

February 13, 2020
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on February 13, 2020, at the hour of 6:06 P.M. in the Board Room of the District Office Building, 43885 South Grimmer Boulevard, Fremont, California.

Present: Directors Akbari, Gunther, Sethy, Weed, and Huang

Staff members present: General Manager Robert Shaver, Manager of Operations & Maintenance Kurt Arends, Manager of Finance Jonathan Wunderlich, Manager of Water Resources Laura Hidas, Manager of Engineering & Technology Services Ed Stevenson, Human Resources & Risk Manager Jennifer Solito, Administrative Analyst Ethan Burch, General Counsel Patrick Miyaki, and Assistant District Secretary Andrew Warren.

President Judy Huang presided.

Director Sethy led in the Salute to the Flag.

3 – PUBLIC COMMENTS – None

4 – CONSENT CALENDAR

A motion was made by Director Sethy to add Items 5.1 through 5.5 to the Consent Calendar, seconded by Director Gunther.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

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

- 4.1 Approval of Minutes of Regular Board Meeting of January 9, 2020
- 4.2 Ratification of Payment of Audited Demands dated January 3, January 10, January 17, January 24, and January 31, 2020
- 4.3 Authorization for Directors to Attend the Association of California Water Agencies (ACWA) 2020 Washington D.C. Legislative Conference
- 4.4 Resolution Approving and Authorizing Execution of Public Water System Extension Agreement with The Centerville Presbyterian Church, Tract 8391, Centerville Pioneer, ACWD No. 2018-0049

RESOLUTION NO. 20-008

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
APPROVING AND AUTHORIZING EXECUTION OF PUBLIC WATER
SYSTEM EXTENSION AGREEMENT WITH THE CENTERVILLE
PRESBYTERIAN CHURCH, TRACT 8391, CENTERVILLE PIONEER,
ACWD NO. 2018-0049

- 5.1 Authorization of Purchase Order for Microwave Communications Equipment
- 5.2 Resolution Honoring Floyd I. Siguenza upon His Retirement from District Service
- 5.3 Resolution Adopting Proposed Revisions to the Board Procurement Policy
- 5.4 Authorization to Execute Two Agreement Regarding the 2020 Quagga and Zebra Mussel Prevention Programs at the Quarry Lakes Regional Recreation Area and Lake Del Valle
- 5.5 Rejection of Bids for Main Renewal – Souza Avenue and Concord Street Project

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5 – ACTION CALENDAR

5.1* AUTHORIZATION OF PURCHASE ORDER FOR MICROWAVE COMMUNICATIONS EQUIPMENT

The District intends to purchase and install microwave communications equipment, including dish antennas, in order to provide redundant high-speed communication links between each of the District’s production facilities and Headquarters utilizing a repeater at the County of Alameda’s Coyote Hills site. Authorization of the lease agreement with the County was approved by the Board on December 12, 2019. The District is a current member of and utilizes a competitively bid cooperative agreement contract administered through The Inter-Local Purchasing System (TIPS-USA) that was awarded to Alpha Omega Wireless, Inc., (Alpha Omega) for the purchase of wireless network communications equipment. There is adequate funding in the budget for this expenditure. Board authorization to purchase and install this equipment will assist the District in achieving its Strategic Plan Goal 1.1 – Efficiently Manage and Maintain Our Infrastructure to Ensure Reliability and Goal 1.3 – Continuously Improve Emergency Preparedness and Response Capabilities.

The District relies on network communications between Production Facilities (Water Treatment Plant No. 2, the Peralta-Tyson Blending Facility, and the Newark Desalination Facility) and Headquarters to operate SCADA applications, IT business applications, telephone communications, security and video surveillance. Presently, network communication operates over a number of single links with limited redundancy and bandwidth.

The Production Facilities Communication Project (Project) consists of installing a microwave radio system for network communication links between the three production facilities, Headquarters, two water storage facilities (Appian Tank and Patterson Reservoir) and at the Coyote Hills repeater site. The new microwave communications equipment will enable the required redundancy and bandwidth for reliable network communications between each of the District's critical facilities. The links to the two water storage facilities will serve as a pilot for supporting security and video surveillance at other distribution system facilities in the future. The microwave equipment utilized is made by SAF Tehnika (SAF) which is on the Board-adopted list of standardized equipment for the District; the SAF equipment has proven to be very reliable in two existing District installations.

District network communications, and specifically this Project, have been previously reviewed by the Operations and Water Quality Committee including most recently at the December 4, 2019 Committee meeting.

The Project was found to be Categorical Exempt under CEQA and approved by the Board on March 14, 2019. The lease agreement with the County of Alameda for the Coyote Hills repeater site was authorized by the Board on December 12, 2019. As of the writing of this staff report, approval of the lease agreement by the County is planned for the February 4, 2020 Alameda County Board of Supervisors meeting.

Staff reviewed Alpha Omega's proposal and found the cost to be reasonable.

A motion was made by Director Gunther, seconded by Director Sethy to authorize the General Manager to execute a purchase order to Alpha Omega Wireless, Inc., in an amount not to exceed \$230,000 for the purchase and installation of microwave communication equipment.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.2* RESOLUTION HONORING FLOYD I. SIGUENZA UPON HIS RETIREMENT FROM DISTRICT SERVICE

Floyd I. Siguenza is retiring from the District on February 21, 2020 after 18 years of service.

Floyd officially began his career with the District as a Meter Reader on February 19, 2002. Prior to coming to the District, he was a Courier with Federal Express for 13 years. He brought to the District his experience and knowledge of excellent customer service and applied it to all aspects of his service with the meter reading group. Floyd also volunteered to take the lead on developing and implementing a meter maintenance program. This program addresses meter maintenance needs such as painting the meter box or clearing overgrown vegetation to facilitate efficient meter reading. His service with the meter maintenance program was greatly appreciated by the entire meter reading team.

