

August 10, 2006  
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on August 10, 2006 at the hour of 6:02 P.M. in the Directors' Room of the District Office Building, 43885 South Grimmer Boulevard, Fremont, California.

Present: Directors Lampert, Gunther, Koller, Weed, and 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 Assistant District Secretary Andrew Joseph.

President Judy Huang 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 Gunther, to add Items 5.1 and 5.2 to the Consent Calendar.

The motion was passed by the following vote:

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

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 July 13, 2006
- 4.2 Ratification of Payment of Audited Demands dated July 14, July 21, July 28, and August 4, 2006
- 4.3 Resolution Amending Fiscal Year 06/07 Personnel Budget to add Human Resources Analyst 1/2 and to Reclassify Human Resources Technician Position to Human Resources Analyst 1/2

RESOLUTION NO. 06-054

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT  
AMENDING FY 06/07 PERSONNEL BUDGET

- 4.4 Resolution Approving and Authorizing Execution of Contract with Pacific States Steel Corporation, Extension of Water Main, Ref. T-1469

RESOLUTION NO. 06-055

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF CONTRACT BETWEEN ALAMEDA COUNTY WATER DISTRICT AND PACIFIC STATES STEEL CORPORATION, FOR EXTENSION OF WATER MAIN, REF. T-1469

- 4.5 Resolution Approving and Authorizing Execution of Contract with KB Home South Bay, Inc., Extension of Water Main, Ref. T-1475

RESOLUTION NO. 06-056

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF CONTRACT BETWEEN ALAMEDA COUNTY WATER DISTRICT AND KB HOME SOUTH BAY, INC, FOR EXTENSION OF WATER MAIN, REF. T-1475

- 4.6 Resolution Approving and Authorizing Execution of Contract with KB Home South Bay, Inc., Extension of Water Main, Ref. T-1478

RESOLUTION NO. 06-057

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF CONTRACT BETWEEN ALAMEDA COUNTY WATER DISTRICT AND KB HOME SOUTH BAY, INC, FOR EXTENSION OF WATER MAIN, REF. T-1478

- 4.7 Resolution Approving and Authorizing Execution of Contract with Michael R. Beaver, Extension of Water Main, Parcel Map 8739, Lot 2, Ref. T-1482

RESOLUTION NO. 06-058

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF CONTRACT BETWEEN ALAMEDA COUNTY WATER DISTRICT AND MICHAEL R. BEAVER, PARCEL MAP 8739, FOR EXTENSION OF WATER MAIN, REF. T-1482

- 5.1 Resolution Awarding Contract for the Old Water Quality Laboratory Interior Demolition Project
- 5.2 Authorization of Purchase Order for Final Design Services and Transfer of Funds for the Rubber Dam No. 2 Decommissioning and Foundation Modification Project

The motion was passed by the following vote:

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

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

5.1\* RESOLUTION AWARDING CONTRACT FOR THE OLD WATER QUALITY LABORATORY INTERIOR DEMOLITION PROJECT

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On November 14, 2002, the Board authorized a purchase order to Noll & Tam Architects (Noll & Tam) for final design services for the Headquarters Building Expansion and Renovation Project, Phase 2. On December 15, 2005, the Board authorized a purchase order amendment to include the renovation of the existing Emergency Operations Center (EOC), replacement of the old crew room with a new multi-purpose conference/training room, and to provide more handicap parking and trees in the employee parking area, as required by City Ordinance. On May 25, 2006, the Board approved an amended scope of design work to include renovation work in the Human Resources area to improve workspace and workflow efficiency. Noll and Tam's original scope of work for Phase 2 includes the renovations needed to convert the old water quality laboratory area into office space and a crew room. Design work is approximately 75% complete. Construction is scheduled to occur during the second quarter of FY 06/07.

Because the old laboratory area is currently not occupied, it is possible to perform the demolition work (removal of counter tops, cabinetry, interior doors, sheet rock, carpet tiles, and ceiling materials) in advance of final design completion. Exposing the structural metal stud framing members, utility piping, HVAC ducting, electrical conduits, and wiring will allow Noll and Tam to more accurately incorporate the actual as-built conditions into the contract documents. This will reduce the chances for discovery of unforeseen conditions during the renovation work, and should help to minimize change orders. Accordingly, staff prepared contract documents for the demolition work and advertised the project on July 7, 2006. Bid documents were also sent directly to eleven (11) contractors.

