

December 13, 2007
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on December 13, 2007 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 Weed, Huang, Koller, Gunther (arrived at 6:23 P.M.) and Lampert

Staff members present: General Manager Paul Piraino, Engineering Manager Bob Shaver, Finance and Administration Manager Will Ligh, Operations Manager Walt Wadlow, Project Engineer Greg Watson, Attorney Ray McDevitt and Assistant District Secretary Andrew Joseph.

President Arthur Lampert presided.

Karl Stinson led in the Salute to the Flag.

3 – PUBLIC COMMENTS – Ms. Wynn Grcich, a resident of Union City, addressed the Board and requested a map of the District's underground aquifers. She also requested written responses regarding issues related to management of the San Francisco Public Utilities Commission, groundwater recharge, recycled water, and service line replacements.

4 – CONSENT CALENDAR

A motion was made by Director Lampert, seconded by Director Koller to add items 5.3 and items 5.5 through 5.13 to the Consent Calendar.

The motion was passed by the following vote:

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

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

- 4.1 Approval of Minutes – Regular Meeting of November 8, 2007
- 4.2 Ratification of Payment of Audited Demands dated November 9, November 16, November 21, November 30 and December 7, 2007
- 4.3 Resolution Approving and Authorizing Execution of Contract with Warm Springs Village Partners, LLC, Extension of Water Main, Tract 7693 (ACWD #2006-0048), Ref. T- 1488

RESOLUTION NO. 07-054

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
APPROVING AND AUTHORIZING EXECUTION OF CONTRACT
BETWEEN ALAMEDA COUNTY WATER DISTRICT AND WARM
SPRINGS VILLAGE PARTNERS, LLC, FOR EXTENSION OF WATER
MAIN, TRACT 7693, REF. T-1488

- 4.4 Resolution Amending FY 07/09 Personnel Budget – Reclassification of Information Systems Supervisor to Information Systems Manager; Reclassification of Vacant Engineering Assistant Position to Engineer 1/2

RESOLUTION NO. 07-055

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AMENDING FY 07/09 PERSONNEL BUDGET

- 5.3 Resolution Honoring Marion P. Cassity Upon Her Retirement for District Service
- 5.5 Authorization of Purchase Order Amendment for Utility Exploratory Work – ARP Wells to Desal Pipeline, Phase 2
- 5.6 Authorization of Purchase Order for District Vehicles
- 5.7 Authorization of Purchase Order for Replacement of District E-Mail System Server
- 5.8 Authorization for Extension of Agreement for Financial Audit Services
- 5.9 Authorization of Purchase Order Amendment for Temporary Staffing Services for instrument Technician
- 5.10 Resolution Adopting Restated 457(b) and 401(a) Deferred Compensation Plans, and Authorizing Related Actions
- 5.11 Resolution Awarding Contract for Installation of WTP No. 2 Solids Handling Filter Press Feed Pumps
- 5.12 Resolution Authorizing a Grant Application and Execution of Agreement with the Department of Water Resources for the Inland Saltwater Intrusion Monitoring Wells Project
- 5.13 Resolution Awarding Contract for the Hidden Valley Tank Seismic Upgrades, Phase 1

The motion was passed by the following vote:

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

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

5.1 REORGANIZATION OF BOARD OF DIRECTORS

Mr. Piraino indicated Section 30520 of the California Water Code provides that the Directors shall elect one of their number President and may elect one of their number Vice President.

Pursuant to Resolution 1871, adopted December 10, 1970, this election is held at the first regular Board meeting in December of each year. The Directors who are elected President and Vice President assume office at the close of the meeting at which they are elected.

