

# ALAMEDA COUNTY WATER DISTRICT MEMORANDUM

DATE: April 27, 2007  
TO: Board of Directors  
FROM: Paul Piraino  
SUBJECT: STAFF REPORT, ACTION CALENDAR ITEMS FOR May 3, 2007

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## 5.1\* AUTHORIZATION OF PURCHASE ORDER TO FURNISH AND DELIVER WATER METERS

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**BACKGROUND:** The District requests bids annually for water meters. These bids are based on the anticipated meter needs for the upcoming year and are used for cost comparison.

**DISCUSSION:** Requests for bid were sent out and six responses were received. Three of the bids were non-responsive. This year the bid requirements were changed to include all meters from ¾" to 2" as a single bid item and to allow for yearly extensions up to a total of three extensions providing that pricing and servicing are satisfactory to both parties. The three responsive bidders were: Elster AMCO Water, Inc. (formerly AMCO Water Metering Systems, Inc.); Badger Meter, Inc.; and Hersey Meters Company. The responsive bids are summarized below:

¾" – 2" Water Meters	<b><u>Total Amount</u></b>
<u>3 Responsive Bidders</u>	
Elster AMCO Water, Inc.	\$198,034.31
Badger Meter, Inc.	\$208,582.50
Hersey Meters	\$286,284.38

**RECOMMENDATION:** By motion authorize purchase order to Elster AMCO Water, Inc. for the purchase and delivery of ¾", 1", 1 ½", and 2" water meters at the prices quoted for FY 07/08.

## 5.2\* AUTHORIZATION OF PURCHASE ORDERS FOR BACKFILL MATERIALS

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**BACKGROUND:** ACWD crews perform a variety of construction and maintenance work throughout the District's service area. Repairs and installations can occur during normal working hours, off-hours weekdays, weekends, and holidays. Excavations for leaks, replacements, and new installations are required for the majority of this work. Subsequently, a variety of materials is needed to backfill these excavations. Commonly used materials include sand, course aggregate, base rock, concrete, and control density fill.

**DISCUSSION:** There are a number of vendors spread throughout the general area who provide some or all of the required backfill material. Due to the geographical dispersion of the work performed it is more advantageous to purchase backfill materials on the open market at the nearest supply point. Typically, ACWD has purchased materials from a dozen or so local vendors. The amounts purchased from each vendor is dependent upon the location of work performed, the availability of the particular material needed, suppliers operating hours, and the required pickup or delivery schedule. The two main

vendors used and the estimated FY07/08 purchases from each are: Hanson Aggregates Mid-Pacific, Inc. (formerly Mission Valley Rock), \$150,000 and Milpitas Materials Co., \$60,000. Maintaining the ability to select suppliers who can fill the immediate needs allows for more efficient crew utilization by minimizing delays due to the unavailability of backfill material. Sufficient funds have been budgeted for these expenditures.

RECOMMENDATION: By motion, authorize annual purchase orders to Hanson Aggregates Mid-Pacific, Inc. and Milpitas Materials Co. for a variety of backfill materials at prices quoted for FY07/08.

5.3\* AUTHORIZATION OF PURCHASE ORDER FOR REPLACEMENT FILTER PRESS FEED PUMPS AT WATER TREATMENT PLANT 2

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BACKGROUND: The Board of Directors approved funds in the current budget for the purchase of new equipment for sludge processing improvements.

DISCUSSION: Improvements in processing methods, sludge conditioning, high energy polymer mixing, sludge flow metering, and optical sensing in the Netzsch filter press area are nearing completion. In addition to implemented improvements and those yet to be completed, the Solids Handling Improvement Group, consisting of Operations and Engineering staff, recommends replacement of the original piston type filter press feed pumps with Netzsch NEMO progressive cavity type pumps. This will complete the filter press system upgrades as outlined by the group.

