

# ***ALAMEDA COUNTY WATER DISTRICT***

## ***MEMORANDUM***

DATE: February 4, 2010  
TO: Board of Directors  
FROM: Walt Wadlow  
SUBJECT: STAFF REPORT, ACTION CALENDAR ITEMS FOR FEBRUARY 11, 2010

---

### **5.1\* RESOLUTION AWARDING CONTRACT FOR THE REMOVAL, DISPOSAL, AND INSTALLATION OF FILTER MEDIA AT WTP NO. 2**

---

**BACKGROUND:** The Removal, Disposal, and Installation of Filter Media at Water Treatment Plant No. 2 (WTP No. 2) Project consists of removal, disposal, and replacement of the existing filter media in Filters 4, 5, and 6. The Board previously approved the Project and adopted a resolution finding the Project categorically exempt from the California Environmental Quality Act (CEQA).

**DISCUSSION:** On January 5, 2010, the project was advertised and one bid, from ERS Industrial Services, Inc., was received and opened on January 25, 2010. The total bid was \$94,972.72. The engineers estimate was \$220,000 to \$250,000.

Staff checked the bid arithmetically and for compliance with bidding requirements. There was one minor \$0.04 arithmetic error, which was corrected. ERS Industrial Services, Inc. has been in the contracting business under its present name for 18 years. ERS Industrial Services, Inc. performed similar work for the District in the past, most recently WTP No. 2 filter media rehabilitation work on Filters 1, 2, and 3 during April 2009. Recent references were also checked and are satisfactory. Based on staff's review, ERS Industrial Services, Inc. has adequate qualifications and experience to satisfactorily perform the work. There is adequate funding in the budget for this expenditure. A bid summary is attached.

Two other potential bidders attended the prebid meeting. After the bid opening, staff contacted both to understand why bids were not submitted. One firm felt that they did not meet the experience requirements and the other prioritized other projects.

**RECOMMENDATION:** By motion, adopt a resolution to award a contract for the Removal, Disposal, and Installation of Filter Media at WTP No. 2 to ERS Industrial Services, Inc., in the amount of \$94,972.72, which is a total of the unit price and lump sum payment items, Job 6420.

### **5.2\* RESOLUTION APPROVING STATEMENT OF INVESTMENT POLICY**

---

**BACKGROUND:** The investment of public funds is governed by Section 53600 of the California Government Code which specifies the types of investments permitted and identifies investment objectives as well as reporting requirements. One of the provisions of the Government Code is that the legislative body of a public agency must annually approve a statement of investment policy. The Board of Directors last approved the District's Investment Policy on February 12, 2009.

DISCUSSION: During the past year, there was only one change to the section of the Government Code which governs the investment of public funds. This change was to increase the limit of uncollateralized deposits for Certificates of Deposits from \$100,000 to \$250,000 to reflect the current limit insured by the Federal Deposit Insurance Corporation. The Administrative and Finance Committee reviewed the District's current Investment Policy on January 26, 2010 and concurred with staff's recommendation that no other changes to the policy are required at this time. In accordance with the provisions of the California Government Code which require the annual approval of an investment policy, it is recommended that the current policy be approved for the next twelve month period. The investment policy is attached to the Board resolution as Exhibit A.

RECOMMENDATION: By motion, adopt a resolution approving the Statement of Investment Policy.

### 5.3 DELIVERY OF SURVEY REPORT AND ADOPTION OF RESOLUTIONS OF INTENTION FOR FY 10/11 REPLENISHMENT ASSESSMENT

---

BACKGROUND: On November 12, 2009, the Board of Directors ordered the preparation of the 2010 Engineering Survey Report on Groundwater Conditions as provided in Section 7 of the District's Replenishment Assessment Act. The report has been completed as directed, and includes a recommendation for a 9% increase in the Replenishment Assessment rate. This proposed increase is subject to public notification requirements that were established through Proposition 218.

DISCUSSION: The following actions are henceforth required to establish the Replenishment Assessment for FY 10/11.

- February 11, 2010. Regular Board Meeting. On or before the second Tuesday in March, the Board must declare, through adoption of a resolution, its intent to establish a replenishment assessment in FY 10/11. Following adoption of this resolution, a second resolution must also be adopted at this meeting to extend the deadline for metering of certain non-metered wells for which annual water production would not result in revenues justifying the costs to install meters.
- February 12, 2010. To comply with Proposition 218 notification requirements, notices of the proposed rate increase will be mailed to owners and operators of wells producing water for purposes other than agricultural and municipal recreation.
- March 11, 2010. Regular Board Meeting. Staff will provide a presentation to assist the Board in its review of the Survey Report.
- April 13, 2010. Special Board Meeting. Public Hearing and adoption (tentative) of resolutions establishing the replenishment assessment for FY 10/11.
- No later than May 11, 2010. Board must adopt resolutions in order to establish a replenishment assessment in FY 10/11.

Additional work sessions on the Survey Report can be held at the Board's discretion. The Public Hearing, which must begin April 13, 2010, may be adjourned from time to time, but must be completed no later than May 4, 2010. The resolutions tentatively scheduled for adoption on April 13, 2010, may not be acted upon until completion of the Hearing, but must be adopted prior to May 11, 2010.

**RECOMMENDATION:** Receive the Survey Report, and by motion, 1) adopt a resolution declaring that funds will be raised by a replenishment assessment in FY 10/11 and calling for a Public Hearing on April 13, 2010; and 2) adopt a resolution extending the deadline for installation of measuring devices on wells.

#### 5.4 RESOLUTION APPROVING BOARD MEMBER ATTENDANCE AT AMERICAN WATER WORKS ASSOCIATION CONFERENCES

---

**BACKGROUND:** At the January 14, 2010, Board meeting, the Board directed staff to amend the "Policy Governing Compensation of Board Members" and "Policy for Expense Reimbursement of Board Members" to include authorization of and reimbursement for Board member attendance at American Water Works Association (AWWA) conferences.

**DISCUSSION:** Attached are resolutions amending the referenced policies to include Board member attendance at AWWA conferences. Staff also recommends an additional change to the "Policy for Expense Reimbursement of Board Members." Staff recommends updating the meal expense allowance to \$72.00 per day, reflecting CPI index-based changes since 2006, as provided for in the policy.

**RECOMMENDATION:** By motion, 1) adopt a resolution amending Resolution 06-037, "Policy Governing Compensation of Board members," and 2) adopt a resolution amending Resolution 06-038, "Policy for Expense Reimbursement of Board Members" to incorporate Board member attendance at AWWA conferences and to update the meal expense allowance.

Attachments

cc: Executive Staff