 2  Tri-Valley Water Partners_Our Water's Journey
Aug 24, 2023
- 3  Our Water's Journey
Jul 25, 2023
- 4  Wondrous World of Water - Ion Exchange PFAS Treatment
Aug 3, 2023
- 5  Wondrous World of Water - Surface Water Treatment
Jun 11, 2021

Insights & Opportunities

WEBSITE

- Website traffic was down overall in June, compared to several months of unusually high traffic. However, at we have seen a dip in June for the past couple years with the end of the school year, which usually returns in the fall. We are still experiencing higher traffic this year than our monthly average of approximately 4k per month over the past three years. This year's monthly average is currently 5,456.

SOCIAL MEDIA

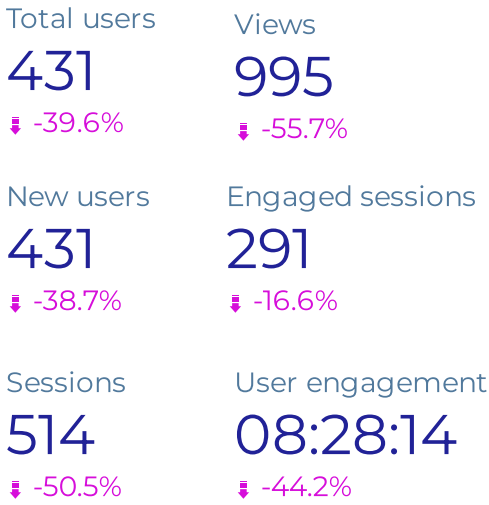
- Social engagement was also lighter this month, however we will begin promoting the release of the CCR more proactively this month.

- Video views on YouTube continue to perform well, with continued efforts to promote all previously released content through the end of the year.

DIRECT MAIL

- The bi-monthly newsletter will be sent again in July, promoting the CCR and several other initiatives. The newsletter continues to receive higher engagement than government industry standard with 40% open rate last month.

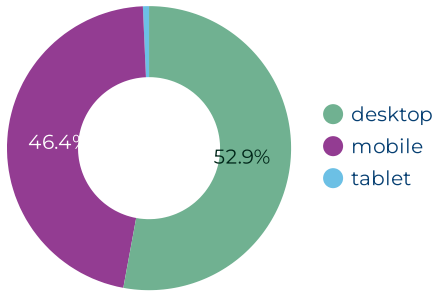
Highlights:



Most visited pages on the website - users and pageviews

	Page title	Total users	Views
1.	Zone7 At-A-Glance - Annual Report 2023 - Zone 7 Water Agency	370	463
2.	Water Quality - Annual Report 2023 - Zone 7 Water Agency	124	170
3.	Annual Report 2023 - Zone 7 Water Agency Annual Report 2023	79	85
4.	Annual Report Fiscal Year 2022-2023 - Zone 7 Water Agency	44	88
5.	Water Reliability Annual Report 2023 - Zone 7 Water Agency	37	45
6.	Finance - Annual Report 2023 - Zone 7 Water Agency	19	25
7.	Flood Protection - Annual Report 2023 - Zone 7 Water Agency	18	28
8.	People - Annual Report 2023 - Zone 7 Water Agency	11	23
9.	Kid Zone	11	21
10.	Community - Annual Report 2023 - Zone 7 Water Agency	9	13

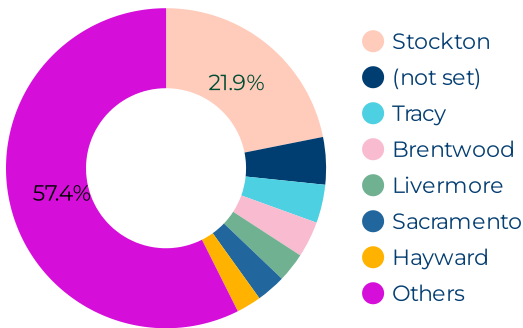
Total Users and Device



Acquisition source/medium - where traffic sessions come from

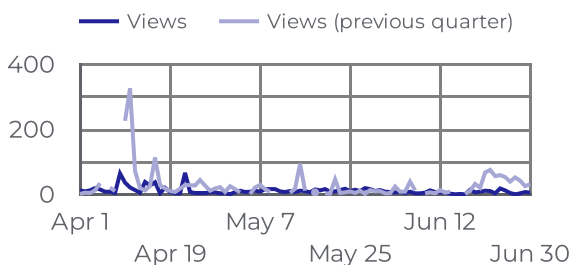
	Session source	Sessions
1.	google	398
2.	(direct)	94
3.	zone7water.com	13
4.	dnserrorassist.att.net	3
5.	(not set)	2
6.	axiomofpurpose.proposify.com	2
7.	app.intercom.com	1
8.	ecosia.org	1

Users by City



1 - 8 / 8

Traffic compared to last quarter



Pages with the most time spent by users

	Page title	User engagemen...
1.	Zone7 At-A-Glance - Annual Report 2023 - Zone 7 Water Agency	05:01:16
2.	Water Quality - Annual Report 2023 - Zone 7 Water Agency	01:32:35
3.	Annual Report 2023 - Zone 7 Water Agency Annual Report 2023	00:32:25
4.	Water Reliability Annual Report 2023 - Zone 7 Water Agency	00:21:06
5.	Flood Protection - Annual Report 2023 - Zone 7 Water Agency	00:14:26

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Insights & Opportunities

Insights on traffic

In the first quarter of this year, from January 1 to March 31, we showed:

- 714 total users throughout the quarter, compared with 333 total users in first quarter of last year
- 2,244 individual page views, compared with 3,365 in the first quarter of last year, however, this year's redesign reduced the total number of pages on the site by condensing the content onto less pages
- 1,000 user sessions, compared to 646 user sessions in first quarter of last year
- 349 engaged sessions compared to 389 engaged sessions in first quarter of last year

In the second quarter of this year, from April 1 to June 30, we showed:

- 431 total users throughout the quarter, compared with 218 total users in second quarter of last year
- 995 individual page views, compared with 381 in the second quarter of last year
- 514 user sessions, compared to 251 user sessions in second quarter of last year
- 291 engaged sessions compared to 70 engaged sessions in second quarter of last year

Outreach investment driving success:

This year we have invested in a small search engine marketing campaign to drive traffic to the website to help increase our outreach to the community. As we refine our efforts and optimize our digital ad strategy we will focus on ensuring we increase engagement to increase the amount of time users are spending on the site.

Highlights:

Total users
10,967
↑ 35.8%

Views
20,310
↑ 23.1%

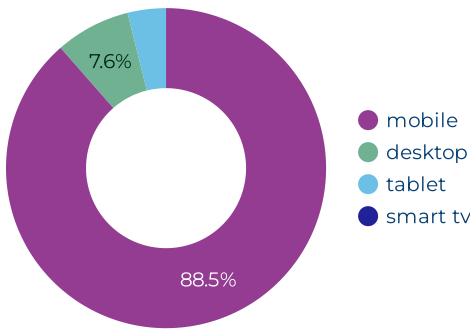
New users
10,655
↑ 33.1%

Engagement rate
19.12%
No data

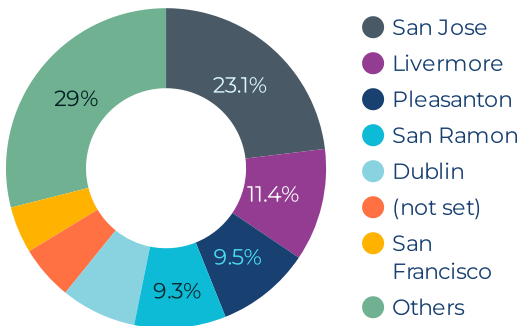
Sessions
14K
↑ 44.1%

User engagement
25:57:06
↓ -30.4%

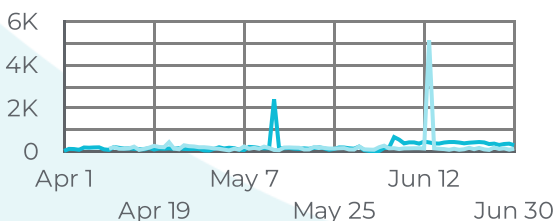
Total Users and Device:



Users by City



Traffic compared to last QTR



Most visited pages on the website - users and pageviews

	Page title	Total users	Views
1.	Water Supply Potential Solutions Tri-Valley Water Partners	5,237	9,694
2.	Tri-Valley's Water Supply Tri-Valley Water Partners	5,086	6,959
3.	(not set)	73	2,249
4.	Tri-Valley Water Partners: Delivering water to our community	441	667
5.	Los Vaqueros Reservoir Expansion Tri-Valley Water Partners	162	187
6.	Our Water's Journey Tri-Valley Water Partners	73	103
7.	Tri-Valley Water Partners Providing water for our community	70	91
8.	Sites Reservoir Projects Tri-Valley Water Partners	67	88
9.	Groundwater Management Trivaller Water Partners	22	59
10.	Delta Conveyance Project Tri-Valley Water Partners	28	57