From an operational standpoint, the projected benefits of using progressive cavity pumps compared to the piston type pumps include: increased sludge processing capabilities through stabilized sludge flow control to the filter press by use of variable speed control; improved polymerization control throughout the feed cycle; and prolonged filter cloth life. From a mechanical standpoint, the recommended equipment will eliminate pressure “spikes” that cause strains on filter press components and reduce the complexity and cost of maintenance.

Netzsch FilterPress Division, Netzsch NEMO pumps, and the vendor, Flo-Line Technology, ensure that the pumps are sized and designed to match the operating ranges and conditions of the filter press system. The manufacturer and vendor also agree to fully support installation planning, operation programming, set-up/start-up, and operation optimization. The cost of the pumps, including tax and freight, is \$56,456. There are sufficient funds in the budget for this expenditure.

RECOMMENDATION: By motion, authorize a purchase order to Flo-Line Technology in the amount of \$56,456.00 for the purchase of 2 Netzsch NEMO progressive cavity filter press feed pump packages.

5.4\* AUTHORIZATION OF PURCHASE ORDER FOR CONTRACT LABORATORY SERVICES (CHEMICAL AND BACTERIOLOGICAL ANALYSES)

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BACKGROUND: The District employs commercial laboratories for chemical and bacteriological analyses for which either the District Water Quality Laboratory (WQL) is not certified or it is not cost-effective for the District to perform in-house.

DISCUSSION: The WQL initiated a contract with TestAmerica Analytical Testing Corporation (formerly Sequoia Analytical Laboratories) in FY 06/07 to supply analytical testing support. The contract allows for two annual extensions if conditions and service are satisfactory to both parties. The WQL is requesting the first annual extension since conditions and service have been satisfactory to both parties.

Of the forty-five unit prices quoted, five unit prices were revised such that the FY 07/08 contract is less than the FY 06/07 contract by \$5,700.

There are sufficient funds in the proposed FY 07/08 budget for this expenditure.

RECOMMENDATION: By motion, authorize a purchase order for analytical laboratory services to TestAmerica Analytical Testing Corporation for an amount not to exceed \$259,400 for FY 07/08 at the unit prices quoted.

5.5\* RESOLUTION AUTHORIZING AN AGREEMENT WITH THE STATE OF CALIFORNIA FOR THE "DEVELOPMENT OF A WATERSHED MANAGEMENT PROGRAM FOR THE SOUTH BAY AQUEDUCT SYSTEM" PROJECT

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BACKGROUND: In cooperation with the two other South Bay Aqueduct (SBA) contracting agencies, the District has been working the last two years under a Proposition 13 grant to develop a watershed management program for the South Bay Aqueduct system. The grant funds are being administered through the State Water Resources Control Board (SWRCB), and a one year extension of the project has been applied for and approved.

DISCUSSION: This grant-funded project has included establishment of a Watershed Workgroup, stormwater monitoring to determine the relative inputs of the Delta and local watersheds, development of a baseline water quality profile from which to compare future water quality, development of a long-term strategy for watershed management in the form of a final draft Watershed Protection Program Plan, and development and implementation of a watershed education program that will include workshops for local landowners and development of educational signage and brochures for Lake Del Valle and Bethany Reservoir. These activities have been carried out with grant funds using a subcontractor, while each of the SBA contracting agencies has been participating in the project and providing in-kind project support through staff involvement. The District has been the lead agency for the joint project, including management of the subcontractor and the grant.

At this time, the project team has applied for and received approval for a one year project extension. This extension was needed to allow more time for workshop outreach, development and production of educational materials, and finalization of the Watershed Protection Program Plan, which has undergone more reviews than were originally expected. An amended grant agreement has been prepared that includes the extended due dates for the remaining items.

Execution of the original grant agreement was approved by the Board on March 24, 2005, but the original resolution did not include approval of project extensions. At this time, a new resolution is needed to approve and authorize the General Manager to enter into the amended agreement with the

State of California.