A motion was made by Director Lampert, seconded by Director Koller to adopt the following resolution electing Director Weed as President of the Board:

RESOLUTION NO. 07-056

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ELECTING DIRECTOR JOHN WEED PRESIDENT OF THE BOARD OF
DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT

The motion was passed by the following vote:

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

A motion was made by Director Lampert, seconded by Director Huang to adopt the following resolution electing Director Gunther as Vice President of the Board:

RESOLUTION NO. 07-057

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ELECTING DIRECTOR JAMES GUNTHER VICE PRESIDENT OF THE
BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT

The motion was passed by the following vote:

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

5.2 RESOLUTION HONORING KARL B. STINSON UPON HIS RETIREMENT FROM DISTRICT SERVICE

Mr. Piraino reported that Karl B. Stinson will be retiring from District service on December 31, 2007 after over sixteen years as the District's Operations and Maintenance Manager, and with over thirty-five years in the water industry.

Karl was hired as the District's Operations and Maintenance Manager on May 20, 1991 and has served in that capacity since that time. After receiving his bachelor's degree in systems engineering from UCLA and his masters degree in environmental engineering from the University of Southern California, Karl began his water career in 1972 working for the City of Los Angeles administering the city's industrial waste control program. Hired by the East Bay Municipal Utility District (EBMUD) in 1976, Karl worked in a variety of engineering, planning and water operations areas, including serving as Manager of Distribution Planning and as Manager of Water Treatment for the District. During his tenure at EBMUD, Karl also received his MBA from UC Berkeley and authored several published articles on water quality and treatment issues. He has also served as a Trustee for the California-Nevada Section of the American Water Works Association and as past president of the Bay Area Water Works Association.

During his tenure at ACWD, Karl has been instrumental in developing several initiatives in the Operations Department that have directly contributed to the District's ability to provide a high quality water supply to the residents of the Tri-Cities area while ensuring that operating costs remain at reasonable levels. Karl has also taken a leadership role in statewide water issues while serving as the District's representative to the State Water Contractors, and is highly respected in the water community for his expertise in water quality and policy issues. He will continue to represent the District in this capacity after his retirement from full-time service. He will be missed by his many friends at the water district and in the water community.

A motion was made by Director Koller, seconded by Director Huang to adopt a resolution honoring Karl B. Stinson and expressing appreciation for more than 16 years of dedicated service to the District.

RESOLUTION NO. 07-058

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
HONORING KARL B. STINSON UPON HIS RETIREMENT FROM
DISTRICT SERVICE

The motion was passed by the following vote:

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

5.3* RESOLUTION HONORING MARION P. CASSITY UPON HER RETIREMENT
FROM DISTRICT SERVICE

Marion (Peggy) Cassity will retire effective December 26, 2007, with more than 27 years of service with the District.

Peggy started with the District as an Engineering Technician 2 on August 4, 1980, and was promoted to Engineering Technician 3 in March 1984 and Engineering Assistant in December 1997. As Engineering Assistant, Peggy successfully acted as Project Manager for many major water main projects including the Mission Boulevard and Washington Boulevard Widening Projects, Dixon Landing Road and Warren Avenue Interchanges, and most recently, the construction of the Centerville 24-inch Pipeline Relocation and the Washington Boulevard Main Replacement associated with the City of Fremont's Paseo Padre Parkway/Washington Boulevard Grade Separation Project. Over the last several years, Peggy has also assisted in the development of water main replacement criteria as part of the development of the District's water main replacement program.

Peggy will be remembered for her dedication to the District and for her knowledge and experience, which she has generously shared with her co-workers. She will be missed by her many friends at the District.

A motion was made by Director Lampert, seconded by Director Weed to adopt a resolution honoring Marion P. Cassity and expressing appreciation for over 27 years of dedicated service to the District.

RESOLUTION NO. 07-059

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
HONORING MARION P. CASSITY UPON HER RETIREMENT FROM
DISTRICT SERVICE

The motion was passed by the following vote:

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

5.4 RESOLUTION HONORING MARK J. SIMONETTI UPON HIS RETIREMENT
FROM DISTRICT SERVICE

Mr. Stinson stated that Mark J. Simonetti will retire effective December 28, 2007, with over 25 years of service with the District.