Acquisition source/medium - where traffic sessions come from

	Session source	Session m...	Sessions
1.	google	cpc	10,209
2.	LIVESPARK	FB	1,550
3.	(direct)	(none)	521
4.	FB	ADS	287
5.	google	organic	133
6.	fb	paid	133
7.	LIVESPARK	GADS	99
8.	(not set)	(not set)	76
9.	GOOGLE	ADS	69
10.	PATCHLIV	BANNER	60

1 - 45 / 45

Pages with the most time spent by users

	Page title	User engagement
1.	(not set)	11:00:32
2.	Water Supply Potential Solutions Tri-Valley Water Partners	05:26:59
3.	Tri-Valley's Water Supply Tri-Valley Water Partners	03:50:21
4.	Tri-Valley Water Partners: Delivering water to our communi...	01:52:32
5.	Our Water's Journey Tri-Valley Water Partners	00:57:22

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Insights & Opportunities

- The Tri-Valley media campaign has been continuing to drive site traffic, although with a good increase over last quarter up to over 10k this quarter from 8k last quarter.
- The new solutions pages for major potential projects are now up on the website and we shifted to phase II of the campaign which most likely helped boost our numbers.

ORIGINATING SECTION: Office of the General Manager
CONTACT: Carol Mahoney/Valerie Pryor

AGENDA DATE: July 17, 2024

SUBJECT: Legislative Update

SUMMARY:

Zone 7 staff, with the support of Agency consultants, monitors legislation that is being considered in Sacramento, as well as other political and regulatory activities of interest. This item supports Strategic Plan, Goal F – Stakeholder Engagement, engage our stakeholders to foster understanding of their needs, the Agency, and its function. California’s legislative cycle is slated to end September 30, 2024 – with the Governor’s signature or veto. The attached is the legislative executive summary of bills of potential interest prepared by The Gualco Group, Inc., and Zone 7 staff. The legislature is in recess as of July 3, 2024, returning on August 5, 2024. There will be no August report for this reason.

Included in the attached summary are bill positions taken by other member organizations in which Zone 7 participates, if known. Some other organizations use a priority ranking number after their position where a rank of “3” is the lowest priority and a “1” is the highest priority in the position category. For brevity, “O/A” indicates oppose unless amended with a similar convention for other positions.

At this stage in the legislative session, bills may be already chaptered into law, awaiting the Governor’s signature or veto, or some may be gutted and amended under new authors and/or topics. Bills that did not pass out of policy committees (committees not related to financial matters) prior to recess, are considered “dead” and will be removed from the report.

FUNDING:

N/A

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

Legislative Executive Summary – for July 2024

EXECUTIVE SUMMARY

State Legislation

Prepared for the Zone 7 Water Agency
by The Gualco Group, Inc.



Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 07/08/2024
BROWN ACT LEGISLATION				

[AB 817](#)
[\(Pacheco\)](#)

**Open meetings:
teleconferencing:
subsidiary body**

This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require at least one staff member of the local agency to be present at a designated primary physical meeting location during the meeting. The bill would require the local agency to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting.

Remove from list

DEAD

Others:
ACWA = Favor
CMUA = Support
CSDA = Support3

BROWN ACT LEGISLATION

[AB 2302](#)
[\(Addis\)](#)

Open meetings: local agencies: teleconferences

Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Watch

Senate Floor

Others:
ACWA = Favor
CMUA = Favor
CSDA = Support3

[SB 537](#)
[\(Becker\)](#)

~~**Open meetings: multijurisdictional, cross-county agencies: teleconferences**~~

Bill was gutted and amended with a new topic unrelated to Brown Act, utility management, or water.

Remove from list

GENERAL – ADMINISTRATION, ENVIRONMENTAL REGULATION, AND RELATED CONCERNS

<p><u>AB 1211</u> <u>(Mathis)</u></p>	<p>Safe Drinking Water State Revolving Fund: internet website information: updates</p>	<p>Existing law established the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for design and construction of projects and required certain postings. This bill would require the board to post the information at least annually.</p>	<p><u>Remove from list</u></p>	<p>DEAD</p>	
<p><u>AB 1828</u> <u>(Waldron)</u></p>	<p>Personal income taxes: voluntary contributions: Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account: Native California Wildlife Rehabilitation Voluntary Tax Contribution Fund: covered grants</p>	<p>Current law, until January 1, 2025, allows an individual taxpayer to contribute amounts in excess of the taxpayer’s personal income tax liability for the support of specified funds and accounts, including, among others, to the Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account. This bill would extend the operability of the taxpayer contribution until January 1, 2032, or until December 1 of a calendar year that the Franchise Tax Board determines the amount of contributions estimated to be received will not at least equal the minimum contribution amount of \$250,000, as provided.</p>	<p>Watch</p>	<p>Others: None</p>	<p>Senate Appropriations</p>
<p><u>AB 1957</u> <u>(Wilson)</u></p>	<p>Public contracts: best value construction contracting for counties</p>	<p>Current law authorizes certain counties (including Alameda) to use a best value construction contracting method to award individual annual contracts, not to exceed \$3,000,000, for repair, remodeling, or other repetitive work to be done according to unit prices, as specified. Current law requires the board of supervisors of a participating county to submit a report that contains specified information about the projects awarded using the best value procedures described above to the appropriate policy committees of the Legislature and the Joint Legislative Budget Committee before March 1, 2024. Current law repeals the pilot program provisions on January 1, 2025. This bill would instead authorize any county of the state to utilize this program and would extend the operation of those provisions until January 1, 2030.</p>	<p>Watch</p>	<p>Chaptered into Law</p>	

GENERAL – ADMINISTRATION, ENVIRONMENTAL REGULATION, AND RELATED CONCERNS

**[AB 2285](#)
[\(Rendon\)](#)**

**Natural resources:
equitable outdoor
access: 30x30 goal:
urban nature-based
projects**

This bill would provide that state agencies and the Legislature shall aspire to recognize the coequal goals of the 30x30 goal and would require consideration of higher land value acquisition and development costs per acre, the acute health needs of a local population due to historic lack of greenspace access, local park assessment plans, and the availability of mobility options near a land conservation site. The bill would require state funding agencies when programming and awarding funds to revise, modify, or amend guidelines as necessary to meet the state’s goals, to allow for urban nature-based projects on degraded lands to be eligible and competitive for state funds.

Watch

Others:
CSDA = Watch
SWC = Watch1

Senate
Appropriations -
Suspense

**[AB 2320](#)
[\(Irwin\)](#)**

**Wildlife Connectivity
and Climate
Adaptation Act of
2024: wildlife
corridors**

Current law requires the Natural Resources Agency, in implementing actions to achieve the goal to conserve at least 30% of the state’s lands and coastal waters by 2030 established by executive order, to prioritize specified actions and requires the agency to provide an annual report to the Legislature. This bill would additionally require the agency, as part of that report, to include an update on the state’s progress towards addressing the priority wildlife corridors, as defined, identified in the Restoring California’s Wildlife Connectivity report by the Department of Fish and Wildlife, and goals for wildlife corridor protection in the next five years.

Watch

Others:
SWC = Watch2

Senate
Appropriations

GENERAL – ADMINISTRATION, ENVIRONMENTAL REGULATION, AND RELATED CONCERNS

<u>AB 2561</u> <u>(McKinnor)</u>	Local public employees: vacant positions	The Meyers-Milias-Brown Act (act) authorizes local public employees to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations. This bill would require each public agency with high vacancy rates for more than 180 days, at the request of the recognized employee organization, to promptly meet and confer with the representative of the recognized employee organization within 21 days about substantive strategies to fill vacancies and to hold a public hearing within 90 days about high vacancy rates and specified related matters.	Watch Others: CUMA = Oppose CSDA = Oppose2	Senate Appropriations
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NATURAL RESOURCES BOND

<u>AB 305</u> <u>(Villapudua)</u>	California Flood Protection Bond Act of 2024	If approved by the voters, would authorize the issuance of bonds in the amount of \$4,500,000,000 for flood protection projects. The bill would provide for the submission of these provisions to the voters at the November 5, 2024, statewide general election.	Watch Others: ACWA = F/A CSDA = Watch	Senate
<u>AB 1567</u> <u>(Garcia)</u>	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024	If approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.	Watch Others: ACWA = S/A CMUA = S/A CSDA = Watch	Senate
<u>SB 638</u> <u>(Eggman)</u>	Climate Resiliency and Flood Protection Bond Act of 2024	If approved by the voters, would authorize the issuance of bonds in the amount of \$6,000,000,000 for flood protection and climate resiliency projects.	Watch Others: ACWA = F/A CMUA = Favor CSDA = Watch	Assembly