Floyd will be retiring with 18 years of dedicated service to the District. He will be missed by his many friends and coworkers at the District.

A motion was made by Director Gunther, seconded by Director Sethy to adopt a resolution honoring Floyd I. Siguenza and expressing appreciation for his years of service.

RESOLUTION NO. 20-009

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
HONORING FLOYD I. SIGUENZA UPON HIS RETIREMENT FROM
DISTRICT SERVICE

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.3* RESOLUTION ADOPTING PROPOSED REVISIONS TO THE BOARD
PROCUREMENT POLICY

The District's Procurement Policy (Procurement Policy) specifies the District's procurement principles that guide all procurement activities and which types of procurements require Board approval and the method of procurement, primarily based on estimated contract cost. The Procurement Policy also specifies certain types of procurements that are excluded from the policy. Staff recently completed a review of the Procurement Policy and recommends updating the list of excluded procurements to include inventory items. A copy of the proposed new Procurement Policy is included in the Board packet. The proposed Procurement Policy revision was reviewed with the Finance Committee on January 21, 2020. Review and approval of this item helps meet District Strategic Plan Goal 1.1 – Efficiently Manage and Maintain our Infrastructure to Ensure Reliability.

The current Procurement Policy was adopted by the Board in November of 2018. Subsequently, a taskforce, comprised of staff from every department, was created to review and revise the staff procurement administrative guideline consistent with the updated policy. During this process staff identified an opportunity to update the policy to both improve efficiencies and align the policy with current practices, specifically, the aggregate procurement of inventory items. An inventory item is defined as a good or product, routine in nature, stockpiled in the District's warehouse and recorded in the District's financial system by item number, value, quantity, volume, and description, in accordance with administrative guidelines.

The proposed change adds inventory items to the list of items in Section H "Excluded from Procurement Policy." The other items in this section include regulated utility services, non-discretionary payments to other government agencies, newspaper advertisements, and association dues. It should be noted that while this revision would exclude inventory items from the policy, inventory items will continue to be purchased through a competitive process. Furthermore, purchase of significant quantities of items for a major replacement program that

exceeds routine needs would continue to come to the Board for approval. Valves and hydrants are two examples of inventory items that could exceed the current Board approval threshold of \$100,000 to meet routine needs in a given year.

A motion was made by Director Gunther, seconded by Director Sethy to adopt a resolution revising the Board's Procurement Policy.

RESOLUTION NO. 20-010

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ADOPTING PROPOSED REVISIONS TO PROCUREMENT POLICY

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.4* AUTHORIZATION TO EXECUTE TWO AGREEMENTS REGARDING THE 2020
QUAGGA AND ZEBRA MUSSEL PREVENTION PROGRAMS AT THE QUARRY
LAKES REGIONAL RECREATION AREA AND LAKE DEL VALLE

The East Bay Regional Park District (EBPRD) and the Alameda County Water District (ACWD) have been carrying out the quagga and zebra mussel prevention program at Lake Del Valle and Quarry Lakes recreation areas since 2008. During this time, ACWD has equally split costs with EBPRD for the boat inspection program at Quarry Lakes, and paid an equal share of costs for the boat inspection program at Lake Del Valle with EBPRD, Zone 7 Water Agency, and the Santa Clara Valley Water District. Similar to past years, there are two separate agreements which will allow ACWD to cost share in the 2020 inspection programs for Quarry Lakes and Lake Del Valle. ACWD's contribution to the 2020 Quarry Lakes inspection program is a maximum amount of \$35,847, and ACWD's contribution to the 2020 Lake Del Valle inspection program is a maximum amount of \$75,707. There is adequate funding in the budget to cover these inspection costs. Board authorization of these agreements will help meet the District's Strategic Plan Goal 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies.

The Bay Area Regional Consortium for Mussel Prevention (Consortium) was organized in 2009 to facilitate inter-agency coordination on quagga and zebra mussel prevention activities. The group, led by the Santa Clara County Parks and Recreation Department, has cooperatively developed the Bay Area Consortium Zebra and Quagga Mussel Coordinated Prevention Plan. The Board, by resolution in January 2010, authorized the General Manager to execute the Memorandum of Understanding (MOU) to become a participating agency within the Consortium (Agreement No. 3685). On November 13, 2014, the Board authorized the General Manager to execute an amendment to the MOU to allow participation in the Consortium through December 31, 2020. By extending the term of the existing MOU, the Consortium hopes to obtain priority in receiving grants by having a regional-scale mussel prevention plan. The source of the grant funding is from Department of Motor Vehicle vessel registrations that went into effect on

January 1, 2014. Each participating agency in the Consortium does not pay money to participate in the Consortium; however, each agency commits to performing inspections at local facilities and maintaining and sharing records of its mussel monitoring program.

The purpose of this program is to prevent the introduction of quagga and zebra mussels into Quarry Lakes and Lake Del Valle by watercraft. Potential consequences of an introduction of these invasive species within these water bodies include: damage to the aquatic ecosystem, reduction of recreational opportunities, decrease in South Bay Aqueduct transmission capacity, fouling of water treatment plant intakes and process equipment, impaired hydropower generation, reduction of water diversion capacity for groundwater recharge operations, as well as an increase in routine maintenance and capital improvement costs. The inspection program covers all watercraft and includes banding of trailered boats so that re-inspection is not required if they have not been in another water body. To date, the program has been successful in educating boaters, inspecting all watercraft that use the lakes, and preventing infestations.

EBRPD will continue to collect inspection fees at each location and share the revenue on a pro rata basis with its partners. ACWD's contribution to the 2020 Quarry Lakes inspection program will consist of 50% of the nine-month program costs of \$74,093, less \$2,400 in fees and grants collected, resulting in a net maximum amount of \$35,847. EBRPD will contribute 100% of the program costs for the remaining three months, without additional contributions from ACWD. Similarly, ACWD's contribution to the 2020 Lake Del Valle inspection program will consist of 25% of the total program costs of \$323,827, less \$21,000 in fees and grants collected resulting in a net maximum amount of \$75,707. The terms of the agreements are the same as in previous years.