Mark started with the District as a Utility Worker 1 on October 19, 1982. He was promoted twice, once to Utility Worker 2, then to Utility Worker 3. For the past several years Mark was the lead utility worker responsible for the District's valve control and leak detection programs. He will be missed by his many friends at the District. Mr. Simonetti was present and received personal congratulations from the Board for his dedicated service.

A motion was made by Director Koller, seconded by Director Huang to adopt a resolution honoring Mark J. Simonetti and expressing appreciation for more than 25 years of dedicated service to the District.

RESOLUTION NO. 07-060

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
HONORING MARK J. SIMONETTI UPON HIS RETIREMENT FROM
DISTRICT SERVICE

The motion was passed by the following vote:

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

5.5* AUTHORIZATION OF PURCHASE ORDER AMENDMENT FOR UTILITY
EXPLORATORY WORK – ARP WELLS TO DESAL PIPELINE, PHASE 2

To increase the Newark Desalination Facility's production capacity from 5 to 10 million gallons per day, a pipeline connecting the facility with two additional Aquifer Reclamation Program (ARP) wells is required. Accordingly, on December 14, 2006, the Board authorized a purchase order to Winzler and Kelly Consulting Engineers (Winzler and Kelly) in the amount of \$355,060 for design services to extend the Newark Desalination Facility supply pipeline to the Farwell and Bellflower ARP sites. To date, Winzler and Kelly have completed about 60% of the work.

Winzler and Kelly’s original scope of services did not include potholing utilities because several pipeline alignments were to be considered and evaluated by District staff before selection of a preferred alignment. After the preferred alignment was chosen, the District requested Winzler & Kelly to identify existing utility locations that should be potholed to avoid field conflicts during construction. At the District’s request, Winzler and Kelly submitted a proposal in the amount of \$49,700 to perform utility potholing services. Staff has reviewed Winzler and Kelly’s proposal and determined it to be fair and reasonable. There is adequate funding in the budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Weed to authorize a purchase order amendment to Winzler and Kelly Consulting Engineers in the amount of \$49,700 for utility exploratory work for the ARP Wells to Desal Pipeline, Phase 2, Job 6284.

The motion was passed by the following vote:

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

5.6* AUTHORIZATION OF PURCHASE ORDER FOR DISTRICT VEHICLES

The Board of Directors approved funding in the current budget for the purchase of vehicles. In addition to the budgeted vehicles, purchase of one additional vehicle is necessary as a result of an accident.

Requests for quotations were sent to fifteen (15) Ford dealers. A bid summary is attached. Six dealers responded. The successful bidder on Item #1 and #3 was Downtown Ford in an amount of \$91,659.94. The low bidder on Item #3, Bob Wonderies Ford, was non-responsive. S&C Ford was the successful bidder on Items #4 and #5b in an amount of \$41,652.44. Serramonte Ford was the successful bidder on Item #2 in an amount of \$18,071.64. Item #5b is the replacement vehicle for the one damaged in the accident. ACWD was not at fault and we were reimbursed \$8,261.73 by the other person’s insurance. A reserve appropriation in an amount \$26,719.93 will be requested. There is sufficient funding in the current budget for the other vehicles.

A motion was made by Director Lampert, seconded by Director Weed to 1) authorize a purchase order to Downtown Ford in an amount of \$91,659.94 for the purchase of two trucks, 2) authorize a purchase order to Serramonte Ford in an amount of \$18,071.64 for the purchase of one truck, 3) authorize a purchase order to S&C Ford in an amount of \$41,652.44 for the purchase of two trucks and 5) approve a reserve appropriation in an amount of \$26,719.93.

The motion was passed by the following vote:

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

5.7* AUTHORIZATION OF PURCHASE ORDER FOR REPLACEMENT OF DISTRICT E-MAIL SYSTEM SERVER

The Board of Directors approved funding in the FY 07/08 budget for the purchase of a replacement server for the District's e-mail system.