NATURAL RESOURCES BOND

<u>SB 867 (Allen)</u>	[Title Change] <i>Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024</i>	If approved by the voters, would authorize the issuance of bonds in the amount of \$10,000,000,000 to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.	Watch Others: ACWA = Watch CMUA = S/A CSDA = Watch	Chaptered – Approved for November 2024 Ballot
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UTILITY MANAGEMENT, REVENUE AND RELATED FINANCIAL MATTERS

<u>AB 1827 (Papan)</u>	Local government: fees and charges: water: higher-consumptive water parcels	This bill would provide that the fees or charges for property-related water service imposed or increased may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels. The bill would provide that the incrementally higher costs of water service associated with higher water usage demands, the maximum potential water use, or projected peak water usage may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels.	Watch Others: ACWA = Support CMUA = Support CSDA = Support3 SWC = Watch2	Senate Floor
<u>AB 2149 (Connolly)</u>	Operations Gates: Standards: Inspections	Requires a regulated gate, defined as any gate that weighs more than 50 pounds and is more than 48 inches wide or more than 84 inches high that is located in an area that is open to the public, an entire community or neighborhood, or any considerable number of persons to meet certain standards.	Watch ACWA = Not Favor CSDA = Oppose3	Senate Appropriations

UTILITY MANAGEMENT, REVENUE AND RELATED FINANCIAL MATTERS

[AB 2257](#) [\(Wilson\)](#)

Local government: property-related water and sewer fees and assessments: remedies

This bill would prohibit, if a local agency complies with specified procedures, a person or entity from bringing a judicial action or proceeding alleging noncompliance with the constitutional provisions for any new, increased, or extended fee or assessment, as defined, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance, as specified. This bill would provide that local agency responses to the timely submitted written objections shall go to the weight of the evidence supporting the agency's compliance with the substantive limitations on fees and assessments imposed by the constitutional provisions.

Watch

Senate Floor

Others:
ACWA = Sponsor
CMUA = Support
CSDA = Support3
SWC = Watch2

[SB 937](#) [\(Wiener\)](#)

Development projects: permits and other entitlements: fees and charges

The Planning and Zoning Law requires each county and each city to adopt a comprehensive, long-term general plan for its physical development, and the development of specified land outside its boundaries, that includes a housing element. This bill would extend by 24 months the period for the expiration, effectuation, or utilization of a housing entitlement for a priority designated residential development project that was issued before January 1, 2024, and that will expire before December 31, 2025, except as specified. The bill would toll this 24-month extension during any time that the housing entitlement is the subject of a legal challenge.

Watch

Assembly
Appropriations

Others:
ACWA = Watch
CMUA = Neutral
CSDA = O/A2

[SB 1072](#) [\(Padilla\)](#)

Local government: Proposition 218: remedies

This bill would require, if a property-related fee or charge creates revenues in excess of the local government's reasonable cost of providing the specific benefit or specific government service, that the excess revenues be used only to reduce the subsequently adopted and following property-related fee or charge.

Watch

Assembly Floor

Others:
ACWA = Favor
CMUA = Support
CSDA = Support3
SWC = Watch2

WATER RIGHTS

[AB 460](#)
[\(Bauer-Kahan\)](#)

[Title change] State Water Resources Control Board: water rights and usage: civil penalties

Under existing law, the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability. This bill would require the State Water Resources Control Board to adjust for inflation, by January 1 of each year, beginning in 2025, the amounts of civil and administrative liabilities or penalties imposed by the board in water right actions, as specified.

Watch
Others:
ACWA = Watch
CMUA = Support
CSDA = Watch
SWC = Support1

Senate
Appropriations

[AB 1272](#)
[\(Wood\)](#)

State Water Resources Control Board: drought planning

Would require the State Water Resources Control Board, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds, as specified, during times of water shortage for drought preparedness and climate resiliency. The bill would require that the principles and guidelines allow for the development of locally generated watershed-level plans to support public trust uses, public health and safety, and the human right to water in times of water shortage, among other things.

Watch
Others:
CMUA = Watch
CSDA = Watch
SWC = Watch1

Enrolling for presentation to the Governor

WATER SUPPLY

[AB 1573](#)
[\(Friedman\)](#)

Water conservation: landscape design: model ordinance

Requires updated model ordinance to include provisions that require that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of a culturally specific project, as defined, ecological restoration projects that do not require a permanent irrigation system, mined-land reclamation projects that do not require a permanent irrigation system, and existing plant collections, as part of botanical gardens and arboretums open to the public, from the model ordinance.

Not Favor
Others:
ACWA = Watch
CMUA = Neutral
CSDA = Neutral
SWC = Watch2

Senate -
Inactive file since 2023

WATER SUPPLY

[SB 366](#)
[\(Caballero\)](#)

The California Water Plan: long-term supply targets

Would revise and recast certain provisions regarding The California Water Plan to require the department to instead establish a stakeholder advisory committee and to expand the membership of the committee to include tribes, labor, and environmental justice interests. The bill would require the department to coordinate with the California Water Commission, the State Water Resources Control Board, other state and federal agencies and the stakeholder advisory committee to develop a comprehensive plan for addressing the state's water needs and meeting specified long-term water supply targets established by the bill.

Watch

Others:

ACWA = Support
CMUA = Sponsor
CSDA = Support3
SWC = Support1

Assembly
Appropriations

[SB 1110](#)
[\(Ashby\)](#)

Urban retail water suppliers: informational order: conservation order

Current law authorizes the State Water Resources Control Board, on and after January 1, 2024, to issue informational orders pertaining to water production, water use, and water conservation to an urban retail water supplier that does not meet its urban water use objective, as provided. This bill would instead authorize the board to issue the informational orders on and after January 1, 2026.

Watch

Others:

ACWA = Favor
CMUA = Support
CSDA = Watch
SWC = Watch2

Assembly
Appropriations

[SB 1255](#)
[\(Durazo\)](#)

Public water systems: needs analysis

This bill would require the State Water Resources Control Board to update a needs analysis of the state's public water systems to include an assessment, as specified, of the funds necessary to provide a 20% discount for low-income households served by community water systems with fewer than 3,000 service connections and for community water systems with fewer than 3,000 service connections to meet a specified affordability threshold on or before July 1, 2026, and on or before July 1 of every 3 years thereafter.

Watch

Others:

ACWA = Watch
CMUA = Watch
CSDA = Watch
SWC = Watch1

Assembly
Appropriations

SGMA/GROUNDWATER

**[AB 828](#)
[\(Connolly\)](#)**

Sustainable groundwater management: managed wetlands

The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms "managed wetland" and "small community water system."

Watch

Senate Appropriations

Others:
ACWA = Oppose
CMUA = Not Favor
CSDA = Watch
SWC = Watch2

**[AB 1563](#)
[\(Bennett\)](#)**

Groundwater sustainability agency: groundwater extraction permit: verification

Current law authorizes a groundwater sustainability agency to request of the county, and requires a county to consider, that the county forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the agency before permit approval. This bill would instead require a county to forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the groundwater sustainability agency before permit approval.

Remove from list

DEAD

Others:
ACWA = Oppose
CMUA = Watch
CSDA = Watch
SWC = Watch1

**[AB 2079](#)
[\(Bennett\)](#)**

Groundwater extraction: large-diameter, high-capacity wells: permits

This bill would require a local enforcement agency to perform specified activities at least 30 days before determining whether to approve a permit for a new large-diameter, high-capacity well, as defined. The bill would require, if the proposed large-diameter, high-capacity well is to be located in an area subject to management by a groundwater sustainability agency, the applicable groundwater sustainability agency, upon notice of a permit application, to provide specified information to the local enforcement agency.

Remove from list

DEAD

Others:
ACWA = O/A
CMUA = O/A
CSDA = Watch
SWC = Watch1

SGMA/GROUNDWATER

[SB 1156](#)
[\(Hurtado\)](#)

Groundwater sustainability agencies: financial disclosures

This bill would require members of the executive team, board of directors, and other groundwater management decision makers of groundwater sustainability agencies to file statements of economic interests. The bill would require that these statements be filed with the Fair Political Practices Commission and would require the commission to establish guidelines and procedures for the submission and review of the statements.

