

July 13, 2006
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on July 13, 2006 at the hour of 6:00 P.M. in the Directors' Room of the District Office Building, 43885 South Grimmer Boulevard, Fremont, California.

Present: Directors Lampert, Gunther, Koller, and Weed

Absent: Director Huang

Staff members present: General Manager Paul Piraino, Engineering Manager Robert Shaver, Finance and Administration Manager Will Ligh, Operations Manager Karl Stinson, Attorney Ray McDevitt, and District Secretary Gina Markou.

Vice President Art Lampert presided.

Director Weed led in the Salute to the Flag.

3 - PUBLIC COMMENTS – None

4 - CONSENT CALENDAR

A motion was made by Director Lampert, seconded by Director Koller, to add Items 7.4 through 7.6 to the Consent Calendar.

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed

NOES: None

ABSENT: Director Huang

A motion was made by Director Lampert, seconded by Director Gunther, to approve the following items on the Consent Calendar as amended.

- 4.1 Approval of Minutes – Regular Meeting of June 22, 2006
- 4.2 Ratification of Payment of Audited Demands dated June 23, June 30, and July 7, 2006
- 4.3 Authorization to Amend Purchase Order for Temporary Services
- 4.4 Resolution Amending Personnel Budget – Creating a New Classification of Advanced Treatment Facility Operator at Salary Range 132

RESOLUTION NO. 06-049

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER
DISTRICT AMENDING FY 05/07 PERSONNEL BUDGET

- 7.4 Authorization of Change Order No. 1 and Resolution Accepting Completion of Patterson Reservoir Lining Replacement
- 7.5 Resolution Adopting Mitigated Negative Declaration and Approving the Alameda Reservoir Water Quality Enhancement Project
- 7.6 Resolution Accepting Completion of Contract for Rehabilitation of District Water Wells PT-4 and PT-6

5 – CLOSED SESSION

Vice President Lampert adjourned the meeting to a closed session at 6:04 P.M. for a conference on the following item:

- 5.1 Conference with Legal Counsel – Existing Litigation (Pursuant to Government Code Section 54956.9(a))
 - City of Fremont v. West Coast Venture Capital, et. al., Alameda County Superior Court No. RG04141644

The meeting reconvened at 6:55 P.M.

- 6. Action to Authorize Execution of a Settlement and Utility Cost-Sharing Agreement: Mr. Piraino reported that with respect to Item 5.1, the Board received the report on Utility Cost Sharing Agreement and Settlement between Alameda County Water District, City of Fremont, and Bay Area Rapid Transit District for the Washington Boulevard/Paseo Padre Parkway Grade Separation Projects and it was staff's recommendation that the Board authorize the General Manager to execute the agreement.

A motion was made by Director Lampert, seconded by Director Gunther authorizing the General Manager to execute the agreement.

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7 - ACTION CALENDAR (*Consent Calendar Items are indicated with an asterisk*)

7.1 RESOLUTION AWARDING CONTRACT FOR IRVINGTON 48-INCH PIPELINE RELOCATION PROJECT

The District is required to relocate a portion of the Irvington 48-Inch Pipeline between Driscoll Road and Main Street to accommodate the City of Fremont's Grade Separation Projects. The design for the pipeline relocation was completed by Parsons Water & Infrastructure, Inc. during April 2006 and the project was advertised for construction bids on April 28, 2006. An Addendum was issued on April 16, 2006, to include the construction of an interconnection between the 12-inch main on Driscoll Road and the 48-inch transmission main on Alice Street, which is required to ensure adequate water service to customers in the vicinity during construction.

Three bids for the Irvington 48-Inch Pipeline and Outlets Project were received and opened on May 23, 2006. The bids ranged from a low of \$1,778,440 to a high of \$2,289,300. The engineer's estimate was \$1,632,000. All bids were checked arithmetically and for compliance with the bidding requirements. The third low bid contained minor irregularities that did not affect the order of the bids.