On July 20, 2006, one bid was received in the amount of \$87,250 by Roldan Construction, Inc., of Fremont, California. The bid was checked arithmetically and for compliance with the bidding requirements. The engineer's estimate for the work was \$60,000. Roldan Construction Inc. has been in the building construction business under its present name for over 20 years. References were checked and it was confirmed that the contractor has the necessary experience and has prior satisfactory work performance. Roldan also satisfactorily performed the demolition work included in the District's Headquarters Lobby Renovation Project as a subcontractor.

Staff has learned through discussions with several of the other potential bidders that they are unwilling to take on additional work at this time because of current high workloads. Additionally, staff evaluated the difference between the engineer's estimate and the submitted bid and has determined that the cost difference is primarily due to an underestimation of the amount of labor necessary to complete the work, and hauling and disposal costs. Based on the review of the estimated cost to perform the demolition work, staff finds the bid received to be reasonable. There is

adequate funding in the budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Gunther to adopt a resolution accepting the proposal and awarding the contract for the Water Quality Laboratory Selective Interior Demolition Project to Roldan Construction Inc., in the amount of \$87,250 which is the total unit price and lump sum payment items, Job 6312.

RESOLUTION NO. 06-059

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT  
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO ROLDAN  
CONSTRUCTION, INC, FOR JOB 6312

The motion was passed by the following vote:

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

5.2\* AUTHORIZATION OF PURCHASE ORDER FOR FINAL DESIGN SERVICES AND  
TRANSFER OF FUNDS FOR THE RUBBER DAM NO. 2 DECOMMISSIONING AND  
FOUNDATION MODIFICATION PROJECT

On September 8, 2005, the Board authorized a purchase order to CH2M Hill, Inc. (CH2M Hill) for preliminary design services for Phase 1 of the Lower Alameda Creek Fish Passage Improvement Project, which included the following two CIP Projects: 1) Alameda Creek Pipeline No. 1 Fish Screens and 2) Lago Los Osos Pipeline/Decommissioning of Rubber Dam No. 2. Final design of the Alameda Creek Pipeline No. 1 Fish Screens was previously awarded to CH2M Hill by the Board on December 15, 2005. The Lago Los Osos Pipeline/Decommissioning of Rubber Dam No. 2 Project, as originally conceived, included the construction of a pipeline from Lago Los Osos to Pit T-1, the decommissioning of Rubber Dam No. 2, and the modification of the dam foundation to facilitate fish passage.

Concurrent with the final design of the fish screens, staff performed further hydraulic and groundwater modeling investigations to evaluate the benefits of constructing the Lago Los Osos Pipeline. The results of the analysis were reviewed with the Water Resources Planning Committee on June 21, 2006, and concluded that the pipeline would not result in a significant water supply benefit, given the pipeline cost (approximately \$2,100,000). Therefore, the scope of the Lago Los Osos Pipeline/Decommissioning of Rubber Dam No. 2 Project was reduced to include only the removal of the Rubber Dam No. 2 fabric and modification of the dam foundation. Because the District previously received a \$500,000 grant commitment from the National Fish and Wildlife Foundation (NFWF) to construct the pipeline, staff has begun discussions with the various involved agencies to explore the possibility of transferring the grant funding to other Alameda Creek fishery-related projects.

CH2M Hill was requested to submit a cost proposal for the final design services for the Rubber Dam 2 Decommissioning and Foundation Modification Project. The primary design elements include removing the dam's fabric, modifying the dam's foundation, and sealing the inlet/outlet openings for

the dam's source of water. The estimated cost for performing the design work on a time and expense basis is \$128,567. Staff has reviewed the estimate and finds it reasonable for the scope of work to be performed. There is adequate funding in the current budget for this expenditure. Because the project scope has changed, staff has opened a new job number to better track the project costs. As a result, Board approval is necessary to transfer \$637,000 from the Lago Los Osos Pipeline Project (CIP G-G02.09) to the Rubber Dam 2 Decommissioning and Foundation Modification Project (CIP Project G-G42.01).