A motion was made by Director Gunther, seconded by Director Sethy to authorize the General Manager to execute two agreements for a total amount not to exceed \$111,554 for the 2020 quagga and zebra mussel prevention programs at Quarry Lakes Regional Recreation Area and Lake Del Valle.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.5* REJECTION OF BIDS FOR MAIN RENEWAL – SOUZA AVENUE AND CONCORD STREET PROJECT

Construction of the Main Renewal – Souza Avenue and Concord Street Project (Project) was advertised for bid on December 19, 2019. On January 21, 2020, three bids were received, opened, and evaluated. Each bid was deemed non-responsive. Staff recommends rejecting the bids and reevaluating the bid documents and scope of work prior to re-advertisement.

The water mains located on Burdick Street, Hafner Street, Souza Avenue, Ruschin Drive, Toulon Place, Concord Street, and Concord Place in Newark are approaching the end of their useful lives and are in need of renewal. The existing asbestos-cement pipelines range from four to eight

inches in diameter, and have experienced a number of leaks requiring maintenance. The Project includes installation of approximately 5,100 feet of new water pipe to replace existing pipe; replacement of existing water service connections; and the replacement of all valves, fire hydrant laterals, fire hydrant bodies, and other appurtenances.

The District advertised construction of the Project on December 19, 2019. Three bids were received and opened on January 21, 2020. Staff evaluated the bids to verify compliance with the bid requirements.

Bids received from each bidder were determined to be non-responsive because required information demonstrating the stipulated experience requirements was not provided with the bids. Staff recommends rejection of the bids. Staff plans to reevaluate the bidding documents and scope of work, and re-advertise the work.

A motion was made by Director Gunther, seconded by Director Sethy to reject the bids for the Main Renewal – Souza Avenue and Concord Street Project, Job 21191.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.6 RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR PHASE 1 OF THE ALVARADO-NILES PIPELINE SEISMIC IMPROVEMENT PROJECT

Director Gunther stated that he holds an interest in a property in proximity to the project and recused himself, as required by law, from any participation in or discussion of Item 5.6. Director Gunther left the Board Room at 6:08 P.M.

Mr. Stevenson reported that the Alvarado-Niles Pipeline Seismic Improvement Project (Project) will improve the District's water transmission and distribution system reliability and enhance the Alvarado-Niles Pipeline's ability to withstand seismic forces and liquefaction-induced ground deformation. The Project will replace existing older asbestos-cement and steel pipe of various diameters and is being implemented in two phases. Phase 1 includes the construction of approximately 3,900 linear feet of 14-inch diameter seismically-designed welded steel pipe, and approximately 4,800 linear feet of 16-inch diameter seismically-designed welded steel pipe. Three bids to perform the work were recently received, opened, and evaluated. The low bid contained two minor irregularities which may be waived. There is adequate funding in the approved two-year budget for the current fiscal year expenditures, and the FY 2020/21 budget will include amounts necessary to complete the Project. The Project, which is part of the District's Main Renewal and Seismic Upgrades Program, was most recently reviewed with the Engineering and Information Technology Committee on January 15, 2020. This Project will help meet the District's Strategic Plan Goal 1.1 – Efficiently Manage and Maintain our Infrastructure to Ensure Reliability.

The Project consists of the replacement of approximately 3.5 miles of 14-inch to 18-inch diameter asbestos cement and steel pipe and replacement of all water service laterals, valves, fire hydrants, and interconnections with other pipelines and branch connections along the Alvarado-Niles Road corridor in Union City. The work will be implemented in two phases in order to accommodate long lead times and required permitting. Phase 1 includes the installation of approximately 1.7 miles of 14-inch and 16-inch diameter seismically-designed welded steel pipe and all appurtenances within Smith Street and Alvarado-Niles Road, between Union City Boulevard and Santa Maria Drive, and within Alvarado-Niles Road, between Almaden Boulevard and Central Avenue. Phase 2 will include the installation of approximately 1.7 miles of 16-inch and 18-inch diameter seismically-designed welded steel pipe and all appurtenances within Alvarado-Niles Road, between Santa Maria Drive and Almaden Boulevard, and between Central Avenue and Decoto Road. The existing pipelines which are to be replaced will be removed from service and protected in place for potential future use.

The District advertised construction of Phase 1 of the Project on December 19, 2019. Three bids were received and opened on January 23, 2020. Staff evaluated the proposals to verify compliance with the bid requirements and confirm the arithmetic accuracy of the Payment Item Schedules. The bid totals, for purposes of comparison of proposals, ranged from a low of \$12,367,575 to a high of \$17,975,650, including contingent items of work which may be added to the Project later by change order should they be required. The Engineer's estimate for the work, including the contingent items, ranged from \$12,500,000 to \$14,000,000. The total low bid, excluding the contingent items, is \$11,316,775.

Garney Pacific, Inc. (Garney Pacific) of Tracy, California, submitted the lowest responsive bid in the amount of \$12,367,575. The bid was reviewed for compliance with the requirements of the contract documents and was found to contain two minor irregularities: 1) the California Contractors State License Board printout was missing, and 2) a question on one of the bid forms was completed incorrectly, however the information was provided elsewhere in the bid documents. Garney Pacific, Inc. subsequently provided the omitted information and these deficiencies may be considered minor irregularities which may be waived. Garney Pacific has been in the contracting business under its current business name and license for about six years, and has been performing work similar to the project scope over the same timeframe. References were contacted, and staff confirmed that Garney Pacific has the necessary qualifications and experience to perform the work.

Discussion ensued and staff responded to inquiries from the Board.

