

April 8, 2008
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on April 8, 2008 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 Gunther, Koller, Lampert and Weed
Absent: Director Huang

Staff members present: General Manager Paul Piraino, Engineering Manager Bob Shaver, Finance and Administration Manager Will Ligh, Operations Manager Walt Wadlow, Water Resources Planning Manager Eric Cartwright, Human Resources Manager Altarine Vernon, Senior Water Resources Engineer Thomas Niesar, Attorney Ray McDevitt and Assistant District Secretary Andrew Joseph.

President John Weed presided.

Director Gunther led in the Salute to the Flag.

3 – PUBLIC COMMENTS - None

4 – CONSENT CALENDAR

A motion was made by Director Lampert to add items 5.3 through 5.7 to the Consent Calendar, seconded by Director Gunther.

The motion was passed by the following vote:

AYES: Directors Gunther, Koller, Lampert 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 – Special Meeting of March 6, 2008, Regular Meeting of March 13, 2008 and Special Meeting of March 20, 2008
- 4.2 Ratification of Payment of Audited Demands dated March 14, March 21 and March 28, 2008
- 4.3 Resolution Approving and Authorizing Execution of Contract with Robson Homes, LLC, Extension of Water Main, Tract 7757 (ACWD #2005-0092)

RESOLUTION NO. 08-012

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF CONTRACT BETWEEN ALAMEDA COUNTY WATER DISTRICT AND ROBSON HOMES, LLC, FOR EXTENSION OF WATER MAIN, TRACT 7757, REF. ACWD 2005-0092

- 4.4 Resolution Appointing Ariz Naqvi as Alternate Representative to the Southern Alameda County Geographical Information System Authority and Rescinding Resolution No. 06-015

RESOLUTION NO. 08-013

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT APPOINTING ARIZ NAQVI AS ALTERNATE REPRESENTATIVE TO THE SOUTHERN ALAMEDA COUNTY GEOGRAPHIC INFORMATION SYSTEM AUTHORITY, AND RESCINDING RESOLUTION NO. 06-015

- 4.5 Resolution Amending FY 08/09 Personnel Budget Implementing Information Systems Classification Study Recommendations

RESOLUTION NO. 08-014

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT AMENDING FY 08/09 PERSONNEL BUDGET

- 4.6 Authorization of Extension of Agreement for Collection Agency Services
- 5.3 Resolution Awarding Contract for Cedar 2 ARP Well Intertie Pipeline Project
- 5.4 Resolution Accepting Completion of the Alameda Creek Pipeline No. 1 Fish Screen Project
- 5.5 Resolution Awarding Contract for Alameda Reservoir Water Quality Enhancement Project
- 5.6 Authorization of Purchase Order Amendment for Design Services during Construction of the Alameda Reservoir Water Quality Enhancement Project
- 5.7 Authorization of Purchase Order for Anadromous Fisheries Investigations

The motion was passed by the following vote:

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

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

5.1 PUBLIC HEARING ON PROPOSED REPLENISHMENT ASSESSMENT FOR FY 08/09

Mr. Shaver reported that on November 8, 2007, the Board ordered the preparation of the 2008 Engineering Survey Report on Groundwater Conditions as provided in Section 7 of the District's Replenishment Assessment Act. On February 14, 2008, the Board: 1) received the completed report; 2) declared its intent to raise funds by a replenishment assessment in FY 08/09; and 3) scheduled a Public Hearing for April 8, 2008.

On March 13, 2008, staff presented the report's findings and basis for the recommended replenishment assessment to the Board.

As provided in the District's Replenishment Assessment Act, a public hearing must be held on the second Tuesday in April for the purpose of determining whether, and to what extent, the cost of replenishing groundwater supplies within the District during FY 08/09 will be funded by a replenishment assessment.

Notice of the time and place of the public hearing was published in The Argus newspaper and was posted on the District's website. Additionally, notifications of the proposed 5% increase in the replenishment assessment rate were mailed to owners of properties containing wells subject to the assessment, and to the owners and/or operators of these wells as required by Proposition 218. To date, no comments from the public have been received by the District.

Any person interested, including any and all persons owning property within the District, may appear during the public hearing and present any and all matters in support of or in opposition to the proposed assessment, the Survey Report, or the Board's determinations. The hearing may be adjourned from time to time, but must be completed no later than the first Tuesday in May (May 6, 2008).