Watch

Others:
ACWA = W/A
CMUA = Watch
CSDA = Watch
SWC = Watch1

Assembly
Appropriations

[AB 2060](#)
[\(Soria\)](#)

Lake and streambed alteration agreements: exemptions

Existing law requires CDFW to determine whether the activity may substantially adversely affect an existing fish and wildlife resource and, if so, to provide a draft lake or streambed alteration agreement to the person, agency, or utility. Existing law establishes various exemptions to lake or streambed alteration agreements including, until January 1, 2029, an exemption for the diversion of flood flows for groundwater recharge, as provided. This bill would indefinitely exempt from these provisions the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage flows or near-flood stage flows to groundwater recharge as long as certain conditions are met.

Watch

ACWA = Favor
CMUA = Support
CSDA = Watch
SWC= Watch-1

Senate
Appropriations

FLOOD PROTECTION

[AB 2827](#)
[\(Reyes\)](#)

**Invasive species:
prevention**

The bill would require the Department of Food and Agriculture, in collaboration with relevant state agencies and stakeholders, to develop and implement strategies to detect, control, monitor, and eradicate invasive species to protect the state's agriculture, environment, and natural resources. The bill would require the department, in consultation with other relevant state agencies, to allocate funds, if available, to implement and enforce these provisions.

Watch

Others:
CSDA = Watch
SWC = Watch-1

Senate
Appropriations

[AB 3227](#)
[\(Alvarez\)](#)

**California
Environmental
Quality Act:
exemption:
stormwater facilities:
routine maintenance**

This bill would, if certain conditions are met, exempt from the provisions of CEQA the routine maintenance of stormwater facilities that are fully concrete or that have a conveyance capacity of less than a 100-year storm event. This bill would repeal these provisions on January 1, 2030.

Watch

Others:
none

Senate
Appropriations

ORIGINATING SECTION: Integrated Planning

CONTACT: Sal Segura/Ken Minn

AGENDA DATE: July 17, 2024

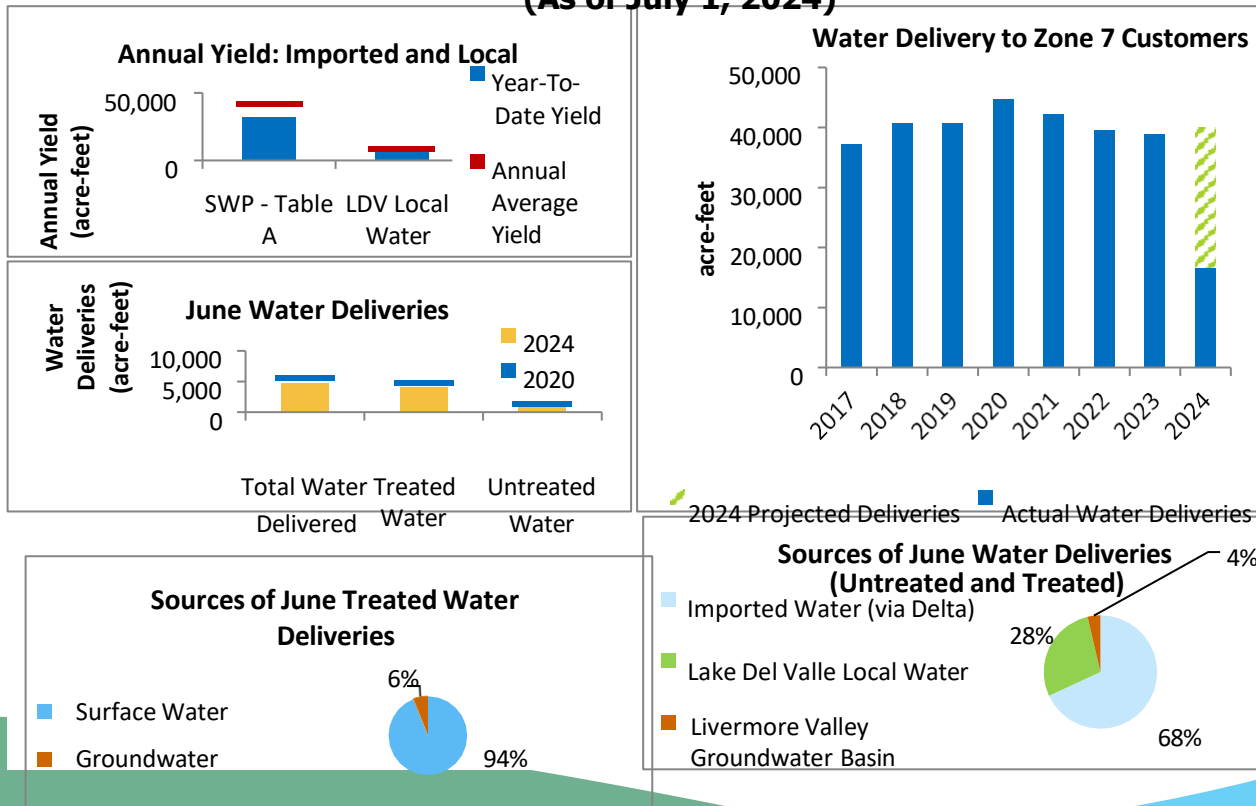
SUBJECT: Monthly Water Inventory and Water Budget Update

SUMMARY:

To support the Mission to deliver safe, reliable, efficient, and sustainable water, Zone 7 Water Agency (Zone 7) has been managing water supplies. This report summarizes current water supply, usage, and storage conditions to support Strategic Plan Goal A – Reliable Water Supply and Infrastructure and is to implement Strategic Plan Initiative #2 – Evaluate and develop appropriate new water supply and reliability opportunities.

An overall analysis of the annual water supply was included in the 2024 Annual Sustainability Report prepared in April. A summary of Long-term water supply planning is also included in the Urban Water Management Plan (UWMP), which is updated every five years and assesses water supply reliability on a 20-year time horizon. The next update of UWMP is due on July 1, 2026. These plans and evaluations consider the various sources of supply and storage available to Zone 7 locally, in State Water Project (SWP) facilities, and in Kern County storage and recovery programs.

**Summaries of 2024 Water Supplies, Deliveries, and Available Water
(As of July 1, 2024)**



ZONE 7 WATER INVENTORY AND WATER BUDGET (June 2024)

Supply and Demand *(See Table 3, Figure 1, Figure 2, Figure 3, and Figure 4)*

- Monthly totals: 6,020 acre-feet (AF) delivered to customers (4,020 AF treated production and 700 AF estimated untreated deliveries) and 1,300 AF to recharge.
- Total treated water production increased by 20% compared to last month.
- Treated water sources were 94% surface water and 6% groundwater this month.
 - Treatment plant production was 41.2 million gallons per day (MGD).
 - Wellfield production was 2.4 MGD.

Comparison of Demands: 2024 vs 2020 baseline *(See Table 1)*

- In June 2024, Zone 7's overall water demands were 9% less compared to the same time in 2020: treated water production was 7% less, and estimated untreated deliveries were 16% less than June 2020.

Table 1: June 2024 comparison – Treated and Untreated Demands

	Treated Production	Untreated Delivery	Total
June 2024 (AF)	4,020	700	4,720
June 2020 (AF)	4,330	840	5,170
June 2024 vs June 2020	7% less	16% less	9% less

Imported Water *(See Table 2 and Table 3)*

- The State Water Project allocation remains at 40%.

Table 2: Available Water Supplies for 2024 (as of July 1, 2024)

Sources of Water Supplies	Acre-Feet (AF)
Table A (Based on 40% allocation)	32,250
Water Transfers/ Exchanges	0
SWP Carryover Water (Preliminary Estimate)	12,730
Lake Del Valle (Carryover + 2024 Yield)	8,760
Livermore Valley Groundwater Basin (Above Minimum Thresholds AF)	125,300
Kern Storage and Recovery Programs	95,600
Total	274,640

Groundwater*(See Table 3 and Figure 5)*

- The Livermore Valley Groundwater Basin comprises four subbasins. The Basin's estimated maximum storage capacity is 254,000 AF including the storage capacity below the Minimum Thresholds established in the Alternative Groundwater Sustainability Plan. The estimated storage capacity above the Minimum Thresholds (operational storage) is 126,000 AF. Currently, the Basin is at approximately 99% of its storage capacity above minimum thresholds (125,300 AF out of 126,000 AF).
- It is important to note that not all of the storage above the Minimum Thresholds (MT's) is accessible with Zone 7's existing wells as 80% of Zone 7's groundwater facilities are in the Amador West subbasin. Furthermore, the presence of Per- and polyfluoroalkyl substances (PFAS) compounds in the groundwater basin limits the use of some wells.
- In June, the total pumping from Zone 7 wellfield was 220 AF, making up 6% of the treated supply.
- Estimated groundwater basin overflow on the west side of the Basin is 0 AF in June.
- In June, Zone 7 recharged approximately 1,300 AF through releases into Arroyo Mocho and Valle.