A motion was made by Director Akbari, seconded by Director Sethy to: 1) waive the two minor irregularities in the Garney Pacific, Inc. bid, and 2) adopt a resolution awarding the Phase 1 construction contract for the Alvarado-Niles Pipeline Seismic Improvement Project to Garney Pacific, Inc., in the amount of \$11,316,775, Job 21192.

RESOLUTION NO. 20-011

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AWARDING A CONTRACT FOR THE ALVARADO-NILES PIPELINE
SEISMIC IMPROVEMENT PROJECT TO GARNEY PACIFIC, INC., JOB NO.
21192

The motion was passed by the following vote:

AYES: Directors Akbari, Sethy, Weed, and Huang
NOES: None
ABSENT: Director Gunther

Director Gunther returned to the Board Room at 6:29 P.M.

5.7 AUTHORIZATION OF CHANGE ORDER FOR THE CANYON HEIGHTS TANK
IMPROVEMENTS PROJECT

Director Akbari stated that he holds an interest in a property in proximity to the project and recused himself, as required by law, from any participation in or discussion of Item 5.7. Director Akbari left the Board Room at 6:30 P.M.

Mr. Stevenson reported that the Canyon Heights Tank Improvements Project (Project) includes the removal and replacement of the interior tank coating, installation of new tank cathodic protection components, installation of site safety upgrades, and temporary improvements at the tank site and the Canyon Heights booster station necessary to facilitate the work. During work on the tank interior, it was determined that components of the roof and the roof support system had deteriorated and replacement is necessary. There is adequate funding in the current fiscal year Capital Improvement Program budget for this expenditure. This Project will help meet the District's Strategic Plan Goal 1.1 – Efficiently Manage and Maintain our Infrastructure to Ensure Reliability. Staff will supplement this staff report by making a brief presentation at the Board Meeting.

Canyon Heights Tank, located in the hills of the Canyon Heights neighborhood in Fremont, is a 545,000 gallon ground-level welded steel tank that was placed into service in 2000. In addition to other work, the Project includes replacement of the tank's interior coating which has reached the end of its useful life. On March 14, 2019, the Board awarded construction of the Project to Blocka Construction Inc. (Blocka) in the amount of \$846,500. Following removal of the existing tank coating, the interior of the tank was inspected. Significant deterioration of existing roof panels and rafter members was noted. A staff structural engineer and a consulting structural engineer both inspected the interior roof support system and determined that the roof rafter members should be replaced. In addition, portions of the roof panels near the center tank vent have deteriorated and require removal and replacement. Completing this work now, while the tank is out of service and prior to application of the new tank interior coating, is advised so that significant re-work and cost are not required in the future.

Change Order No. 1 in the amount of \$231,579.60 has been prepared to address replacement of the roof rafter system and other components. The scope of work includes 1) install a temporary roof support system and remove and legally dispose of existing rafter members; 2) furnish 28 replacement roof rafter members and associated hardware in accordance with the original tank design and specifications; 3) perform surface preparation and shop coating of the new rafter members in accordance with Project coating specifications; 4) sandblast and coat panel interior areas above the rafters; 5) remove and replace failed portions of tank roof panels; 6) install the replacement rafter beams in accordance with the original tank design and specifications, modifying the connection points and tank vent structure as required; and 7) perform final repair and coating touch up. Blocka requested a time extension of 42 calendar days to complete this additional work. Staff has negotiated the time extension and costs associated with this work and finds that they are fair and reasonable.

Discussion ensued and staff responded to inquiries from the Board.

A motion was made by Director Gunther, seconded by Director Sethy to approve Change Order No. 1 in the amount of \$231,579.60 which includes a time extension of 42 calendar days, to Blocka Construction Inc. for the Canyon Heights Tank Improvements Project, Job 21120.

The motion was passed by the following vote:

AYES: Directors Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: Director Akbari

Director Akbari returned to the Board Room at 6:37 P.M.

5.8 AUTHORIZATION FOR AGREEMENT FOR CONSULTING SERVICES FOR DISTRICT-WIDE CLASSIFICATION AND COMPENSATION STUDY

Ms. Solito reported that the purpose of a Classification and Compensation study is to ensure that: 1) employees are allocated to appropriate job classifications based on the scope of work they are performing; 2) the District maintains accurate job descriptions that describe the current duties, responsibilities and requirements for employees; and, 3) the classification and compensation structure for the District is sustainable for the current and future operational needs, as well as the economic environment that the District operates.

An efficient and effective organization needs logically constructed job families that link and build positions upon each other, and in some cases, demonstrate career ladders within particular kinds of work. Additionally, the roles and responsibilities of employees, the skill sets, and working conditions and environments change over time with technological and organizational advances.

The scope of work for this project includes a comprehensive review of all District classification descriptions, including updating and creating classifications where need be, and conducting a review of the District's current compensation practices followed by a total compensation labor market survey. There are adequate funds in the current budget to initiate this project and the

remaining project work will be included in the FY 2020/21 budget. This proposed project was reviewed with the Finance Committee on January 21, 2020.

In addition to aligning with human resources and industry best practices to periodically review job classification and compensation, the project also supports Strategic Plan Goal 4.2 – Maintain Employee Retention by Encouraging and Valuing Employee Work Efforts and Skills, as well as Goal 3.2 – Ensure Cost Reasonableness.

The District currently has a total of 157 unique job classification titles and associated compensation salary ranges for represented and unrepresented employees. The District last reviewed classifications in 2012 and not all classifications were updated at that time. Also, there have been changes in classification management best practices for which a comprehensive review of the District's classification system would benefit related to recruitment, performance management, and position control. Lastly, the District's two agreements with Operating Engineers Local No. 3 and ACWD Operators' Association expire March 31, 2021 and June 30, 2021, respectively. Updating the classifications in advance of labor negotiations will assist in the District's efforts to conduct a competitive labor market salary survey to prepare for negotiations.