Currently the District uses one server that is dedicated to running the District's e-mail, calendaring and scheduling systems. This server is 6 years old and has reached the end of its useful life and IBM support. For server upgrades, IBM has moved the configuration services and issuing of quotes that were previously performed by their internal sales force to resellers. As an inducement for resellers to develop the expertise and do the significant amount of work required to properly size the server, IBM only allows the vendor who does the analysis to sell the server at a discounted price. Sirius Computer Solutions (Sirius) has previously worked with the District and they have always produced accurately configured systems. IBM has authorized Sirius to sell the server to the District at a discount. Sirius has quoted a price of \$62,400, which is 23% below the list price.

A motion was made by Director Lampert, seconded by Director Weed to authorize a purchase order to Sirius Computer Solutions, Inc., in the amount of \$62,400 plus applicable taxes.

The motion was passed by the following vote:

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

5.8* AUTHORIZATION FOR EXTENSION OF AGREEMENT FOR FINANCIAL AUDIT SERVICES

The Board of Directors, on March 10, 2005, authorized execution of a three-year agreement with an option for a two-year extension for financial audit services with the firm of Caporicci & Larson (C&L). C&L recently completed its third audit of the District's financial records for the fiscal year ended June 30, 2007. The Board accepted the FY 06/07 audited financial statements and accompanying reports at their November 8, 2007 meeting.

During the past three fiscal year audits, C&L has consistently performed their work in a highly professional and timely manner and has worked well with District staff. In addition, they have provided the District with valuable assistance on the preparation and review of its Comprehensive Annual Financial Report as well as with annual updates on recent and upcoming applicable Government Accounting Standards Board pronouncements. Staff is recommending that C&L's agreement for financial audit services be extended for another two fiscal years. C&L's proposed fees for each of the next two fiscal years will remain at the same level as their recently completed audit at \$40,000 per year. There is sufficient funding in the two year budget for these services. This item was reviewed with the Administrative and Finance Committee on December 4, 2007.

A motion was made by Director Lampert, seconded by Director Weed to authorize a two-year extension of the agreement with Caporicci and Larson to provide financial audit services for the fiscal years ending June 30, 2008 and 2009 at a total cost not to exceed \$80,000.

The motion was passed by the following vote:

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

5.9* AUTHORIZATION OF PURCHASE ORDER AMENDMENT FOR TEMPORARY STAFFING SERVICES FOR INSTRUMENT TECHNICIAN

Instrument Technicians are primarily responsible for maintaining and repairing treatment process flow control devices and analyzers at District water treatment facilities, as well as maintaining and repairing other flow control equipment at District well fields, pumping stations and pressure regulating stations. The District currently has five Instrument Technician positions in the budget, but for the last two and a half months, has had only two permanent Instrument Technicians on staff as a result of two retirements and one resignation.

To ensure coverage, the General Manager in June 2007 authorized a purchase order for temporary Instrument Technician services needed to supplement existing staff in the performance of necessary technician work, to Telstar Instruments, Inc., of Concord, California, in an amount not to exceed \$50,000. It is currently estimated that temporary Instrument Technician services will be needed until mid-February 2008. The total cost of the temporary technician services from June 2007 to mid-February 2008, is estimated at \$130,000. Therefore, a purchase order amendment for additional technician services is needed in the amount of \$80,000. There is sufficient funding in the budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Weed to authorize a purchase order amendment to Telstar Instruments, Inc., for Instrument Technician services in the amount of \$80,000.

The motion was passed by the following vote:

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

5.10* RESOLUTION ADOPTING RESTATED 457(b) AND 401(a) DEFERRED COMPENSATION PLANS, AND AUTHORIZING RELATED ACTIONS

The Board of Directors, on August 9, 2007, authorized execution of the necessary agreements for ICMA-RC to administer the District's deferred compensation program. ICMA-RC was selected as the sole provider of the District's 457(b) and 401(a) deferred compensation plans after a thorough evaluation process which included the review of proposals submitted by 12 deferred compensation plan providers, out of 33 that were invited.