President Weed declared the public hearing open at 6:04 P.M. and called for communications from the audience. There being no comments from the audience or in writing, the public hearing was closed at 6:05 P.M.

5.2 RESOLUTIONS ESTABLISHING REPLENISHMENT ASSESSMENT FOR FY 08/09

Since no were public comments were received during the April 8, 2008 public hearing on the proposed replenishment assessment, an additional Board meeting will not be required. Staff has prepared the required resolutions for establishing the proposed replenishment assessment for FY 08/09. These resolutions may be adopted only after the public hearing is completed and closed. Should the Board not adopt the resolutions, a special Board meeting would be required to meet the deadline stipulated in the Replenishment Assessment Act (second Tuesday in May, or May 13) to adopt the required resolutions to establish a replenishment assessment for FY 08/09.

The resolutions: 1) state the findings and determine the need for the replenishment assessment; 2) establish the replenishment assessment rates (\$8.00 per acre-foot for agricultural and

municipal recreation uses, and \$207.00 per acre-foot for all other uses); and 3) provide procedures and statement forms.

A motion was made by Director Lampert, seconded by Director Gunther to adopt the resolutions required to establish the Replenishment Assessment for FY 08/09.

RESOLUTION NO. 08-015

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
STATING FINDINGS AND DETERMINING NEED FOR REPLENISHMENT
ASSESSMENT FOR FISCAL YEAR 08/09

RESOLUTION NO. 08-016

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
LEVYING A REPLENISHMENT ASSESSMENT FOR FISCAL YEAR 08/09

RESOLUTION NO. 08-017

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
PROVIDING PROCEDURES FOR PAYMENT OF ASSESSMENTS AND
PROVIDING FORM OF QUARTERLY STATEMENTS FOR OPERATORS OF
WATER PRODUCING FACILITIES

The motion was passed by the following vote:

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

5.3* RESOLUTION AWARDDING CONTRACT FOR CEDAR 2 ARP WELL INTERTIE
PIPELINE PROJECT

To accommodate the planned expansion of the Newark Desalination Facility, new pipelines are required to convey additional brackish supply water from existing Aquifer Reclamation Program (ARP) wells to the facility. The Cedar 2 ARP Well Intertie Pipeline Project, consisting of 975 linear feet of 14-inch diameter, high density polyethylene pipe, is required to be constructed within the City of Newark. Staff prepared the pipeline bid documents and advertised the project for bids on February 25, 2008.

Nine (9) bids were received and opened on March 12, 2008. All bids were checked arithmetically and for compliance with the bidding requirements. The totals for comparison ranged from \$390,446 to \$745,620. The engineer's estimate for the work is \$398,200.

R.J. Gordon Construction, Inc., of Livermore, California, submitted the lowest bid. This firm has been in the contracting business under its present name for 18 years doing work similar to

that required. References were checked and it was confirmed that the contractor has the necessary qualifications and experience to perform the work.

R.J. Gordon omitted a required second signature with its proposal and neglected to submit a preliminary construction schedule. The District has previously waived these types of minor irregularities, provided that the correct documents are promptly received. The second signature and preliminary construction schedule have since been provided to the District.

Because the project contains specialized boring and jacking work underneath existing railroad tracks and a box culvert, the bid documents require the bore and jack subcontractor to have 10 years of experience under its present business name. R.J. Gordon listed Centerline Boring, Inc. as its bore and jack subcontractor. Centerline Boring Inc. has only 5 years of experience under its present business name because the company was formed only 5 years ago. In performing the review, staff determined that: 1) Centerline Boring's Responsible Managing Officer (RMO) has been licensed by the State in the contracting business for over 16 years, the last 5 at Centerline Boring; 2) the owner/CEO/President has over 20 years of experience in the industry; and 3) the named project superintendent has 10 years of applicable experience. Staff completed a more thorough review by requesting and contacting the references of the subcontractor as well as its superintendent for the project. Staff received positive references on the company as well as the named project superintendent, whose most recent project was completed in August 2007 in Redwood City. Therefore, staff has determined that although Centerline Boring Inc. as a company only has 5 years of experience, its principals and superintendent have the requisite 10 years experience. The project bid documents state that the District reserves the right to waive the requirement for strict conformity with the specified requirements in proposals received and staff has determined that, based on the review completed, Centerline Boring has adequate qualifications and experience to perform the work.

A summary of bids is attached. There is sufficient funding in the budget for this project.

