April 18, 2012

The Honorable Fran Pavley  
Chair, Senate Committee on  
Natural Resources and Water  
California State Senate  
State Capitol, Room 4035  
Sacramento, CA 95814

The Honorable Lois Wolk  
Chair, Senate Committee on  
Governance and Finance  
California State Senate  
State Capitol, Room 5114  
Sacramento, CA 95814

RE: Senate Bill 1337 – SUPPORT WHEN AMENDED

Dear Senator Pavley and Senator Wolk:

This letter expresses the support of Dublin San Ramon Services District (DSRSD) for SB 1337 (DeSaulnier), which would remove Zone 7 from the Alameda County Flood Control and Water Conservation District and instead create the Zone 7 Water Agency, as prescribed, with the same specified authorizations, powers, and duties that are currently enjoyed by Zone 7. This support position is contingent upon the removal of Section 1, Article 4(b) (definition of water) from the April 9, 2012 version of the bill. Without that amendment, DSRSD would be adamantly opposed, for reasons discussed with the author and sponsor.

DSRSD provides drinking water to close to 70,000 people—in Dublin, which is in Alameda County, and in the Dougherty Valley portion of San Ramon, which is in Contra Costa County. This water all comes from Zone 7. DSRSD also provides wastewater collection and treatment at its Regional Wastewater Treatment Facility for approximately 132,000 people in Dublin, Pleasanton (by contract) and southern San Ramon. DSRSD has produced recycled water for landscape irrigation and construction since 1999. In 2006, DSRSD and East Bay Municipal Utility District (EBMUD) formed the San Ramon Valley Recycled Water Program, which currently serves 52 DSRSD commercial customers at 188 sites, and 10 EBMUD customers at 35 sites. DSRSD serves more than 145,000 people.

By contract, DSRSD distributes Zone 7 water to over 19,000 residents in Dougherty Valley. This number is expected to grow to more than 28,000 residents when Dougherty Valley is built out in 2020 and at that time is projected to be approximately 10% of the total population served by Zone 7. As long as Zone 7 remains part of the Alameda County Flood Control and Water Conservation District, these Contra Costa County residents will remain disenfranchised, without the right to vote for or serve on the Zone 7 Board of Directors. Dougherty Valley residents also are included in an assessment district administered by DSRSD. These assessments will become inequitable as the Dougherty Valley population grows.
At its April 17, 2012 meeting, the DSRSD Board of Directors voted unanimously to support SB 1337 when amended. A copy of the support resolution is attached.

Sincerely,

[signature]

BERT MICHALCZYK
General Manager

cc: Honorable Mark DeSaulnier
    Honorable Loni Hancock
    Honorable Joan Buchanan
    Ms. Marisa Lanchester, Senate Committee on Governance and Finance
    Ms. Krimilda McKenzie, Senate Committee on Governance and Finance
    Senate Governance and Finance Committee Members
    Ms. Patricia Hanson, Senate Natural Resources and Water Committee
    Senate Natural Resource and Water Committee Members
    Mr. Brian Weinberger
    Mr. Dennis O’Connor
    Mr. Steve McCarthy
    Mr. Ryan Eisberg
    Mr. Mark Theisen, The Gualco Group, Inc.
    Ms. Cindy Tuck, Association of California Water Agencies
    Ms. Jill Duerig, Zone 7 Water Agency

Attachment
RESOLUTION NO. 12-12

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT EXPRESSING DISTRICT POSITION ON SENATE BILL 1337 (DESAULNIER) REGARDING THE SEPARATION OF ZONE 7 FROM ALAMEDA COUNTY

WHEREAS, the District and Zone 7 have entered into a long term water supply contract under which the District purchases and receives a water supply for its service area from Zone 7; and

WHEREAS, Zone 7 was organized by statute in 1949 as a subsidiary agency of Alameda County and has gradually moved to becoming more and more independent from Alameda County, most recently through enactment of AB 1125 in 2003; and

WHEREAS, Zone 7 now desires to fully separate from Alameda County and has sponsored SB 1337 (DeSaulnier) in the current legislative session to do so; and

WHEREAS, Zone 7's proposed separation from Alameda County will allow for the enfranchisement of Dougherty Valley voters in Zone 7 elections; and

WHEREAS, Zone 7's proposed separation from Alameda County will enable Zone 7 to charge certain Zone 7 water-service charges directly to properties in the Dougherty Valley rather than through the Dougherty Valley Stand-by Charge Assessment District thus creating equity for all beneficiaries of Zone 7 water; and

WHEREAS, Zone 7's proposed separation from Alameda County will reduce the administrative cost of Zone 7 by eliminating the need for duplicative County services and oversight; and

WHEREAS; Zone 7's proposed separation from Alameda County is a positive movement toward local control of service.

WHEREAS, in accordance with the District’s Legislative Advocacy Policy, SB 1337 is classified as having a direct and significant bearing on the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency in the counties of Alameda and Contra Costa, California, that:
1. In accordance with the District’s Legislative Advocacy Policy, the District takes a support position on SB 1337 (DeSaulnier); and
2. Said support position is contingent upon the amendment of the April 9, 2012 version of the bill by deleting the definition of Water at Section 1, Article 4(a) of the bill or the functional equivalent of doing so.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, counties of Alameda and Contra Costa, at its regular meeting held on the 17th day of April 2012, and passed by the following vote:

AYES: 4 - Directors D.L. (Pat) Howard, Dawn L. Benson, Georgean M. Vonheeder-Leopold, Richard M. Halket

NOES: 0

ABSENT: 0

Richard M. Halket, President

ATTEST: Nancy Gamble Hatfield, District Secretary

CERTIFIED AS A TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE IN THE OFFICE OF DUBLIN SAN RAMON SERVICES DISTRICT Secretary Nancy Gamble Hatfield

APR 18 2012