During the past several months, staff has been working with the District's legal counsel, SST Benefits Consulting, Inc. and ICMA-RC to finalize the necessary agreements which provide for ICMA-RC to administer the District's deferred compensation program. Staff is anticipating that these administrative agreements will be executed in December with all deferred compensation funds transferred to the new provider on or around January 15, 2008.

Also, staff has been working with the District’s legal counsel, SST Benefits Consulting, Inc. and ICMA-RC to develop updated 457(b) and 401(a) deferred compensation plan documents that serve as the legal basis of the District’s deferred compensation program. A resolution has been prepared which approves those restated plan documents.

The resolution also authorizes the District’s General Manager to amend the deferred compensation plans as necessary to continue to meet applicable legal requirements. This would grant limited authority to ensure ongoing conformance of the plan with tax code statutes and relevant regulations. Any changes to the deferred compensation plan other than to conform to changes in relevant law would be presented to the Board of Directors for approval.

The resolution also names the District’s Human Resources (HR) Manager as the coordinator of the deferred compensation program, and thereby authorizes the HR Manager to be able to execute any incidental administrative agreements with ICMA-RC on behalf of the District.

The proposed resolution and updated deferred compensation plan documents were reviewed with the Administrative & Finance Committee on December 4, 2007.

A motion was made by Director Lampert, seconded by Director Weed to adopt a resolution adopting the restated 457(b) and 401(a) deferred compensation plans, and authorizing related actions.

RESOLUTION NO. 07-061

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ADOPTING RESTATED 457(b) AND 401(a) PLANS, AND AUTHORIZING
RELATED ACTIONS

The motion was passed by the following vote:

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

5.11* RESOLUTION AWARDDING CONTRACT FOR INSTALLATION OF WTP NO. 2
SOLIDS HANDLING FILTER PRESS FEED PUMPS

The solids handling system at Water Treatment Plant No. 2 (WTP2) processes the solids from both the Mission San Jose Water Treatment Plant and WTP2. The filter press feed pumps are a part of the solids handling system and are used to feed solids from the solids holding tank to the Netzsch filter press. The existing filter press feed pumps have been in continuous service for 14 years since WTP2 first came online in 1993 and have reached the end of their useful service life. Pump performance has dropped off considerably and the repair frequency has increased with the age of the equipment.

The project to install new filter press feed pumps has been scheduled to occur in February 2008, when WTP2 will be offline for the plant’s annual maintenance shutdown. To minimize costs and to facilitate the coordination of the work with the maintenance and repair activities during the shutdown period, it is proposed that the installation work for the District furnished filter press

feed pumps as well as the demolition of existing equipment be performed by a contractor on a time and materials basis contract. Because a time and materials contract approach is proposed and the scope of work is relatively small, staff is requesting approval for a single source priced proposal.

Staff requested Pacific Mechanical Corporation (PMC), of Concord, California to submit a cost proposal to perform the work. PMC submitted an estimate of \$65,000 to perform the work that includes labor, materials, equipment not furnished by the District, overhead and profit. The construction work performed on a time and materials basis will be closely monitored by District staff. PMC has previously performed satisfactory work for the District and submitted the same overhead and profit rates in its proposal as it did in a previous time and materials contract with the District, completed in February 2007. There is adequate funding in the budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Weed to adopt a resolution accepting the proposal and awarding the contract for Installation of WTP2 Solids Handling Filter Press Feed Pumps to Pacific Mechanical Corporation, Job 6338 in the amount of \$65,000, which is the total of the unit price and lump sum payment items.