Stream Outflow*(See Table 3)*

- Surface runoff exceeded the 10 cubic feet per second (CFS) baseflow at the Arroyo de la Laguna at the Verona stream gauge for most of the month of June, resulting in a stream outflow of 120 AF.

Note: some surface flows out of the Livermore-Amador Valley are mandated for other downstream purposes.

Local Precipitation*(See Figure 7)*

- 0 inches of precipitation were recorded at Livermore Airport in June.
- Thus far in Water Year 2024, Livermore has received 14.83 inches of rain, or 104% of the average for the Water Year to Date.

Sierra Precipitation*(See Figure 8)*

0.0 inches of precipitation were recorded in the Northern Sierras in June. The historical average precipitation in June is 1.1 inches.

- Cumulative precipitation in the Northern Sierra for Water Year 2024 is 47.2 inches or 90% of the seasonal average to date.

Sierra Snowpack*(See Figure 9)*

- DWR has stopped reporting snowpack for the season as most snow sites are snow-free. Reporting for Water Year 2025 is anticipated to begin in December.

Lake Oroville*(See Figure 10)*

- As of July 1, Lake Oroville storage is 95% of total capacity representing 121% of average storage condition at this time of the year.
 - Storage: 3,251,866 AF
 - Storage as a percentage of total capacity decreased by 5% over the month of June.

San Luis Reservoir*(See Figure 11)*

- San Luis Reservoir is a joint-use facility between the State Water Project and the Central Valley Project. Its total storage capacity is 2,027,835 AF, and the SWP's share of the total capacity is 1,062,180 AF. As of July 1, the total reservoir storage is 1,001,165 AF, of which approximately 346,000 AF belongs to SWP. Currently, the SWP's share of the reservoir capacity is 33% full.

NOTE: Numbers presented are estimated and subject to refinement over the course of the year.

Lake Del Valle*(See Table 3 and Figure 6)*

- Lake Del Valle holds 39,141 AF as of July 1.
- Zone 7's estimated water storage in Lake Del Valle at the end of June is approximately 8,760 AF after supplying 1,700 AF to treatment plants.
- Zone 7 did not capture water in Lake Del Valle in June.

Table 3: Quarterly Water Inventory

Water Inventory for Zone 7 Water Agency

Note: Values are rounded. All units in AF unless noted otherwise. Subject to adjustment over the year.

	2023 <i>Jan-Dec</i>	2024 <i>Jun</i>	2024 - YTD <i>Jan-Dec</i>
Source			
Incoming Supplies			
State Water Project (SWP) - Table A	55,530	0	0
State Water Project - Article 21	2,360	0	0
Lake Del Valle Local Water	4,310	1,700	5,600
Water Transfers/Exchanges	0	0	0
Subtotal	62,200	1,700	5,600
From Storage			
State Water Project - Carryover	1,630	4,100	12,470
Livermore Valley Groundwater Basin	1,670	220	1,540
Kern Storage and Recovery Programs	0	0	0
Subtotal	3,300	4,320	14,010
Total Supply	65,500	6,020	19,610
Water Use			
Customer Deliveries			
Treated Water Demand ¹	34,030	4,020	15,000
Untreated Water Demand	4,870	700	1,610
Subtotal	38,900	4,720	16,610
To Storage			
Livermore Valley Groundwater Basin Recharge	8,600	1,300	3,000
Kern Storage and Recovery Programs	10,000	0	0
Subtotal	18,600	1,300	3,000
SWP Transfer			
Westside 5 (Kern) ²	8,000		
Total Water Use	65,500	6,020	19,610
Available Water Supplies			
Incoming Supplies	End-of-2023		
SWP - Table A (%)	100%	40%	40%
SWP - Table A Remaining	0	32,250	32,250
Water Transfers/Exchanges	0	0	0
Subtotal	0	32,250	32,250
Storage Balance	End-of-2023		
SWP Carryover + Backed Up Water ³	25,200	12,730	12,730
Lake Del Valle Local Water	5,000	8,760	10,460
Livermore Valley Groundwater Basin ⁴	118,600	125,300	125,300
Kern Storage and Recovery Programs	95,600	95,600	95,600
Subtotal	244,400	242,390	244,090
Total Available Water	244,400	274,640	276,340
Watershed Conditions	End-of-2023		
Precipitation at Livermore Station (in) ⁵	19.2	0.00	11.64
Lake Del Valle Local Water Net Yield	7,010	0	9,360
Measured Change in Groundwater Basin Storage	27,900	400	6,700
Surface Water Outflow ⁶	166,810	120	37,620

¹ Includes a small amount of unaccounted-for water.

² In 2023, Zone 7 executed a transfer agreement with the Westside Districts

³ Backed Up Water is recovered water from Kern Storage and Recovery Programs that is moved to San Luis Reservoir for storage.

⁴ Storage volume is based on most recent groundwater level data; amount shown excludes 128,000 AF of storage below the minimum thresholds.

⁵ Local precipitation reported in Table 3 for 2024 YTD is reported on a calendar year basis.

⁶ Surface Water Outflow is estimated based on flow at USGS gage Arroyo De La Laguna at Verona.

Figure 1: Monthly Treated Water Production in Acre-Feet (AF)

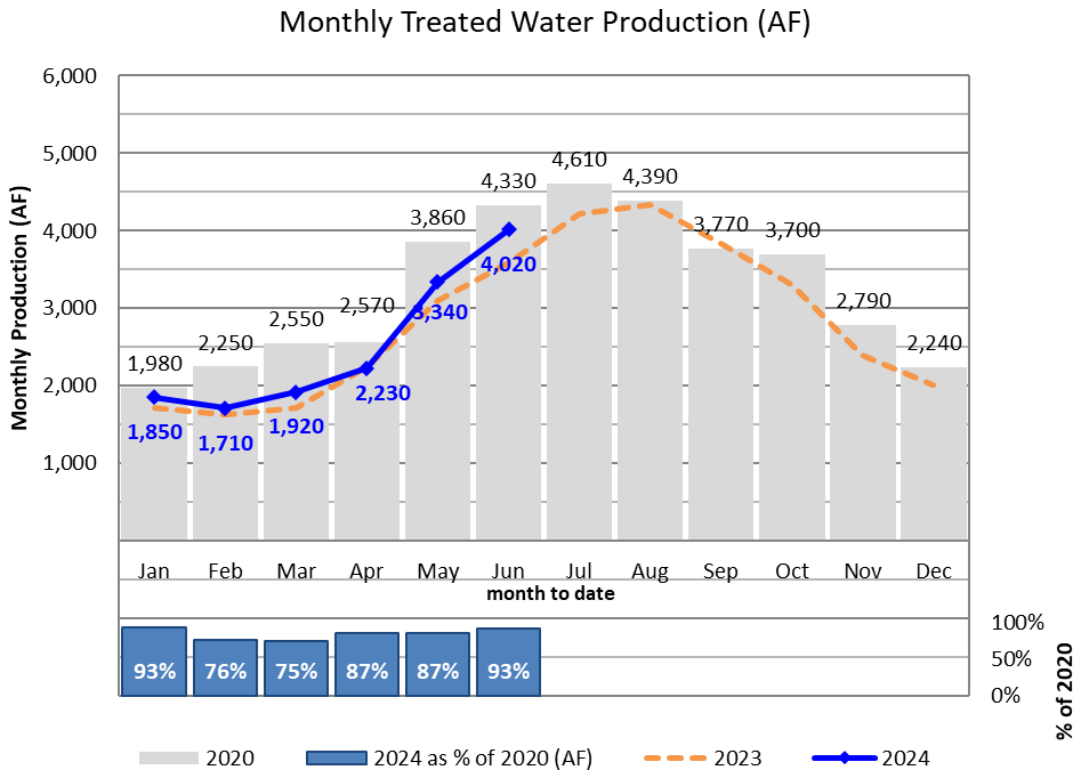


Figure 2: Monthly Treated Water Production in Average Million Gallons Per Day (MGD)