A motion was made by Director Lampert, seconded by Director Gunther to 1) authorize the budget transfer of \$637,000; 2) authorize a purchase order to CH2M Hill Inc. in the amount of \$128,567 for final design services for the Rubber Dam 2 Decommissioning and Foundation Modification Project, Job No. 6319; and 3) authorize the General Manager to execute a services agreement.

The motion was passed by the following vote:

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

### 5.3 RESOLUTION EXPRESSING SUPPORT FOR PROPOSITION 84, THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006

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Mr. Piraino reported Proposition 84, which qualified for the November 2006 ballot through the initiative process, is a \$5.4 billion water and resources bond that would provide a potential funding source for water agencies throughout the state, including ACWD, to carry out critical programs.

This bond initiative has been endorsed by several Bay Area water agencies, the County of Alameda and by the Association of California Water Agencies (ACWA) Board of Directors. The initiative would fund an array of water- and resources-related programs and projects around the state. Key funding categories include:

- \$525 million for safe drinking water and water quality projects.
- \$1 billion for integrated regional water management projects, including \$138 million allocated for projects in the San Francisco Bay Area, as well as \$100 million for inter-regional, unallocated projects.
- \$800 million for flood control.
- \$65 million for statewide water planning.
- \$928 million for protection of rivers, lakes and streams.

Proposition 84 would also fund coastal protection, forest and wildlife conservation and parks. It will appear on the November ballot in addition to the \$37 billion infrastructure package approved by the Legislature in May. That package includes \$4.1 billion for levee repair and flood-related items. ACWA and water agencies throughout the state participated in the initial discussions on this initiative, and the bond would provide funding for virtually every one of the 12 actions outlined in ACWA's water policy document, *No Time to Waste: A Blueprint for California Water*.

A motion was made by Director Gunther, seconded by Director Koller to adopt a resolution

expressing support for Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

RESOLUTION NO. 06-060

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT EXPRESSING SUPPORT FOR PROPOSITION 84: SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION AND PARKS BOND OF 2006

The motion was passed by the following vote:

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

5.4 RESOLUTION ADOPTING POLICY PRINCIPLES FOR THE MANAGEMENT OF THE SACRAMENTO-SAN JOAQUIN RIVER DELTA

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Mr. Stinson reported new information on the Sacramento-San Joaquin River Delta (Delta) regarding its vulnerability to the effects of earthquakes and global warming has triggered a re-evaluation of the current management of the Delta. It is now clear that water supplies from the Delta are more vulnerable than previously thought. The State of California has recently embarked on a Delta Visioning Process (DVP). The purpose of the DVP is to meet the requirements of AB1200, develop a long-term Delta vision and strategic plan for sustainable management of the Delta, and develop recommendations for public policy and resource management options to realize the vision and strategic plan. The DVP is taking place at the same time that Delta stakeholders are developing a Bay Delta Conservation Plan focused on protection of the Delta ecosystem and CALFED is preparing its Phase 1 report to evaluate the original decisions made regarding Delta water conveyance.

To provide input into the above activities and to provide guidance for potential public outreach and education programs by Bay Area water agencies dependent on the Delta, it is recommended that the Board adopt policy principles for the management of the Delta. Staff presented a draft resolution to the Board on July 13. Based on Board input, several changes have been made. The primary changes from the original version include deleting references to "sustainability," except with regard to water supply reliability, to avoid the impression that the District supports sustaining all current uses in the Delta and clarifying, in layperson's terms, what an isolated facility would do. Language was also added urging the State to continue with strategic near-term delta levee repairs until the long-term vision can be implemented.

A motion was made by Director Weed and seconded by Director Koller to approve a Resolution Adopting Policy Principles for the Management of the Sacramento-San Joaquin River Delta.