A motion was made by Director Lampert, seconded by Director Gunther to 1) waive the requirement for strict conformity with the specifications for the irregularities identified above; and 2) adopt a resolution to award the contract for the Cedar 2 ARP Well Intertie Pipeline Project, to R.J. Gordon Construction, Inc, in the amount of \$390,446, which is the total of the unit price and lump sum payment items, Job 6340.

RESOLUTION NO. 08-018

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO R.J.
GORDON CONSTRUCTION, INC, FOR JOB 6340

The motion was passed by the following vote:

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

5.4* RESOLUTION ACCEPTING COMPLETION OF THE ALAMEDA CREEK PIPELINE
NO. 1 FISH SCREEN PROJECT

The Alameda Creek Pipeline No. 1 Fish Screen Project is comprised of two elements:

- The site work required to accommodate the fish screen installations was awarded to Mitchell Engineering on April 10, 2007, in the amount of \$1,694,000. During construction, two change orders, in the combined amount of \$24,604.18, were authorized by the Board. The site work was accepted by the Board on January 10, 2008.
- The fabrication and installation of four cylindrical fish screens was awarded to Intake Screens, Inc. (ISI) on December 5, 2006, in the amount of \$722,910.

The fabrication and installation of the fish screens, which included a 15-day commissioning test, was substantially completed by ISI on March 7, 2008. The fish screens are fully operational and there were no change orders associated with the work performed by ISI.

A motion was made by Director Lampert, seconded by Director Gunther to adopt a resolution accepting the completion of the Alameda Creek Pipeline No. 1 Fish Screen Project, Job 6279.1.

RESOLUTION NO. 08-019

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING COMPLETION OF CONTRACT NO. 3508, INTAKE SCREENS,
INC, JOB 6279.1

The motion was passed by the following vote:

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

5.5* RESOLUTION AWARDED CONTRACT FOR ALAMEDA RESERVOIR WATER
QUALITY ENHANCEMENT PROJECT

After successful pilot testing, the Board approved the purchase of chloramination equipment for the Alameda Reservoir on May 12, 2005. Installation of this equipment requires the construction of a utility building. Accordingly, the Board authorized Creegan & D'Angelo Consulting Civil and Structural Engineers (Creegan & D'Angelo) to prepare construction bid documents and cost estimates for the work required to house the purchased equipment on June 6, 2006. Creegan & D'Angelo's scope also included the design of a sanitary sewer lateral, storm drain line, various water service lines, electrical conduits, process piping, fire sprinkler system, site grading, and landscaping.

Because the design, installation, and startup of the chloramination equipment requires treatment process expertise, District staff is preparing separate contract documents for that work, which will be completed subsequent to the building and sitework.

On March 13, 2008, one bid was submitted in the amount of \$311,779 by E.E. Gilbert Construction, Inc. of Martinez, California. The bid was checked arithmetically and for compliance with the bidding requirements. The engineer's estimate was \$328,042. A summary of the bids is attached.

E.E. Gilbert Construction, Inc. has been in the construction business under its present name for 60 years. References were checked and it was confirmed that the contractor has the necessary experience and has prior satisfactory work performance. There is adequate funding in the current year budget for this project.

A motion was made by Director Lampert, seconded by Director Gunther to adopt a resolution accepting the proposal and awarding the contract for Alameda Reservoir Water Quality Enhancement Project, to E.E. Gilbert Construction, Inc. in the amount of \$311,779, which is the total unit price and lump sum payment items, Job 6328.

RESOLUTION NO. 08-020

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO E.E.
GILBERT CONSTRUCTION, INC, FOR JOB 6328

The motion was passed by the following vote:

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

5.6* AUTHORIZATION OF PURCHASE ORDER AMENDMENT FOR DESIGN
SERVICES DURING CONSTRUCTION OF THE ALAMEDA RESERVOIR WATER
QUALITY ENHANCEMENT PROJECT

On June 6, 2006, the Board authorized Creegan & D'Angelo Consulting Civil and Structural Engineers (Creegan & D'Angelo) to perform design services in the amount of \$81,730 for construction of a utility building and related work at the Alameda Reservoir. The design work has been completed and the construction of the utility building is anticipated to begin during May 2008.