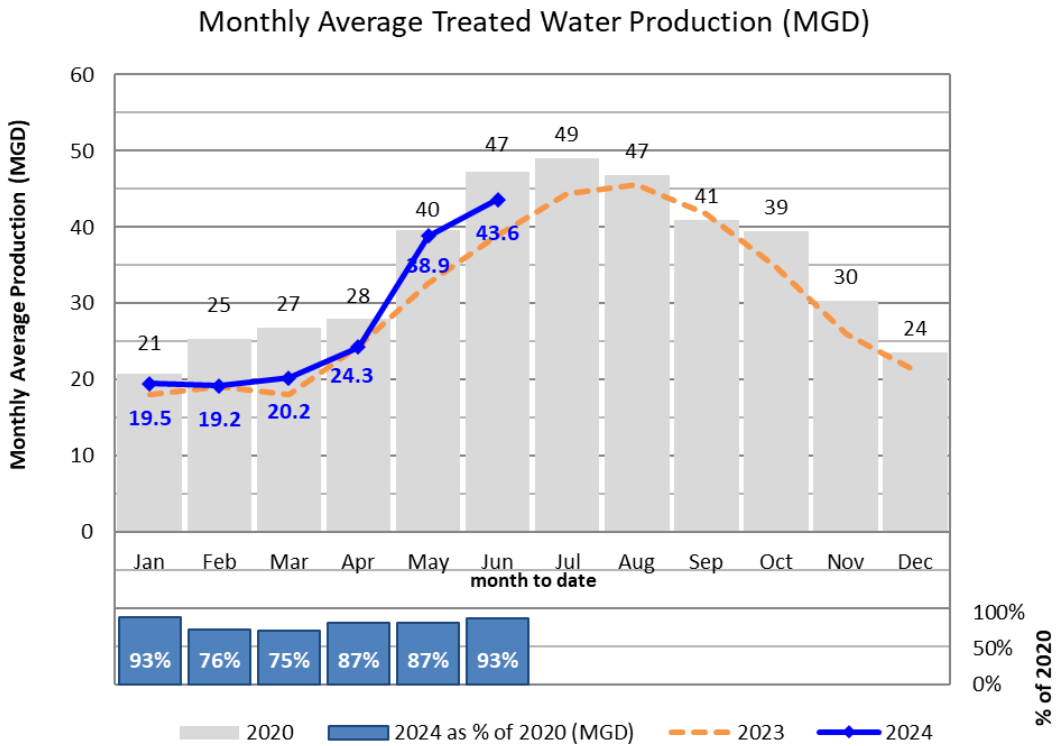
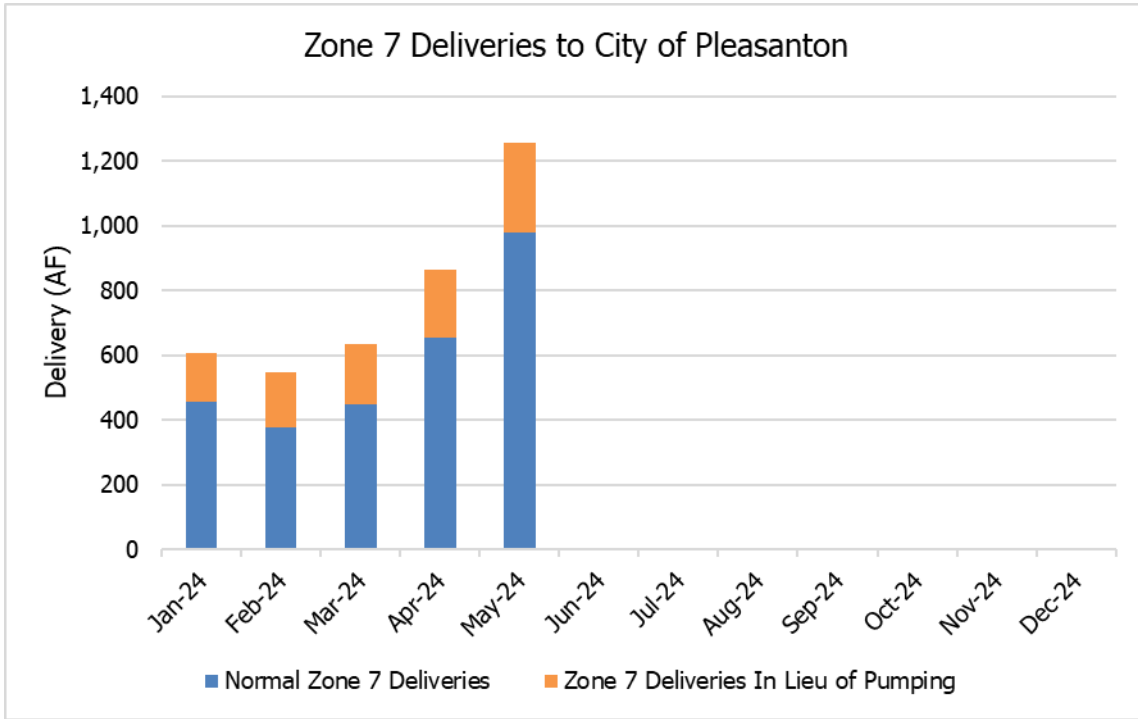
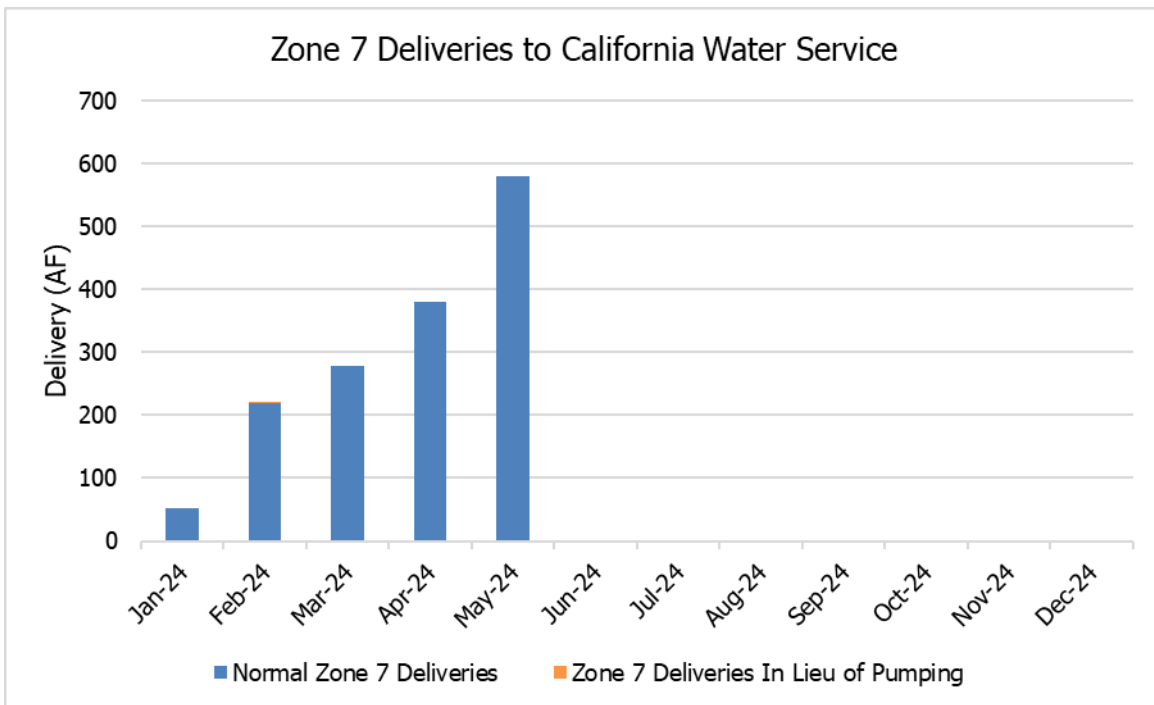


Figure 3: Pleasanton Estimated In-Lieu Demand (Based on 2018-2021 Pumping)



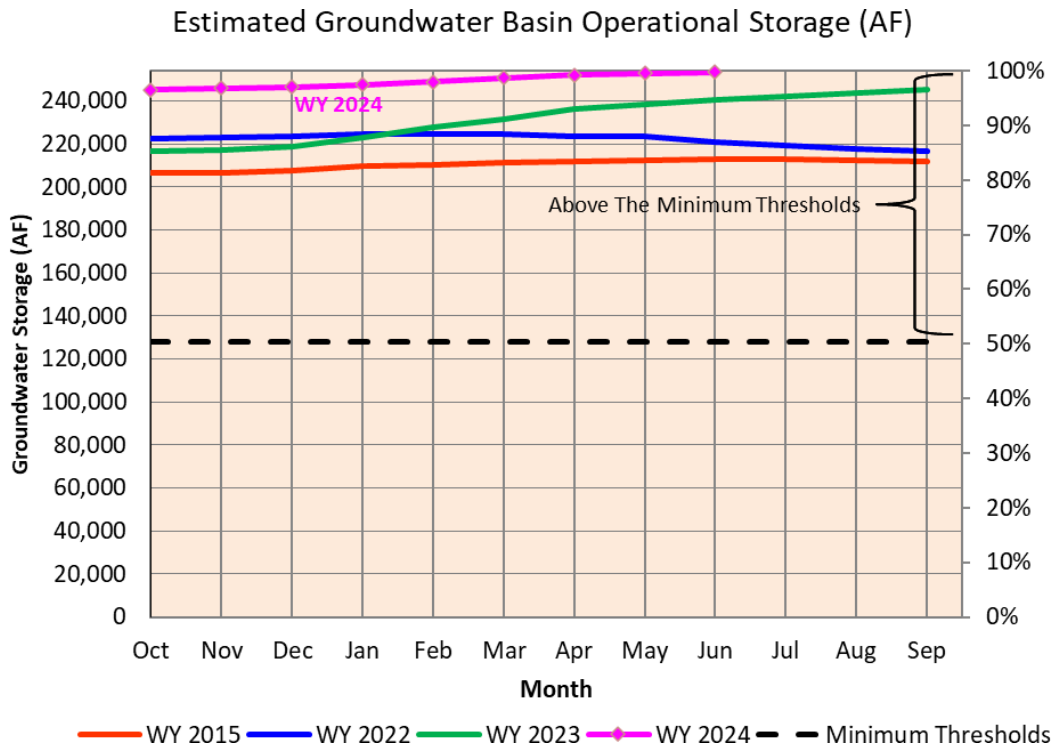
*Pleasanton’s pumping data for June is not yet available and will be reflected in future inventories.