McGuire & Hester, of Oakland, California, submitted the lowest bid. This firm has been in the contracting business under its present name for 80 years. References were checked and it was confirmed that the contractor has the necessary qualifications and experience to perform the work. McGuire & Hester has also recently satisfactorily completed two water mains for the District: the 12inch NUMMI Supply Pipeline Project, completed during February 2004; and the Washington Blvd. Main Relocation Project, completed during January 2005.

This project is included in the Settlement and Utility Cost Sharing Agreement between the District, the City of Fremont, and BART, and the District's share of the direct construction cost is \$626,737. Because the low bid was higher than the engineer's estimate by \$146,440, a reserve appropriation in the amount of \$66,000 is required to cover the District's share of the costs for construction and construction oversight.

A motion was made by Director Gunther, seconded by Director Koller, to 1) authorize a reserve fund appropriation in the amount of \$66,000; and 2) adopt a resolution to award the contract for Irvington 48-Inch Pipeline and Outlets Project to McGuire & Hester in the amount of \$1,778,440, which is the total of the unit price and lump sum payment items, Job 6221.

RESOLUTION NO. 06-050

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO MCGUIRE &
HESTER, FOR JOB 6221

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7.2 AUTHORIZATION OF PURCHASE ORDERS FOR DESIGN SERVICES FOR THE
IRVINGTON 48-INCH PIPELINE RELOCATION PROJECT

The District is required to relocate a portion of the Irvington 48-inch Pipeline between Driscoll Road and Main Street to accommodate the City of Fremont's Grade Separation Projects. On September 25, 2003, the Board authorized a purchase order to Parsons Water & Infrastructure, Inc. (Parsons) for the design of three outlets in the existing 48-inch Irvington Pipeline to accommodate the future relocation. On March 24, 2005, the Board authorized a purchase order amendment for the design of the relocated pipeline itself. The combined total of the purchase order and amendment was \$119,100. The design was completed during April 2006, and the project was advertised for bids on April 28, 2006.

During the design phase, the scope of work increased to include the design of an interconnection between the 12-inch main on Driscoll Road and the Irvington 48-inch main on Alice Street, which is required to ensure adequate water service to customers in the vicinity during construction. As a result, District staff requested Parsons to submit a cost proposal for the additional work. Parsons submitted a cost estimate of \$9,600, which has been evaluated by staff and found to be appropriate for the additional work required.

District staff also requested Parsons to submit a cost proposal for design services during construction. The scope of work includes: 1) submittal reviews; 2) site visits; 3) responses to contractor questions; and 4) preparation of record drawings. Parsons submitted a cost proposal of \$32,800 for this work based on a time and expense basis. Staff has reviewed the proposal and has determined that the estimated level of effort for this work is appropriate.

This project is included in the Settlement and Utility Cost Sharing Agreement between the District, the City of Fremont, and BART. There is adequate funding in the budget for the District's share of the work.

A motion was made by Director Gunther, seconded by Director Koller, to authorize: 1) a purchase order amendment to Parsons Water & Infrastructure, Inc. for additional design services in an amount not to exceed \$9,600; 2) authorize a purchase order to Parsons Water & Infrastructure, Inc. for design services during construction in an amount not to exceed \$32,800 for the Irvington 48-Inch Pipeline Relocation, Jobs 6221 and 6314; and 3) authorize the General Manager to execute a services agreement with Parsons Water & Infrastructure, Inc. for design services for the Irvington 48-Inch Pipeline Relocation.

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7.3 AUTHORIZATION OF PURCHASE ORDER FOR CONSULTANT SERVICES FOR WATER MAIN CONDITION ASSESSMENT

Mr. Shaver reported that the District's water distribution system is comprised of approximately 100 miles of steel pipe, 130 miles of PVC pipe, and 645 miles of asbestos cement (AC) pipe. District staff is currently developing a comprehensive long-range plan for the eventual replacement or rehabilitation of distribution system mains.