At the District's request, Creegan & D'Angelo submitted a time and expense proposal to provide design services during construction including: 1) shop drawing and submittal reviews; 2) construction meetings and site visits; 3) response to contractor's request for information; and 4) preparation of contract change orders as required. Creegan and D'Angelo's proposal, in the amount of \$35,280, has been evaluated and staff has determined that the estimated level of effort and cost for the requested work is appropriate. There is adequate funding in the current year budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Gunther to authorize a purchase order amendment for design services during construction for the Alameda Reservoir Water

Quality Enhancement Project to Creegan & D’Angelo Consulting Civil and Structural Engineers in the amount of \$35,280, Job 6328.

The motion was passed by the following vote:

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

5.7* AUTHORIZATION OF PURCHASE ORDER FOR ANADROMOUS FISHERIES INVESTIGATIONS

As part of the on-going efforts to address steelhead restoration in the Alameda Creek Watershed, stakeholders in the Alameda Creek Fisheries Work Group are working collaboratively together on studies to address flow and habitat needs for a restored steelhead fishery. As part of this process, both the Work Group’s consultant and NOAA Fisheries have identified the need for specific studies that are focused on ACWD’s facilities and operations in the watershed.

The specific studies to be conducted include: 1) an investigation of water temperatures and thermal stratification in the impoundments behind ACWD’s inflatable dams; 2) an investigation of the impacts of South Bay Aqueduct releases on thermal stratification in pools in Niles Canyon; and 3) an investigation of predatory fish in the impoundments behind ACWD’s rubber dams. Hanson Environmental, ACWD’s fisheries consultant, has developed a work plan to conduct these studies. In addition, to the above studies, the work plan also includes technical support and assistance for ACWD in developing a long-term strategy for compliance with all applicable fisheries regulations and requirements, and assistance with ACWD’s participation in the Alameda Creek Fisheries Work Group and flows subcommittee.

The total cost of the studies and technical assistance is estimated to be \$95,000. These studies are anticipated to be completed by December 2008. A detailed scope for each of the specific studies will be prepared by Hanson Environmental, and to the extent practical, reviewed with the Fishery Work Group prior to conducting the studies. The technical information developed during the studies will also be shared with the Alameda Creek Fishery Work Group. Sufficient funds have been budgeted in the FY07/08 budget for this expenditure.

A motion was made by Director Lampert, seconded by Director Gunther to 1) authorize a Purchase Order to Hanson Environmental in an amount not to exceed \$95,000 to conduct Alameda Creek Fishery Studies, and 2) authorize the General Manager to execute a services agreement with Hanson Environmental.

The motion was passed by the following vote:

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

5.8 RESOLUTION ADOPTING THE APRIL 2008 WATER SUPPLY ASSESSMENT FOR THE PATTERSON RANCH DEVELOPMENT PROJECT

Mr. Cartwright informed the Board that the City of Fremont has received an application for the Patterson Ranch Development Project (or “Project”) that involves a general plan amendment and rezoning for the development of 800 housing units, 25,000 to 50,000 square feet of commercial area, a new school, churches and a community park. California Water Code Section §10910 requires that a water supply assessment be provided to cities and counties for a project that is subject to the California Environmental Quality Act (CEQA), and which surpasses 500 housing units and/or surpasses certain thresholds for commercial/industrial buildings. The cities and counties are mandated to identify the public water system that might provide water supply to the project and then to request a water supply assessment. The water supply assessment documents sources of water supply, quantifies water demands, evaluates drought impacts, and provides a comparison of water supply and demand that is the basis for an assessment of water supply sufficiency.

Staff has prepared a water supply assessment for the Patterson Ranch Development Project, as requested by the City of Fremont on November 20, 2007. The adoption of this water supply assessment, originally scheduled for March 13, 2008, was deferred to April 8, 2008 based on a request from the City of Fremont and the Project’s proponent in order to further review and comment on the assessment.

The projected average annual water demand of the Project is estimated to be approximately 560 acre feet per year. Because the projected future demands of the Patterson Ranch Development Project have not been previously accounted for in ACWD’s forecast of future water demands, and because there is no existing water use at the Project site, all future demands associated with the Project will represent new, additional demands on ACWD’s water system. The assessment provides a comparison of ACWD water supplies and projected future demands, including the demands associated with the proposed Project. In order to account for future Delta pumping restrictions, the assessment includes scenarios for State Water Project reliability with and without pumping restrictions recently imposed by a federal court decision (Wanger Decision). Under normal year conditions, ACWD’s water supplies are projected to be sufficient to meet the future demands in the service area, including the Project’s demands. However, under critically dry year conditions and multiple dry year conditions, the addition of new demands from the Project would increase the magnitude of shortages in the service area during these drought conditions. The water supply assessment concludes that the Project can mitigate for impacts during dry years by funding the acquisition by ACWD of additional recovery capacity of dry year supplies from the Semitropic Groundwater Banking Program. Conditions are also included in the water supply assessment that may require the Project proponent to implement additional mitigation measures in the event that water supply conditions and/or the Project’s land use changes from what is currently incorporated in the assessment.