Staff is proposing to conduct a comprehensive classification and compensation study review of all District classifications, salaries, and compensation practices. This project will occur in two phases: Phase 1 – Classification Study, and Phase 2 – Compensation Study.

Phase 1 will include a review and update of all existing classifications to accurately reflect job titles, job definition and descriptions, duties, knowledge, skills, abilities, minimum qualifications and essential functions and physical demands. This phase may also include the creation of new job classifications where gaps exist in function, classification series and/or career tracks.

Phase 2 will include a review and recommendation of comparator agencies based on labor market comparability, followed by a total compensation survey of benchmark classifications in those comparator agencies.

Amendments to represented classifications are required to be met and conferred upon with the associated union. As such, the final recommendations from Phase One will require meet and confers with the applicable union groups for represented positions. Additionally, the agencies ultimately adopted as comparators in a labor market survey may be subject to meet and confer. It is expected that the comparable agencies as well as the total compensation survey data will be discussed and utilized during contract labor negotiations which are anticipated to take place, beginning in the end of the current calendar year.

A Request for Proposals (RFP) for this project was issued on October 3, 2019. The Human Resources and Risk Manager, Manager of Finance, Manager of Engineering/Information Services, and Manager of Operations and Maintenance evaluated the five proposals received. The three highest ranked proposers were invited to interviews which took place in January 2020. Ralph Andersen & Associates submitted the highest ranked proposal based on the evaluation criteria set forth in the RFP and is recommended for award. The total anticipated cost of the project for Phase One and Two is \$91,320.

A motion was made by Director Gunther, seconded by Director Akbari to authorize the General Manager to execute a professional services agreement with Ralph Andersen & Associates for a District-wide classification and compensation study for an amount not to exceed \$91,320.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.9 RESOLUTION APPROVING UPDATED HELP ON TAP ELIGIBILITY GUIDELINES AND AMENDING THE DISTRICT'S RATE AND FEE SCHEDULE

Mr. Wunderlich reported that the Board implemented the *Help on Tap* Low Income Rate Assistance (LIRA) program in March 2017 with income guidelines based on the Federal Poverty Level (FPL). At the January 2020 Board meeting, staff received direction to review program income guidelines and develop a proposal to increase the eligibility threshold. Staff reviewed other assistance programs and identified two models for increasing the income threshold: 1) maintaining FPL as the benchmark, but increasing the percentage of FPL eligible for the program, or 2) benchmarking program income guidelines against a percentage of Area Median Income (AMI). Staff found that benchmarking against a percentage of AMI would facilitate greater participation in the Help on Tap program and would also be consistent with other East Bay water agencies' LIRA programs. This item was reviewed with the Finance Committee on January 21, 2020, and will be supplemented by a staff presentation. Approval of this item will help achieve Strategic Plan Goal 5 – Communication: Promote Clear and Open Communication, Outreach, and Engagement with Customers and Communities.

Mr. Burch, *Help on Tap* Program Manager, presented to the Board. There are currently 834 customers enrolled in Help on Tap, receiving roughly \$125,000 in annual benefits. These 834 customers represent about 9% of the estimated income-qualified single-family residential customers. Participation has never exceeded 11% of the estimated income-eligible group, as a high percentage of households that would be eligible based on income alone likely live in master-metered multi-family housing, and are thus ineligible for the program. Thirty-five percent of households in the District are in multi-family homes and for Help on Tap estimating purposes staff assumes these households are evenly distributed across income levels; however, these households are most likely concentrated in lower income brackets.

In an effort to reach more customers, the Board directed staff to review the impacts of raising the program income limit. Staff reviewed two options: 1) 250% of FPL and 2) 50% of AMI.

The Federal Poverty Level is a commonly used metric to establish eligibility for various health and human services assistance programs. The cities of Los Angeles, San Francisco, Fresno, and San Diego, as well as the District, use 200% of FPL for their low-income water rate assistance programs. Adjusting the Help on Tap program income guidelines to 250% of FPL would increase the number of eligible households, but due to data limitations staff are unable to determine precisely how many additional households would become eligible, although it would be fewer than would become eligible by using 50% of AMI. Because the number of households

cannot be precisely estimated, staff has not attempted to estimate additional program costs that may result, but notes that costs would be less than the cost of moving to 50% of AMI.

Area Median Income is a metric that uses economic data from a given area to determine local income levels and is commonly used to establish eligibility for housing assistance programs. East Bay Municipal Utility District and Contra Costa Water District have both adopted LIRA program income guidelines based on 50% of AMI. Smaller households, which constitute the majority of program participants, would benefit from this change, as 50% of AMI is more generous for households with three or fewer people as compared to 250% of FPL.

Using American Community Survey data it is possible to estimate the number of households that would be become income-eligible by switching to AMI. There are approximately 7,000 households in the service area that would become income-eligible for Help on Tap by switching to 50% of AMI (equates to an estimated 4,550 single-family households). The number of households that would be eligible under a switch to 250% of FPL would be somewhat smaller. Assuming that newly-eligible single-family customers participate at the same rate as currently eligible customers, there would be 409 additional Help on Tap participants at a cost of \$61,350 annually.

The potential additional costs are within funding available for the program. Because of the uncertainty in estimating how many households in each income bracket are single-family or multi-family units, as well as the unpredictability of customer adoption, staff recommends that the benefit amount not be adjusted in conjunction with any changes to the income guidelines. Staff would report on program participation in about a year's time and recommends withholding consideration of further program changes until then.

Further discussion ensued and staff responded to inquiries from the Board.

A motion was made by Director Sethy, seconded by Director Weed to adopt a resolution amending the Rate and Fee Schedule to set Help on Tap program income guidelines to the greater of 50% of Area Median Income or 250% of the Federal Poverty Level.