It is important to have an understanding of the condition of AC pipe because 1) AC pipe comprises a large percentage of the distribution system, 2) much of the installed AC pipe is approaching 50 years in service and 3) AC pipe is potentially vulnerable during seismic events. In addition to age, many variables (e.g. soil conditions at installed location or distribution system water quality) can influence the service life of AC pipe. Additionally, laboratory testing of pipe materials will be required to evaluate the condition of the pipe. Therefore, it is appropriate to engage the services of a consultant to assist with the condition assessment of the District's AC pipe.

Five consultants and testing firms were requested to submit proposals for AC pipe condition assessment. Four firms responded with proposals ranging from \$24,850 to \$422,596. The firms were interviewed and evaluated based on their project understanding, method of approach, experience, and qualifications. Exponent of Menlo Park was determined to be the consultant best suited to meet the needs of the District. In addition, Exponent's nearby office location allows for the inspection of AC pipe leaks that may occur during the study period.

Exponent's estimate to perform the condition assessment is \$175,750. The consultant services will be performed on a time and expense basis as directed by the District and is expected to take approximately six months to complete. There is adequate funding in the budget for this expenditure.

A motion was made by Director Weed, seconded by Director Gunther, to 1) authorize a purchase order to Exponent, Inc. in an amount not to exceed \$175,750 for consulting services for condition assessment of asbestos cement pipe, Job 6253; and 2) authorize the General Manager to execute a services agreement.

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7.4* AUTHORIZATION OF CHANGE ORDER NO. 1 AND RESOLUTION ACCEPTING COMPLETION OF PATTERSON RESERVOIR LINING REPLACEMENT

The construction contract for the Patterson Reservoir Lining Replacement project was awarded to F.D. Thomas, Inc. on November 10, 2005, for \$819,000. The contract work was substantially complete on June 23, 2006, when the reservoir was placed back into service.

Change Order No. 1 has been prepared to pay for rainwater mitigation work requested by the District (\$21,442.76) and to delete a contract payment item for the initial draining of the reservoir (-\$20,000). The net cost of Change Order No. 1 to the District is \$1,442.76. The rainwater mitigation work was performed on a time and materials basis and included the installation of tarps and caulking to seal the roof and vents during particularly intense winter storms and to remove water from inside the reservoir where rainwater had collected. The payment item for the initial draining of the reservoir was deleted from the scope of the work because District staff pumped the potable water from the reservoir into the distribution system in lieu of the Contractor performing the dewatering. The final cost, including Change Order No. 1 and a cost decrease resulting from finalized quantities for unit price items, is \$805,442.76.

As a result of the rainwater mitigation work delaying the installation of the new lining, the Contractor requested a time extension of 23 calendar days. District staff has reviewed the request and concurs with the number of days requested. There is adequate funding in the budget to cover this change order.

A motion was made by Director Lampert, seconded by Director Gunther, to 1) approve Change Order No. 1 in the amount of \$1,442.76; 2) grant an extension of time of 23 calendar days; and 3)

adopt a resolution accepting completion of the Patterson Reservoir Lining Replacement, Job 6254.2.

RESOLUTION NO. 06-053

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING COMPLETION OF CONTRACT NO. 3460, F.D. THOMAS, INC,
JOB 6254.2

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7.5* RESOLUTION ADOPTING MITIGATED NEGATIVE DECLARATION AND
APPROVING THE ALAMEDA RESERVOIR WATER QUALITY ENHANCEMENT
PROJECT

The Alameda Reservoir Water Quality Enhancement Project consists of the construction of a 700 square foot utility building and the installation of previously purchased chemical feed equipment to maintain the chloramine residual within the reservoir. District staff prepared an Initial Study/Mitigated Negative Declaration (IS/MND) for the Alameda Reservoir Water Quality Enhancement Project and the document was reviewed by District legal counsel.

In accordance with the California Environmental Quality Act (CEQA), a legal notice was published in The Argus and copies of the Notice of Intent to Adopt a Mitigated Negative Declaration (NOI) and the IS/MND were forwarded to the State Clearinghouse. Copies of the NOI were also mailed to owners and residents of properties adjacent to the project site. The public comment period was from April 18, 2006, through May 19, 2006.