Figure 4: California Water Service Estimated In-Lieu Demand (Based on 2018-2021 Pumping)



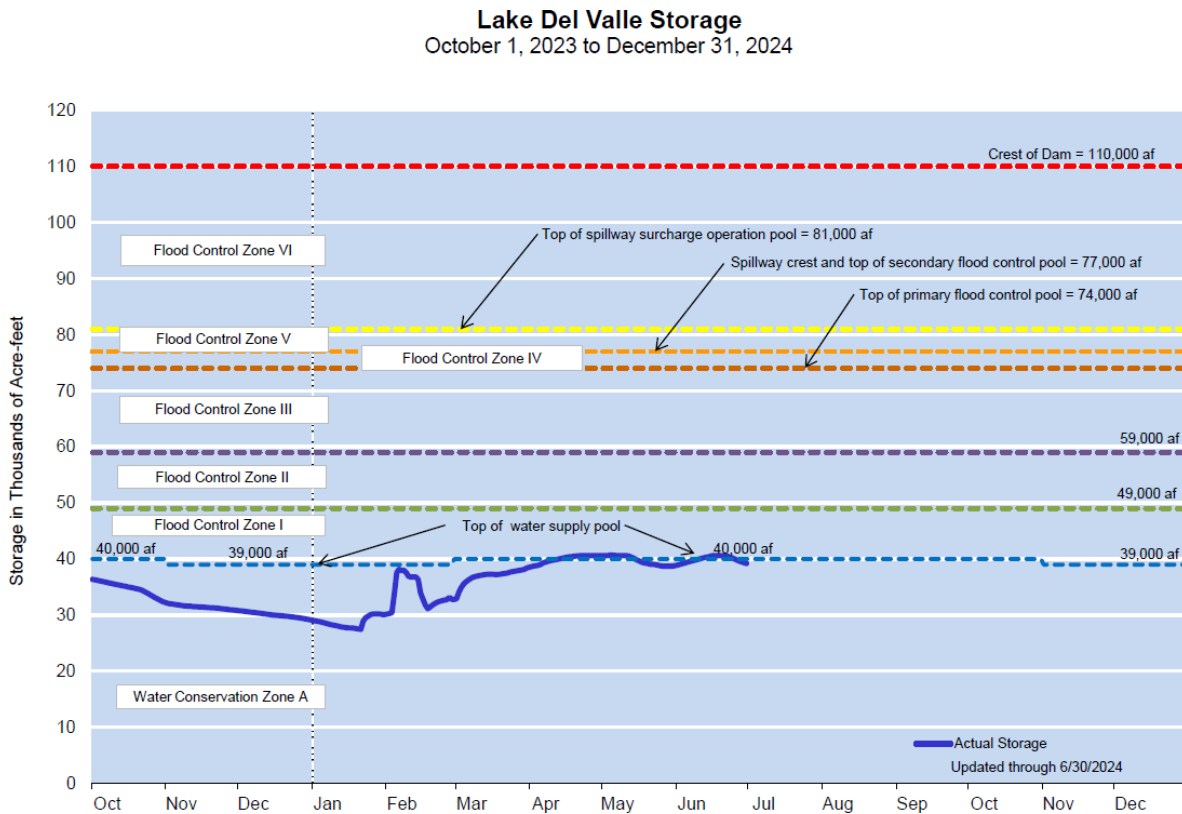
*Cal Water’s pumping data for June is not yet available and will be reflected in future inventories.

Figure 5: Livermore Valley Groundwater Basin Storage*



*The estimated groundwater basin storage represents the combined total storage from all four subbasins.

Figure 6: Lake Del Valle Storage



(Source : <https://water.ca.gov/-/media/DWR-Website/>)

Figure 7: Local Precipitation

ZONE 7 WATER AGENCY
GRAPH OF LIVERMORE RAINFALL INDEX

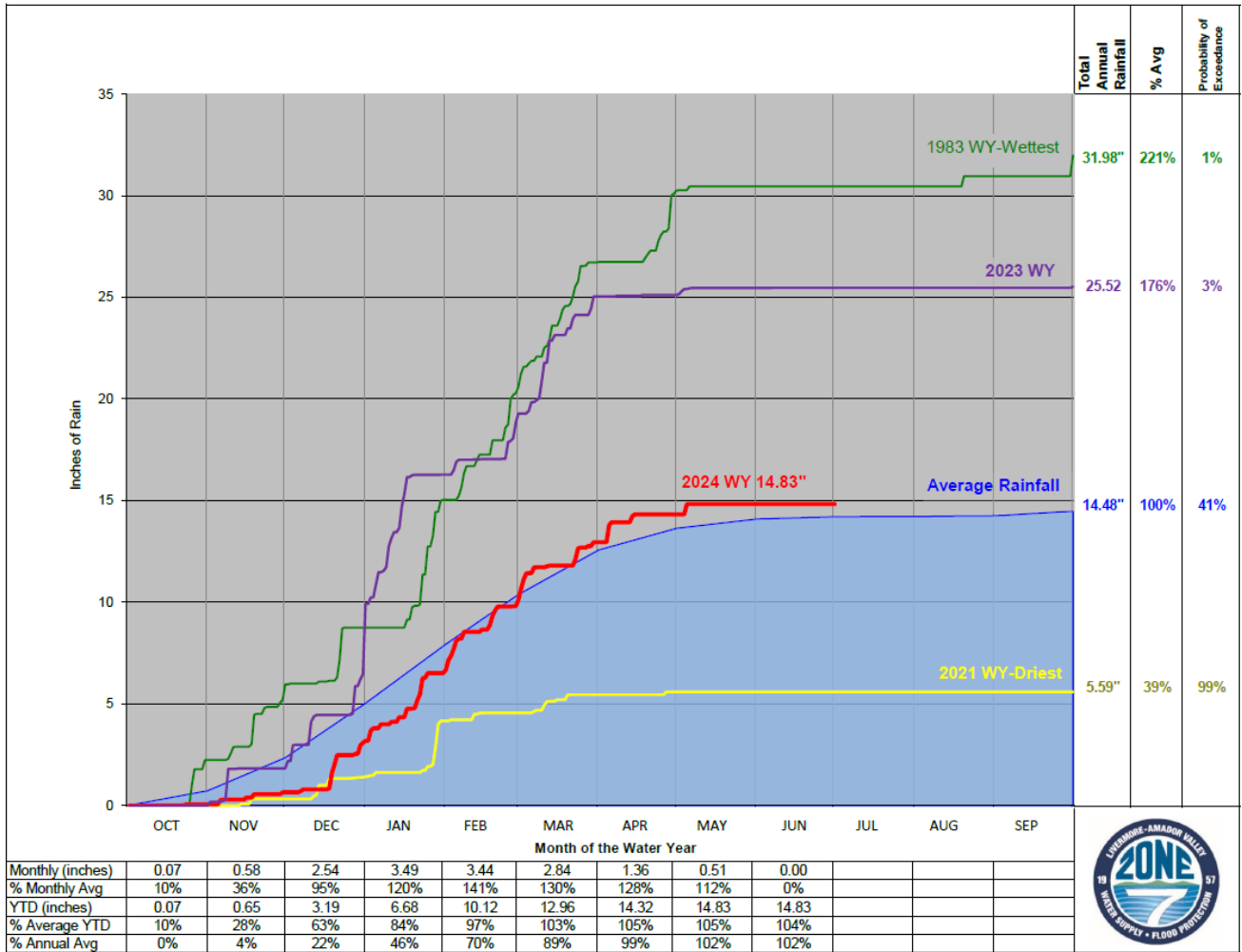
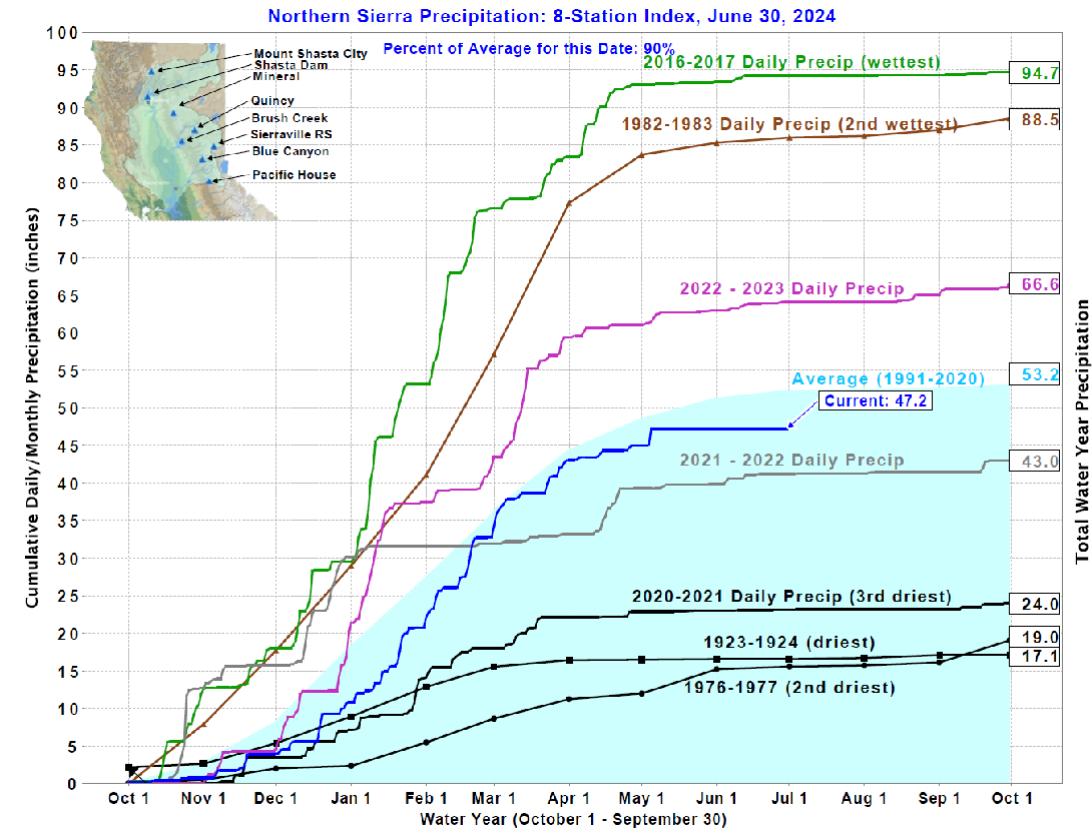