RESOLUTION NO. 20-012

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AMENDING THE RATE AND FEE SCHEDULE REGARDING THE
CUSTOMER ASSISTANCE PROGRAM

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.10 DELIVERY OF GROUNDWATER MONITORING REPORT AND SURVEY REPORT, AND ADOPTION OF RESOLUTIONS RELATING TO THE REPLENISHMENT ASSESSMENT ACT

Ms. Hidas reported that as required by the Replenishment Assessment Act of the Alameda County Water District (Replenishment Assessment Act), the District must prepare an Engineering Survey and Report on Groundwater Conditions (Survey Report) and the Board must adopt the necessary resolutions of intent on or before the second Tuesday of March as prerequisites to a Public Hearing, which must be held on the second Tuesday of April. The purpose of the Public Hearing is to allow public comment on both the Survey Report and the proposed replenishment assessment rate. The Survey Report includes a recommendation for a 5.4% increase in the replenishment assessment rate for groundwater pumped or extracted for other than agricultural and municipal recreational purposes, effective on July 1, 2020. This proposed increase is subject to public notification requirements that were established through Proposition 218. This recommendation is based on projected activities needed to sustain the groundwater basin in FY 2020/21, with consideration of groundwater levels and quality documented in the *2019 Groundwater Monitoring Report*. Approval of this item is consistent with Strategic Plan Goal 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies and Strategic Plan Goal 3 – Improve the District’s Financial Stability and Transparency.

The Replenishment Assessment Act was established by the State of California in Chapter 1942 of the Statutes of 1961, and amended by Chapter 947 of the Statutes of 1970 and Chapter 828 of the Statutes of 1974. The Replenishment Assessment Act gives the District the authority to take measures to ensure the quantity and quality of groundwater for the benefit of all users of the groundwater basin. Such measures include constructing, operating, and maintaining facilities for groundwater recharge; importing supplemental water for groundwater recharge; requiring metering of wells; and levying a replenishment assessment.

The Replenishment Assessment Act requires the Board to order an Engineering Survey and Report on Groundwater Conditions as the first step in the process to establish a replenishment assessment for the next fiscal year. The Survey Report on Groundwater Conditions must be provided to the Board in February to meet subsequent deadlines set forth by Proposition 218 and the Replenishment Assessment Act. On January 16, 2020, staff sent letters to all well owners/operators and interested parties identified as part of the Sustainable Groundwater Management Act informing them that the Board would be discussing and considering items pertaining to the Replenishment Assessment Act at the February 13, March 12, and April 14, 2020, regular Board of Directors meetings.

The Survey Report, ordered by the Board on November 14, 2019, has been completed. The *2019 Groundwater Monitoring Report*, which is referenced by the Survey Report, has also been completed. The remaining actions and schedule for increasing the replenishment assessment rate are as follows:

- February 13, 2020 - Regular Board Meeting: On or before the second Tuesday in March, the Board must adopt a resolution declaring that replenishment assessment revenue should continue over the coming fiscal year to fund a portion of groundwater basin costs. Following

adoption of this resolution, the Board must adopt a second resolution to extend the deadline for metering of certain non-metered wells for which annual water production is minimal and would not result in revenues justifying the costs to install meters.

- February 14 – 24, 2020: To comply with Proposition 218 notification requirements, staff will mail notices of the proposed rate increase to owners and operators of wells producing water for purposes other than agricultural and municipal recreation. The notices will include the amount of the proposed rate increase and the date and time of the public hearing (see below).
- March 12, 2020 - Regular Board Meeting: Staff will provide a presentation to assist the Board and the public in its review of the Survey Report and the *2019 Groundwater Monitoring Report*.
- April 14, 2020 - Regular Board Meeting/Public Hearing: The Board will receive public comment and consider the adoption of resolutions that will increase the replenishment assessment rate for groundwater pumped or extracted for other than agricultural and municipal recreational purposes, effective in FY 2020/21.

Additional work sessions on the Survey Report can be held at the Board's discretion. The Public Hearing, which must begin April 14, 2020, may be adjourned from time to time, but must be completed no later than May 5, 2020. The resolutions tentatively scheduled for consideration on April 14, 2020, may not be acted upon until completion of the Public Hearing, but must be adopted no later than May 12, 2020.

The Board received the *2019 Groundwater Monitoring Report* and the *Survey Report on Groundwater Conditions, February 2020*.

A motion was made by Director Gunther, seconded by Director Akbari to: 1) adopt a resolution declaring the Board's intention to continue use of replenishment assessment revenue to fund a portion of groundwater basin costs in FY 2020/21, setting April 14, 2020, at 6:00 p.m. as the date and time for a public hearing for consideration of the proposed increase to the replenishment assessment, and directing staff to mail to owners and operators of wells that would be subject to the replenishment assessment notification of the proposed increase and public hearing details and 2) adopt a resolution extending the deadline for installation of measuring devices on certain non-metered wells.

RESOLUTION NO. 20-013

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
DECLARING THAT FUNDS SHALL BE RAISED TO REPLENISH THE
GROUNDWATER SUPPLIES WITHIN THE DISTRICT AND CALLING A
PUBLIC HEARING

RESOLUTION NO. 20-014

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
EXTENDING DEADLINE FOR INSTALLATION OF MEASURING DEVICES
ON WELLS

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.11 AUTHORIZATION OF PLANNING AGREEMENT TO FORM THE SAN FRANCISCO BAY AREA ADVANCED QUANTIFICATION PRECIPITATION INFORMATION SYSTEM PROJECT LOCAL PARTNER AGENCIES COMMITTEE

Ms. Hidas reported that the San Francisco Bay Area Advanced Quantitative Precipitation Information System Project (AQPI Project) is a California Department of Water Resources (DWR) grant-funded program, developed in collaboration with federal, state, and local entities, to enhance rainfall detecting radar coverage over the San Francisco Bay Area. The AQPI Project will provide the District with enhanced rainfall predictions and finer resolution of rainfall data over the Alameda Creek watershed, benefitting District groundwater recharge activities by allowing District staff to be more proactive and informed when responding to rainfall events.