RECOMMENDATION: By motion, adopt a resolution authorizing entrance into an amended agreement with the State of California and designating the General Manager to sign the Proposition 13 Agreement for the “Development of a Watershed Management Program for the South Bay Aqueduct” project.

#### 5.6\* DECLARATION OF MAY AS WATER AWARENESS MONTH

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BACKGROUND: The Governor of California has proclaimed the month of May as Water Awareness Month. For the past 17 years, the District has been a campaign sponsor of Water Awareness Month, which focuses on educating Californians about the importance of water in all facets of their lives by encouraging involvement in water awareness activities on both a local and regional level.

DISCUSSION: The campaign headquarters sponsors statewide activities, such as distributing public service announcements to radio and television stations, providing water awareness materials to public libraries and providing water information to legislators. The theme of the campaign continues to emphasize conservation and water quality, as well as other aspects about water in the environment, agriculture, and industry. Local service area activities related to Water Awareness Month will include: presentation of the school Water Conservation Poster and Slogan Contest awards; newspaper display ads stressing the Water Awareness Month campaign theme that will run through the month; and distribution of Water Conservation Calendars and Water Awareness Campaign School Education Kits to teachers in the ACWD service area.

RECOMMENDATION: By motion, adopt a resolution proclaiming the month of May as Water Awareness Month.

#### 5.7\* RESOLUTIONS ESTABLISHING REPLENISHMENT ASSESSMENT FOR FY 07/08

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BACKGROUND: On April 10, 2007, the Board of Directors held a public hearing on the Groundwater Survey Report, dated February 2007, and the Board directed staff to draft the resolutions required to establish the Replenishment Assessment rates for Fiscal Year 07/08.

DISCUSSION: The resolutions: 1) state the findings and determine the need for the Replenishment Assessment; 2) establish the rates; and 3) provide procedures and statement forms. The Replenishment Assessment rates will remain at \$8.00 per acre-foot for agricultural and municipal recreation uses, and \$197 per acre-foot for all other uses.

RECOMMENDATION: By motion, adopt the three resolutions required to establish the Replenishment Assessment for Fiscal Year 07/08.

#### 5.8 AUTHORIZATION OF CHANGE ORDER NO. 2 AND RESOLUTION ACCEPTING COMPLETION OF IRVINGTON 48-INCH PIPELINE RELOCATION

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BACKGROUND: On July 13, 2006, the construction contract for the Irvington 48-inch Bypass Pipeline and Outlets project was awarded to McGuire & Hester for \$1,778,440. Change Order No. 1 in

the amount of a decrease of \$63,726 was previously authorized by the Board. The project was substantially completed on March 16, 2007.

DISCUSSION: Change Order No. 2 has been prepared to address the additional costs associated with unforeseen subsurface conditions (\$15,228.49) and work requested by the District (\$11,335.51) for a total cost of \$26,564.00. The total project cost, including all change orders and adjustment for final quantities is \$1,757,501.74. This project is included in the Settlement and Utility Cost Sharing Agreement between the District, the City of Fremont and BART. The District's share of the construction cost is \$621,511.28. There is adequate funding in the budget for this expenditure.

RECOMMENDATION: By motion, 1) approve Change Order No. 2 in the amount of \$26,564.00; and 2) adopt a resolution accepting completion of the Irvington 48-inch Bypass Pipeline and Outlets, Job 6221.

5.9 BOARD DIRECTION REGARDING ALAMEDA COUNTY WATER DISTRICT'S POSITION ON REVISIONS TO THE CALIFORNIA URBAN WATER CONSERVATION COUNCIL'S BEST MANAGEMENT PRACTICE 11 – CONSERVATION PRICING

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BACKGROUND: As a signatory to the California Urban Water Conservation Council's (CUWCC) Memorandum of Understanding regarding Urban Water Conservation in California (MOU), ACWD has agreed to implement the 14 conservation program Best Management Practices (BMPs). These BMPs are reviewed and revised as needed by CUWCC committee, and are then presented to the members for a vote after Steering Committee approval. Currently, BMP 11 states that agencies shall adopt conservation pricing, which is defined broadly as inclining block rates, seasonal rates, rates based on long-run marginal cost, and uniform rates.