The Water Supply Assessment has been reviewed by the Project’s proponent, and comments received regarding impacts of global warming have been incorporated into the assessment.

Scott Ruhland, Project Planner for City of Fremont working on the Patterson Ranch Development Project was present and answered questions from the Board.

Discussion ensued and staff responded to questions from the Board.

A motion was made by Director Lampert, seconded by Director Koller to 1) adopt a resolution adopting the April 2008 Patterson Ranch Water Supply Assessment and 2) authorize and direct the General Manager to submit the April 2008 Patterson Ranch Water Supply Assessment to the City of Fremont.

RESOLUTION NO. 08-021

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ADOPTING THE APRIL 2008 PATTERSON RANCH DEVELOPMENT
PROJECT WATER SUPPLY ASSESSMENT

The motion was passed by the following vote:

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

6 – REPORTS

6.1 BOARD COMMITTEE REPORTS

- Operations & Water Quality Meeting of March 5, 2008: (1) Improvements at WTP 2 During Winter Maintenance
- Engineering & Capital Projects Meeting of March 11, 2008: (1) US EPA Abandoned Wells Project Update
- Legal & Legislative Meeting of March 12, 2008: (1) Review of State and Federal Legislation
- Water Resources Planning Meeting of March 19, 2008: (1) Alameda Creek Fisheries Update; (2) Water Supply Assessments Update; (3) SWP Participation in the Yuba County Water Purchase Agreement

6.2 OPERATIONAL REPORTS

- Rainfall Report
- Quarterly Groundwater Recharge Report
- Water Production Report
- Quarterly Directors' Expense Report
- Investment Report

6.3 STAFF REPORTS – None

6.4 GENERAL MANAGER’S REPORTS

- Mr. Piraino informed the Board that the next regular Board Meeting will be held on Thursday, May 15, 2008 at 5:00 P.M.

Mr. Piraino reminded the Board of the Fish Screen Dedication ceremony on Tuesday, May 20, 2008 from 11:00 A.M. to 12:00 P.M. on Alameda Creek.

Also a dedication ceremony for the Ardenwood Water Tank House and Water Museum at Ardenwood Park in Fremont will be held on Friday, April 9, 2008 at 11:00 A.M. Director Weed will be presenting at the ceremony.

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

- Director Lampert asked Director Koller to report on the legislative session he attended in Sacramento the prior week. Director Koller indicated that the meeting was disappointing. He expressed that the representatives that attended discussed their political stance more than discussing issues at hand.
- Director Lampert asked Director Weed to report on two items as a representative of BAWSCA. First, any construction projects they should be aware of and second, if Director Weed could comment on the contract negotiations with the San Francisco Public Utilities Commission. Director Weed responded and discussion ensued.
- Director Weed reported that he attended an ACWA Region 5 meeting on Sunday, April 6, 2008 at the offices of Hanson-Bridgett where they gave a presentation on the latest modifications to the Brown Act regarding the release of documentation.
- Director Weed also reported that he attended a conference on global warming at the offices of the San Francisco Public Utilities Commission. A representative from the Lawrence Berkeley Livermore Lab conducted the presentation.

President Weed adjourned the meeting to a Closed Session at 7:22 P.M. for a conference on the following item:

8 – CLOSED SESSION

8.1 Conference with Labor Negotiator Pursuant to Section 54957.6(a) of the Government Code

- Agency Negotiators: Paul Piraino and Altarine Vernon
- Employee Organization: Local 1021, SEIU

President Weed reconvened the meeting at 8:24 P.M. and reported that the Board provided direction to its negotiators relative to Item 8.1.

Minutes – April 8, 2008

There being no further business to come before the Board, the meeting closed at 8:25 P.M.

Andrew Joseph, Assistant District Secretary

Attest:

John H. Weed, President