As part of the AQPI Project's network of five radar installations, the District is participating with the lead agency, Sonoma County Water Agency (Sonoma Water) and other partner agencies in the temporary installation and operation of one X-band radar unit to be located in the East Bay. Partner agencies for the East Bay radar unit have worked with agencies installing other AQPI radar units across the Bay Area to develop a regional Planning Agreement to Form the San Francisco Bay Area Advanced Quantification Precipitation Information System Project Local Partner Agencies Committee (Planning Agreement). The Planning Agreement documents the agencies' intent to work together toward a future long-term agreement that would establish a long-term funding and governance plan to ensure the continued operations of the AQPI Project after 2021. Board authorization of this Planning Agreement will help further the District's Strategic Plan Goal 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies and Goal 2.3 – Evaluate New and Innovative Water Management Concepts.

The AQPI Project includes installing four advanced X-band radars and one C-band radar in the region and developing standard and customizable data delivery systems accessible to participating agencies for providing more accurate weather data for the greater San Francisco Bay Area. The AQPI Project represents a partnership between local, state, and federal agencies, including the National Oceanic and Atmospheric Administration, Colorado State University's Cooperative Institute for Research in the Atmosphere, United States Geological Survey, Scripps Institute of Oceanography, and several local water, flood control, and wastewater agencies in the San Francisco Bay Area.

Under the terms of a separate cost sharing agreement approved by the Board of Directors on January 9, 2020, the District has committed up to \$31,000 towards the estimated \$165,000 for the temporary deployment of the East Bay radar unit through 2021 as the AQPI Project evaluates the suitability of the East Bay location, which will provide enhanced radar coverage for East Bay watersheds, including Alameda Creek. Per the conditions of the DWR grant, Sonoma Water would own the radar system, and local partners would contribute to contract costs and expenses, estimated to be through 2021. That agreement includes cost-share funds provided by the District, East Bay Municipal Utility District, Alameda County Flood Control and Water Conservation District, East Bay Dischargers Authority, and Contra Costa County Flood Control and Water Conservation District. If the East Bay site is determined to be suitable, the AQPI Project will install a permanent radar unit with the grant funding and incorporate the data into the existing regional AQPI Project network.

Currently, the District seeks to enter into a Planning Agreement, which includes San Francisco Public Utilities Commission and East Bay Dischargers Authority, and is anticipated to be approved by Sonoma Water, Santa Clara Valley Water District, East Bay Municipal Utility District, Alameda County Flood Control and Water Conservation District, and Contra Costa County Flood Control and Water Conservation District.

The Planning Agreement formalizes the partner agencies' intent to work together toward developing a separate implementation agreement that would establish provisions for long-term funding and that would set forth a governance plan to ensure the continued operations of the AQPI Project. Approval of the Planning Agreement will allow District staff to participate in the Local Partner Agencies Committee and provide input on the long-term funding and governance plans. The Planning Agreement does not commit the District to any funding, nor does it assign future costs for implementation of the AQPI Project. Staff will bring decisions on any long-term funding commitments to the Board for consideration.

Discussion ensued and staff responded from inquiries from the Board.

A motion was made by Director Gunther, seconded by Director Akbari to authorize the General Manager to enter into a Planning Agreement to Form the San Francisco Bay Area Advanced Quantification Precipitation Information System Project Local Partner Agencies Committee.

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

5.12 RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE STATE WATER CONTRACTORS FOR THE 2020 DRY YEAR WATER TRANSFER PROGRAM

Ms. Hidas reported that due to a shift toward dry hydrologic conditions, the State Water Contractors (SWC) is coordinating a Dry Year Water Transfer Program (Program) to purchase dry year supplies in 2020. The purpose of the Program is to provide a means for water agencies,

including the District, to purchase dry year supplies to supplement other available supplies. Execution of the 2020 Dry Year Water Transfer Agreement (Agreement) with SWC will allow the District to participate in the Program and potentially purchase dry year supplies should conditions remain dry and the District decides to secure additional water supplies through the Program. There is adequate funding in the FY 2019/20 budget to cover the cost of this Agreement. Board authorization of the Agreement will help meet the District's Strategic Plan Goal 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies.

Under the proposed Program, the SWC and State Water Project Contractors (Buyers) participating in the Program will jointly negotiate agreements to purchase water from Sellers for use during 2020. Buyers participating in the Program will ultimately execute individual water purchase agreements with Sellers, as well as agreements for storage and conveyance of the purchased water through State Water Project (SWP) facilities with the California Department of Water Resources (DWR). Water purchased under the Program will be subject to carriage water losses and dependent on DWR's ability to convey the water through SWP infrastructure.

In order to participate in the Program as a potential Buyer, the District would need to notify the SWC of an initial purchase request for water, execute an agreement to participate in the Program, and remit to the SWC a \$5 per acre-foot administrative deposit by March 2, 2020. The deposit could be later used to pay for the administration, environmental, and legal costs for any water purchase agreements that are executed through the Program. Commitments to execute water purchase agreements to continue participation in the Program would need to be made in the March or April timeframe. Buyers choosing not to execute water purchase agreements can withdraw from the Program and may receive some of the administrative deposit back. However, Buyers choosing to withdraw from the Program or choosing not to execute water purchase agreements will be responsible for a proportionate share of any administrative, environmental, and legal costs associated with the Program that were initiated prior to the date of withdrawing from the Program based on a Buyer's initial purchase request allocation proportion.

At this time, staff is requesting approval to execute the Program agreement with the SWC, with an initial purchase request of up to 10,000 AF. This would require an administrative deposit of \$50,000. This expenditure was not included in the FY 2019/20 budget, but is anticipated to be offset by savings in other areas of the budget. Staff will notify the Board when water from the Program becomes available, as well as the amount available, terms, and cost. Staff will also request Board authorization prior to the execution of any water purchase agreements that result from the Program.