RESOLUTION NO. 07-062

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO PACIFIC
MECHANICAL CORPORATION, FOR JOB 6338

The motion was passed by the following vote:

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

5.12* RESOLUTION AUTHORIZING A GRANT APPLICATION AND EXECUTION OF
AGREEMENT WITH THE DEPARTMENT OF WATER RESOURCES FOR THE
INLAND SALTWATER INTRUSION MONITORING WELLS PROJECT

On October 26, 2007, the California Department of Water Resources (DWR) began to invite local agencies to submit proposals for groundwater management project grants from the Local Groundwater Assistance Program, which was established by the Local Groundwater Management Assistance Act of 2000. The intent of the Act is to provide funding to local agencies to conduct groundwater studies or to carry out groundwater monitoring and management activities. ACWD previously received two grants from DWR for \$249,000 (FY 03/04) and \$249,943 (FY 04/05) to install a total of sixteen monitoring wells near San Francisco Bay. Grant funding was not available in the two subsequent fiscal years, so it is anticipated that there will be a large interest in the current fiscal year's total of \$6,400,000 in funding for eligible projects; however, no applicant will receive more than \$250,000 in grant funds.

Due to over pumping of the Niles Cone Groundwater Basin in the early 1900's, saltwater from San Francisco Bay and adjacent salt ponds moved inland almost to the Hayward Fault. Although there has been substantial improvement in the basin as a result of the District's recharge and

Aquifer Reclamation Program efforts, a large volume of brackish water still remains in the aquifers. One area of brackish water of special significance is in the Centerville and Fremont Aquifers near the Mowry Wellfield. Additional monitoring wells are needed in this area to obtain geologic and hydrogeologic data, evaluate the extent of brackish water in the vicinity of the well fields, and provide long term monitoring locations to evaluate groundwater flow and quality. The installation of seven monitoring wells in this area is included in a project proposal to DWR titled, “Inland Saltwater Intrusion Monitoring Wells Project.”

The estimated amount to construct the monitoring wells is \$268,000. Although this amount is higher than the maximum grant award, there is adequate funding in the FY 07/08 Budget to cover the additional costs.

The grant proposal package is due by December 11, 2007, and will be submitted on time to meet DWR’s strict deadline. However, one condition of DWR’s grant process is that a copy of a resolution designating an authorized representative to file an application and enter into a grant agreement must be submitted immediately following the next meeting of the governing body.

A motion was made by Director Lampert, seconded by Director Weed to adopt a resolution authorizing the General Manager to file an application and enter into an agreement for a grant from the California Department of Water Resources for the Inland Saltwater Intrusion Monitoring Wells Project.

RESOLUTION NO. 07-063

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AUTHORIZING A GRANT APPLICATION AND EXECUTION OF
AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF WATER
RESOURCES FOR THE INLAND SALTWATER INTRUSION MONITORING
WELLS PROJECT

The motion was passed by the following vote:

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

5.13* RESOLUTION AWARDING CONTRACT FOR THE HIDDEN VALLEY TANK
SEISMIC UPGRADES, PHASE 1

Improvements to the Hidden Valley Tank are required to increase the tank’s operating reliability after a major earthquake. To expedite the improvements, it is planned to complete the work in two phases. The first phase of the improvements may be performed while the tank remains mostly in service and will consist of the installation of flexible couplings that are designed to accommodate relatively large differential movements between the tank and the inlet/outlet and overflow pipelines. Additionally, isolation valves and a magnetic flow meter will be installed to allow remote monitoring and control of the tank. The second phase requires access into the tank and will consist of welding the internal column pipes to the bottom plate. This work will be completed at a future date when the tank is removed from service for coating.

The project was advertised for bid on October 8, 2007, and 5 bids were received and opened on November 6, 2007. The bids ranged from a low of \$137,350 to a high of \$255,000. The engineer's estimate was \$148,750. All bids were checked for accuracy and compliance with the bidding requirements. The fourth low bid contained a mathematical error that did not affect the order of the bids. A summary of the bids is attached.