Because no written comments were received during the CEQA thirty-day public review period, District staff has concluded that no new significant environmental impacts have been identified as a result of the public review process and that the project will not have a significant effect on the environment. Mitigation measures include erosion control, dust control, and hours of work limits. The MND is incorporated as an attachment to the resolution proposed for adoption.

A motion was made by Director Lampert, seconded by Director Gunther, to 1) adopt the Mitigated Negative Declaration for the Alameda Reservoir Water Quality Enhancement Project; 2) approve the project; and 3) adopt the required mitigation measures and monitoring procedures.

RESOLUTION NO. 06-051

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT ADOPTING A
MITIGATED NEGATIVE DECLARATION FOR AND APPROVING THE ALAMEDA
RESERVOIR WATER QUALITY ENHANCEMENT PROJECT (REFERENCED AS PROJECT
06D34/SR01.51 WITHIN THE DISTRICT'S CAPITAL IMPROVEMENT PROGRAM) AND
DIRECTING THE FILING OF A NOTICE OF DETERMINATION

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

7.6* RESOLUTION ACCEPTING COMPLETION OF CONTRACT FOR REHABILITATION
OF DISTRICT WATER WELLS PT-4 AND PT-6

On February 23, 2006, the contract for Rehabilitation of District Water Wells PT-4 and PT-6 was awarded to Layne Christensen Company in the amount of \$66,685.50. The primary purpose of rehabilitating the wells was to restore their production capacities prior to the installation of new pump and motor assemblies.

The project was completed on April 13, 2006, 28 calendar days before the specified completion date. The final total contract cost is \$50,858.50.

A motion was made by Director Lampert, seconded by Director Gunther, to adopt a resolution accepting completion of Rehabilitation of District Water Wells PT-4 and PT-6 in the amount of \$50,858.50, Job 6296.

RESOLUTION NO. 06-052

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING COMPLETION OF CONTRACT NO. 3469, LAYNE
CHRISTENSEN COMPANY, JOB 6296

The motion was passed by the following vote:

AYES: Directors Lampert, Gunther, Koller, and Weed
NOES: None
ABSENT: Director Huang

8 - REPORTS

8.1 BOARD COMMITTEE REPORTS

- Water Resources Planning Meeting of June 21, 2006: (1) Update on Alameda Creek Fisheries; (2) Update on Semitropic Groundwater Banking Program; (3) Review of Bay Area Integrated Regional Water Management Plan
- Administrative & Finance Meeting of June 27, 2006: (1) Daly City – SFPUC Water Agreement; (2) Emergency Response Update
- Legal & Legislative Meeting of June 28, 2006: (1) Review of State Legislation - Director Weed advised the Board that at a recent Association of California Water

Agencies (ACWA) meeting, it was ACWA's position to support Proposition 84. Discussion ensued. Mr. Piraino stated that if the Board desired to endorse Proposition 84 it would be brought before the Board on August 10, 2006. The Board concurred.

- Operations & Water Quality Meeting of July 5, 2006: (1) Delta Levees Update

8.2 OPERATIONAL REPORTS

- Rainfall Report
- Quarterly Groundwater Recharge Report
- Quarterly Director's Expense Report

8.3 STAFF REPORTS

- Delta Activities Update – Operations Manager Karl Stinson updated the Board on the status of Delta levee related activities. Mr. Stinson summarized the November ballot propositions including Delta levee funding, described the State's Delta Visioning Process, and reviewed water agency Delta Vision principles. Mr. Stinson informed the Board that staff was preparing a Delta levee catastrophe response plan. It is staff's recommendation that the District adopt Delta policy principles and jointly develop a Bay Area outreach program with Zone 7 Water Agency for consideration at the August 10th Board Meeting.

8.4 GENERAL MANAGER'S REPORTS - None

7 - DIRECTORS' COMMENTS AND/OR AGENDA ITEM REQUESTS

- Director Weed suggested having magnetic signs for vehicles participating in parades.

There being no further business to come before the Board, the meeting was adjourned at 7:52 P.M.

Gina Markou, District Secretary

Attest:

Arthur Lampert, Vice President