A potential benefit of participation in the Program would be to secure additional water supplies in the event that the District's water supply conditions do not improve. Supplies from the Program would supplement the District's dry year reserves from the Semitropic Groundwater Banking Program and carry-over in the San Luis Reservoir. These additional supplies would also help to replenish local groundwater reserves if dry conditions continue through next year, and allow for potential carry-over of supplies for 2021.

Discussion ensued and staff responded to inquiries from the Board.

A motion was made by Director Sethy, seconded by Director Gunther to adopt a resolution authorizing the General Manager to execute the State Water Contractors 2020 Dry Year Water Transfer Agreement for an amount not to exceed \$50,000 for a deposit and administrative costs for the potential purchase of up to 10,000 AF from the 2020 Dry Year Water Transfer Program.

RESOLUTION NO. 20-015

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN
AGREEMENT WITH THE STATE WATER CONTRACTORS FOR THE 2020
DRY YEAR TRANSFER PROGRAM

The motion was passed by the following vote:

AYES: Directors Akbari, Gunther, Sethy, Weed, and Huang
NOES: None
ABSENT: None

President Huang called the meeting to recess at 7:22 P.M. and called the meeting back to order at 7:35 P.M.

6 – REPORTS

6.1 BOARD COMMITTEE REPORTS

- Operations & Water Quality Committee Meeting of January 8, 2020: 1) AWIA Consultant Agreement; 2) Tank and Reservoir Cleaning Contract; 3) Update on Lead Service Line Inventory; 4) Overview of Proposed Lead & Copper Rule Revisions
- Legal, Intergovernmental & Community Affairs Meeting of January 14, 2020: 1) Update on State Legislation; 2) SB 45 (Allen): Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020; 3) Public Outreach Update; 4) School Programs Update
- Engineering & Information Technology Meeting of January 15, 2020: 1) Update on Advanced Metering Infrastructure Project; 2) Update on Main Renewal Program; 3) Update on New Developments; 4) Review of Surplus District Properties
- Finance Meeting of January 21, 2020: 1) District-Wide Classification and Compensation Study; 2) Help on Tap Program; 3) Procurement Policy Update; 4) Income & Budget Statements
- Water Resources & Conservation Meeting of January 22, 2020: 1) Water Supply Outlook; 2) Old Jarvis Road Irrigation Well Destruction Project Update

6.2 OPERATIONAL REPORTS

- Rainfall Report
- Water Production Report
- Quarterly Well Level Report
- Quarterly Projects Review
- Quarterly Directors' Expense Report
- Investment Report
- Quarterly Budget Report
- Quarterly Personnel Report
- Distribution System Monthly Hardness Map

6.3 STAFF PRESENTATIONS – None

6.4 GENERAL MANAGER'S REPORTS

- Ms. Hidas provided an update on the Delta Conveyance project to the Board. Ms. Hidas reviewed the Notice of Preparation, Design and Construction Authority activities, State Water Project cost/benefit negotiations, and the next steps staff will take in regard to the project. Further discussion ensued and staff responded to inquiries from the Board.
- Mr. Arends provided the Board an update on the Paradise, California wildfire disaster and shared a letter of appreciation to the District from the Paradise Irrigation District for District staff's participation in disaster relief efforts.
- Ms. Hidas reported the District received a preliminary grant award for up to \$500,000 for the District's Alternative Update and Model Upgrade Project. The project involves upgrading the existing groundwater model to incorporate staff recommended updates as well as improvements recommended by the Department of Water Resources.
- Mr. Shaver reported on potential water-related bond initiatives currently being discussed by the California legislature. Mr. Shaver outlined several general bond provisions that may be applicable to planned District projects. Staff will continue to follow developments in Sacramento and work with its representative, JGC Consulting, as appropriate. Further discussion ensued and Mr. Shaver responded to inquiries from the Board.

7 – DIRECTOR'S COMMENTS, REPORTS ON MEETINGS ATTENDED, AND AGENDA ITEM REQUESTS

- Directors Sethy and Weed reported on their attendance at the Alameda County Special Districts Association meeting held on January 8, 2020 in Hayward, California.
- Directors Sethy and Weed reported on their attendance at the County of Alameda Countywide Oversight Board meeting held on January 22, 2020 in Oakland, California.
- Director Weed reported on his attendance at the Association of California Water Agencies Federal Affairs Committee meeting held on January 29, 2020 in Oakland, California.

- Directors Sethy and Weed reported on their attendance at the CalDesal Conference held February 5 through February 7, 2020 in Santa Barbara, California.

8 – CLOSED SESSION

Mr. Shaver announced that the Board will convene in closed session to discuss the following items:

- 8.1 Pursuant to California Government Code Section 54956.9 (d)(4)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation
One Potential Case
- 8.2 Pursuant to California Government Code Section 54956.8
Conference with Real Property Negotiators
Property: N3 Cattle Company, consisting of 131 parcels and approximately 50,535 acres in Alameda County, Santa Clara County, San Joaquin County, and Stanislaus County – Assessor’s Parcel Nos. were furnished by Owners’ Representative
Agency Negotiators: Robert Shaver and Ed Stevenson
Negotiating Parties: N3 Cattle Company, LLC; REN, Jr.; and REN, Jr., TR
Under Negotiation: Price and Terms of Payment

President Huang adjourned the meeting to closed session at 8:31 P.M. and reconvened the meeting at 10:20 P.M.

Mr. Shaver reported that in closed session the Board conferred with legal counsel regarding Item 8.1 and no action was taken.

Mr. Shaver reported that in closed session the Board conferred with real property negotiators regarding Item 8.2. The Board provided direction to agency negotiators.

There being no further business to come before the Board, the meeting adjourned at 10:23 P.M.

/s/ ANDREW WARREN
Andrew Warren, Assistant District Secretary

Attest:

/s/ JUDY C. HUANG
Judy C. Huang, President