MJB Pipeline, Inc., of Pleasanton, California, submitted the lowest bid. This firm has been in the contracting business under its present name for 31 years. References were checked and it was confirmed that the contractor has the necessary qualifications and experience to perform the work. MJB Pipeline has satisfactorily completed other pipeline construction projects for the District.

A motion was made by Director Lampert, seconded by Director Weed to adopt a resolution to award the contract for the Hidden Valley Tank Seismic Upgrades, Phase I, to MJB Pipeline, for \$137,350, which is the total of the unit price and lump sum payment items, Job 6333.

RESOLUTION NO. 07-064

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO MJB
PIPELINE, INC, FOR JOB 6333

The motion was passed by the following vote:

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

6 – REPORTS

6.1 BOARD COMMITTEE REPORTS

- Engineering & Capital Projects Meeting of November 13, 2007: (1) Update on Newark Desalination Facility Phase 2 Project; (2) Review Groundwater Resources Protection Practices
- Water Resources Planning Meeting of November 20, 2007: (1) Alameda Creek Fisheries Update; (2) Semitropic Banking Program Update; (3) Patterson Ranch Water Supply Assessment
- Administrative & Finance Meeting of December 4, 2007: (1) Review of Anti-Nepotism Policy; (2) Review of Information Systems Compensation Study; (3) Deferred Compensation Program Update; (4) Agreement for Financial Audit Services

6.2 OPERATIONAL REPORTS

- Rainfall Report
- Water Production Report

- Investment Report
- Quarterly Budget & Expense Report

6.3 STAFF REPORTS

- Greg Watson updated the Board regarding the Newark Desalination Facility Phase 2 Project. Discussion ensued and staff responded to questions from the Board.

6.4 GENERAL MANAGER'S REPORTS

- Mr. Piraino apprised the Board of a number of items that will be discussed in the upcoming months including the court decision on the Delta Smelt and its impact on Delta water supplies, the Delta Vision Process and Blue Ribbon Panel's report and the Bay Delta Conservation Plan. By February the Board will also be updated on the District's water supply outlook for 2008.

7 – DIRECTOR'S COMMENTS AND/OR AGENDA ITEM REQUESTS

- Directors Huang, Gunther, Koller and Weed each reported on the topics discussed at the annual Association of California Water Agencies (ACWA) Fall Conference.

Director Huang asked if District staff could look into the possibility of ACWD receiving a grant or funds from Prop. 1E and Prop. 84. She learned at the conference funds may still be available.

- Director Weed announced he was re-elected as Region 5 Chair for ACWA.
- Director Lampert inquired about the District's policy on technical equipment security and inventory control. Mr. Ligh responded to Director Lampert's questions.

President Lampert adjourned the meeting to a Closed Session at 7:40 P.M. for a conference on the following item:

- 8.1 Conference with Real Property Negotiator (Pursuant to Government Code Section 54956.8)
- APN 507-675-4: Deer Road, Fremont
Agency Negotiator: Robert Shaver and Craig Hill
Negotiating Parties: ACWD and Greenbriar Homes, Inc
Under Negotiation: Price and Terms of Sale

President Lampert reconvened the meeting at 7:52 P.M. Mr. Piraino reported the Board, by motion, unanimously authorized the General Manager to sign Amendment No. 9 to the Purchase and Sale Agreement with Greenbriar Homes, Inc. Amendment No. 9 extends the closing date for the Purchase and Sale Agreement to June 30, 2009 at a non-refundable payment of \$5,000 per month to ACWD. This payment is non-applicable to the sale price of \$2.143 million dollars. The closing date may be extended on a month-to-month basis for an additional six months at a

non-refundable cost of \$10,000 per month, also non-applicable to the sale price of the property. Copies of the agreement are available for inspection upon request.

The motion was passed by the following vote:

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

There being no further business to come before the Board, President Lampert adjourned the meeting at 7:54 P.M.

Andrew Joseph, Assistant District Secretary

Attest:

Arthur Lampert, President