Figure 8: Cumulative Precipitation in the North Sierra



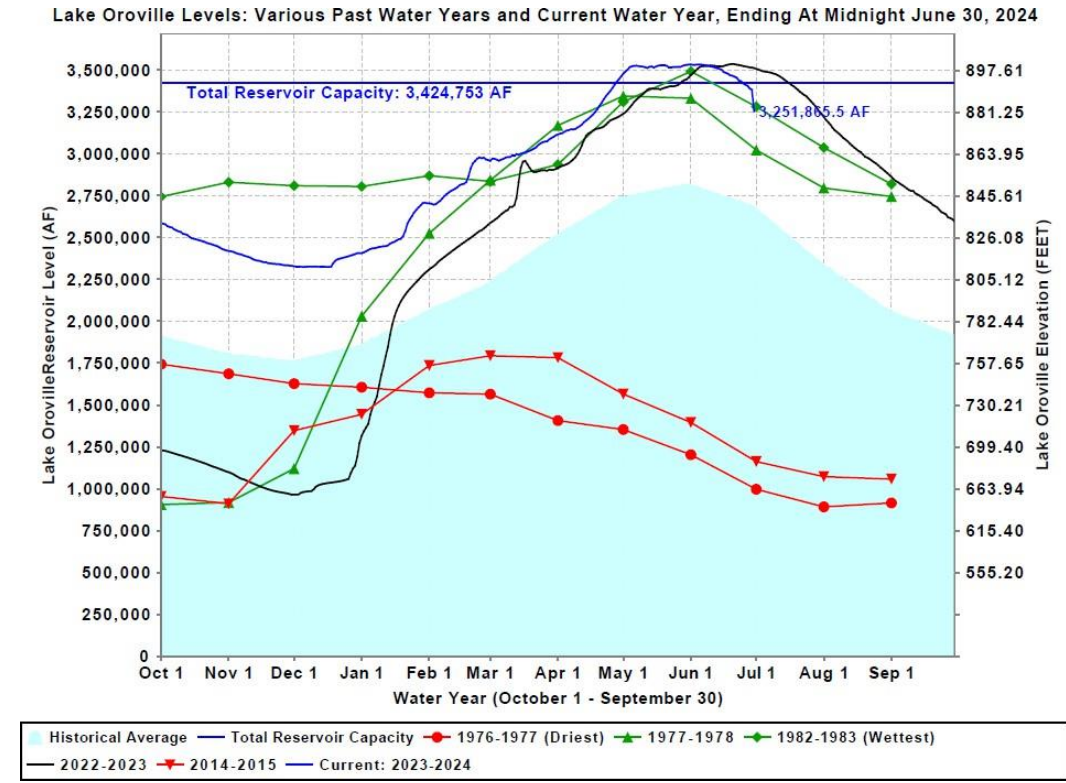
(Source : http://cdec.water.ca.gov/cgi-progs/products/PLOT_ESI.pdf)

Figure 9: Sierra Snowpack

*As of June 28, most snow survey sites are snow-free.
DWR will begin reporting snowpack again around December 1.*

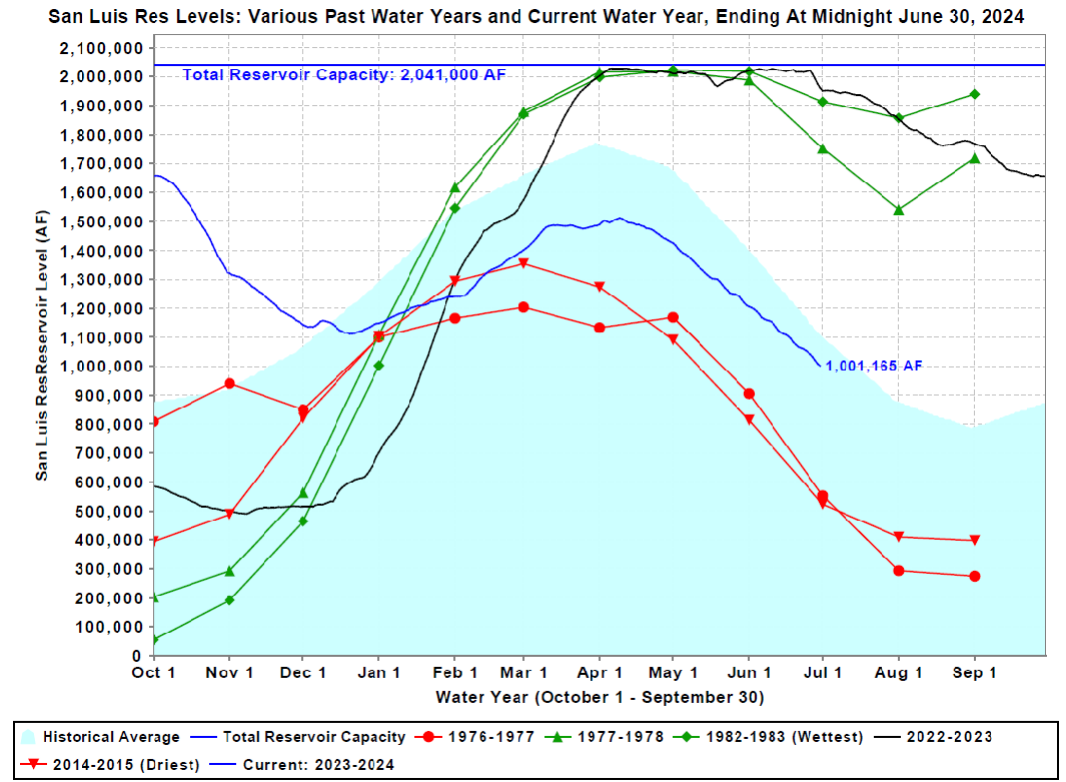
(Source : <https://cdec.water.ca.gov/reportapp/javareports?name=swcond.pdf>)

Figure 10: Lake Oroville Storage



(Source : <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=ORO>)

Figure 11: San Luis Reservoir Storage



(Source : <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=SNL>)