DISCUSSION: In 2005, the AB 2717 Landscape Task Force issued a report with recommendations to improve landscape water efficiency statewide. One recommendation defined conservation rates for water agencies beyond the language in the existing BMP 11 and requested that CUWCC convene a committee to revise BMP 11 based on the Task Force's recommendation. It further recommended that if the CUWCC could not adopt a revised BMP 11, the Legislature should revise the Urban Water Management Planning Act to use the Task Force-developed definitions as the definition for Conservation Pricing in the Act's Demand Management Measures section.

Specifically, the Task Force recommended that a benchmark be set for the minimum amount of rate revenue that should be collected from volumetric charges. Subsequently, a CUWCC committee recommended revisions to BMP 11 to state that 70% (averaged from the three (3) most recent years) of a water supplier's rate revenue must be from the volumetric charges. Connection fees, grants/contributions, property taxes and other special charges would not be included in the calculation. Alternatively, agencies can run their system and cost information through a long-run marginal cost rate design model to determine the model's suggested volumetric percentage. If the suggested percentage is lower than the threshold percentage and the agency meets this suggested percentage, they are in compliance. Currently, ACWD complies with the 70% threshold requirement. If this proposal reaches full CUWCC approval, it will be the first time the CUWCC, through the BMPs, has established requirements for rate setting. The CUWCC Steering Committee has approved this

revision and it is now ready to go to the member agencies for a vote. ACWD staff is looking for guidance from the Board for the vote on this revision at the CUWCC Plenary meeting on June 13<sup>th</sup>.

RECOMMENDATION: By motion, provide guidance to ACWD staff regarding ACWD's vote on the proposed revisions to BMP 11 at the CUWCC Plenary on June 13<sup>th</sup>, 2007.

5.10 DETERMINATION OF THE OHLONE STORAGE CONNECTION CHARGE FOR 571 MONTICELLO TERRACE (PARCEL MAP 7043, PARCEL 1), FREMONT

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BACKGROUND: On October 25, 2001, the Board authorized execution of Agreement 3184, a Water Main Extension Contract with Developer John Xu for the water system serving Parcel Map 7043 (ref. ACWD T-1423). In addition to the Facilities Connection Charge (FCC), the contract included provisions for an Ohlone Storage Connection Charge (OSCC) for specific parcels in the development. The purpose of the Ohlone Storage Connection Charge is to reimburse the District for a portion of the costs associated with the purchase and rehabilitation of the Ohlone water storage tank and the Ohlone/Zone 4 Interconnection Pipeline. These facilities are required to serve Parcels 1 and 3 developed under Parcel Map 7043 and the OSCC is applicable to those two parcels. Developer John Xu paid the FCC and OSCC for Parcel 3 when requesting the installation of a water meter. The amount of the OSCC for Agreement 3184 was \$53,107 per unit. Consistent with District policy, a water meter was not requested for Parcel 1 so neither the FCC nor the OSCC were previously required to be paid for Parcel 1.

DISCUSSION: Parcel 1 has since been purchased by Eric Chuang who has requested water service to the parcel. Because more than one year has elapsed since the time the original OSCC amount was applied, it is appropriate to adjust the OSCC amount. An adjusted OSCC of \$65,338 was calculated based upon the increase in region-wide construction costs since October 2001 as reported in the Engineering News Record Construction Cost Index. In accordance with District practice, the adjusted OSCC will remain in effect for one year.

RECOMMENDATION: By motion, establish a parcel-specific Ohlone Storage Connection Charge of \$65,338 per single family residential dwelling unit for Eric Chuang, 571 Monticello Terrace, Fremont, ACWD No. 2007-0032.

Attachments  
cc: Executive Staff