RESOLUTION NO. 06-061

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT ADOPTING  
POLICY PRINCIPLES FOR THE MANAGEMENT OF THE SACRAMENTO-SAN JOAQUIN  
RIVER DELTA

The motion was passed by the following vote:

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

5.5 APPROVAL OF AGREEMENT BETWEEN ALAMEDA COUNTY WATER DISTRICT  
AND ZONE 7 WATER AGENCY FOR CONDUCTING A PUBLIC OUTREACH AND  
EDUCATION CAMPAIGN REGARDING THE IMPORTANCE OF DELTA WATER  
SUPPLIES IN THE BAY AREA AND AUTHORIZATION OF PURCHASE ORDER FOR  
CONSULTING SERVICES

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Mr. Cartwright reported that in July 2006 Zone 7 Water Agency initiated a public outreach and education campaign program to educate the media and the public regarding the importance of the Delta water supplies in the Bay Area, and to provide a solid foundation upon which future policies regarding the Delta may be built. While agency staff will handle most of the implementation efforts, consultation was sought to design the POEC, and to provide the strategic structure necessary to ensure an effective effort that is well coordinated with state-wide Delta outreach efforts undertaken by other organizations. Zone 7 Water Agency has retained the consulting firm of Jones and Stokes to assist with the outreach efforts.

The consultant's scope of work for the Delta outreach efforts includes a stakeholder analysis, the development of key messages and collateral material, coordination of media outreach activities, identification and coordination of presentations at community forums and Non-Governmental Organization boards, and providing strategic counsel during the development and implementation of the outreach campaign. The consultant's cost for the project is estimated to be \$62,240. Based on recent discussions with Zone 7, ACWD will be able to participate in this outreach effort with Zone 7. ACWD staff has reviewed the scope of work for this effort, and several changes were made based on ACWD input. Staff recommends that ACWD provide up to \$25,000 for the consultant costs. Santa Clara Valley Water District will also be participating in this effort and will provide in-kind services through its public affairs office.

A motion was made by Director Gunther and seconded by Director Koller to (1) authorize the General Manager to enter into an agreement with Zone 7 for cost sharing for the consultant's costs for the Delta public outreach and education campaign; and (2) authorize a purchase order to Zone 7 Water Agency in an amount not to exceed \$25,000 for ACWD's share of consultant costs for the public outreach and education campaign.

Director Lampert expressed his opinion that this project could be better coordinated on a statewide rather than local level, such as through the Association of California Water Agencies. He also requested that the consultant develop measures to determine the success of the outreach effort.

Discussion ensued.

The motion was passed by the following vote:

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

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## 6 - REPORTS

### 6.1 BOARD COMMITTEE REPORTS

- Engineering & Capital Projects Meeting of July 11, 2006: (1) Status of the MSJWTP Upgrade Project (2) Condition Assessment of AC Pipe
- Water Resources Planning Meeting of July 19, 2006: (1) Presentation on Bayou Liberty – Hurricane Katrina Response (2) Update on Delta Outreach Activities (3) Update on Los Vaqueros Reservoir Expansion Project
- Administrative & Finance Meeting of July 25, 2006: (1) Proposed Human Resources Technician Reclassification (2) Quarterly Review of Claims (3) Quarterly Review of Investment Portfolio
- Legal & Legislative Meeting of July 26, 2006: (1) Update on Proposition 84 Support (2) California Supreme Court Decision, Bighorn-Desert View Water Agency versus E.W. Kelley

### 6.2 OPERATIONAL REPORTS

- Quarterly Projects Review – Mr. Shaver updated the Board with a brief presentation on the Patterson Reservoir Lining Replacement project. Director Lampert requested a future report on the costs associated with the extended start-up of the Mission San Jose Upgrades Project.
- Quarterly Well Level Report
- Investment Report
- Quarterly Personnel Report

### 6.3 STAFF REPORTS - None

### 6.4 GENERAL MANAGER'S REPORTS - None

7 - DIRECTORS' COMMENTS AND/OR AGENDA ITEM REQUESTS

- Director Gunther suggested the District urge the cities of Fremont, Newark and Union City for support of Proposition 84.

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There being no further business to come before the Board, the meeting was adjourned at 6:50 P.M.

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Andrew Joseph, Assistant District Secretary

Attest:

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Judy Huang, President