

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS

DATE: Wednesday, January 19, 2022
TIME: 6:30 p.m. Closed Session
7:00 p.m. Open Session (time approximate)
PARTICIPATION: **Zoom:** [https://us02web.zoom.us/j/828 4614 7042](https://us02web.zoom.us/j/82846147042) or
Phone: (669) 900-6833 • Meeting ID: 828 4614 7042

Due to COVID-19 and in accordance with Governor Newsom's Executive Orders N-29-20 and N-08-21 which modify portions of the Brown Act related to participation in public meetings, this meeting will be conducted virtually. Public comment may be provided in advance of the meeting by emailing publiccomment@zone7water.com before 12:00 p.m. on January 19, 2022, or during the meeting using the link or phone number above.

AGENDA

1. Closed Session – Open Session to follow at approximately 7:00 p.m.
 - a. Conference with Real Property Negotiators – Property: APNs 904-0001-004-02; 904-0001-002-14; 904-0001-007-35; 904-0001-007-08; 946 -1350-004-00; 904 -0010-002-02; 904 -0010-007-00; 904 -0003-001-04; 904 -0001-007-32; 904-0001-002-12 and 904-0001-007-21
Agency Negotiators: Valerie Pryor, Jarnail Chahal and Rebecca Smith
Negotiating Parties: Zone 7 Water Agency and Jamieson Company, LLC
Under Negotiation: Price and terms of payment
 - b. Conference with Legal Counsel – Existing litigation pursuant to Gov't Code section 54956.9(d) (1): (1) City and County of San Francisco v. County of Alameda (Contra Costa County Superior Court Action No. MSN18-0928), (2) County of Butte v. California Department of Water Resources (California Supreme Court No. S258574), (3) State Water Contractors v. California Department of Fish & Wildlife (Fresno County Superior Court, filed April 29, 2020), (4) Thomason v. Morrow (Alameda County Superior Court No. 18918041)
 - c. Conference with Real Property Negotiators – Property: APNs 904-0001-004-02; 904-0001-007-08; 904-0001-002-14; and 904-0001-007-35
Agency Negotiators: Valerie Pryor, Colter Andersen, and Rebecca Smith
Negotiating Parties: Zone 7 Water Agency and Lehigh Hanson
Under Negotiation: Price and terms of payment

2. Open Session and Report Out of Closed Session

3. Call Meeting to Order and Roll Call

4. Public Comment

The Public Comment section provides an opportunity to address the Board of Directors on items that are not listed on the agenda, or informational items pertinent to the agency's business. The Board welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the agency or are within the jurisdiction of the agency. The Board will not be able to take action on matters brought to its attention under this item until a future board meeting.

5. Consent Calendar

- a. Board of Directors Authority to Hold Virtual Meetings Pursuant to AB 361
- b. As-Needed Centrifuge Maintenance Services
- c. Renewal of Municipal Water Quality Investigations Program Agreements
- d. Request for Out-of-State Travel to Attend Upcoming Association of California Water Agencies' DC Conference

Recommended Action: Adopt Resolutions

6. Minutes

- a. Regular Board Meeting Minutes of December 15, 2021

7. Outreach and Communications Program Update

Recommended Action: Presentation only

8. Third Amendment to 2019 Sites Reservoir Project Agreement

Recommended Action: Adopt Resolution

9. Committees

- a. Legislative Committee Meeting Notes of December 6, 2021
- b. Water Resources Committee Meeting Notes of December 7, 2021
- c. Finance Committee Meeting Notes of December 8, 2021

10. Reports – Directors

- a. Verbal Comments by President
- b. Written Reports
- c. Verbal Reports

11. Items for Future Agenda – Directors

12. Staff Reports
 - a. General Manager's Report
 - b. December Outreach Activities
 - c. Legislative Update
 - d. Monthly Water Inventory and Water Budget Update
 - e. Verbal Reports
13. Adjournment
14. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, unless otherwise noted.)
 - a. Water Resources Committee Meeting: January 25, 2022, 10:00 a.m. (Zoom)
 - b. Administrative Committee Meeting: January 26, 2022, 4:00 p.m. (Zoom)
 - c. Legislative Committee Meeting: January 27, 2022, 4:00 p.m. (Zoom)
 - d. Special Board Meeting (Closed Session only): February 2, 2022, 6:00 p.m. (Zoom)
 - e. Regular Board Meeting: February 16, 2022, 7:00 p.m. (Zoom)

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

REGULAR MEETING
December 15, 2021

The following were present:

DIRECTORS: SANDY FIGUERS
DENNIS GAMBS
LAURENE GREEN
SARAH PALMER
OLIVIA SANWONG
MICHELLE SMITH MCDONALD

DIRECTORS ABSENT: ANGELA RAMIREZ HOLMES

ZONE 7 STAFF: VALERIE PRYOR, GENERAL MANAGER
OSBORN SOLITEI, TREASURER/ASSISTANT GENERAL MANAGER, FINANCE
COLTER ANDERSEN, PRODUCTION MANAGER
JARNAIL CHAHAL, ENGINEERING MANAGER
CAROL MAHONEY, GOVERNMENT RELATIONS MANAGER
TERI YASUDA, ACCOUNTING MANAGER
KEN MINN, GROUNDWATER RESOURCES MANAGER
TOM ROOZE, ASSOCIATE HYDROGEOLOGIST
DONNA FABIAN, EXECUTIVE ASSISTANT

COUNSEL: REBECCA SMITH, DOWNEY BRAND

Item 1 – Closed Session

The Board went into Closed Session at 6:31 p.m., Director Figuers joined at 6:53 p.m., and the Board came out of Closed Session at 7:06 p.m.

Item 2 – Open Session, Roll Call and Pledge of Allegiance

Vice President Palmer called the Regular Board Meeting to order at 7:16 p.m.

Item 3 – Report Out of Closed Session – nothing to report

Item 4 – Public Comment – none

Item 5 – Minutes

Director Figuers made a motion to approve the minutes from the October 20, 2021, Regular Board Meeting and Director Green seconded the motion. The minutes were approved by a voice vote of 6-0 with Director Ramirez Holmes absent. Director Palmer made a motion to approve the minutes from the November 17, 2021, Regular Board Meeting and Director Figuers seconded the motion. The minutes were approved by a roll call vote of 5-0-1 with Director Smith McDonald abstaining and Director Ramirez Holmes absent.

Item 6 – Consent Calendar

Director Smith McDonald moved to approve Items 6a through 6f and Director Figuers seconded the motion. Items 6a through 6f were approved by a roll call vote of 6-0 with Director Ramirez Holmes absent.

Resolution No. 21-91	Annual Report on Collection and Use of Development Fees
Resolution No. 21-92	Award Contract for Fleet Washing and Disinfection Services
Resolution No. 21-93	Vacuum Service Truck Purchase
Resolution No. 21-94	Award As-Needed Generator Rental Services Contract
Resolution No. 21-95	Award Contract to PFM Asset Management LLC for Investment Advisory Services
Resolution No. 21-96	Second Amendment to Agreement No. A00-50-DUB with Dublin San Ramon Services District Regarding Mocho Well #4

Item 7 – Independent Auditor’s Report and Annual Comprehensive Financial Report (ACFR) for FY Ended June 30, 2021

Osborn Solitei, Treasurer/Assistant General Manager – Finance, introduced Vanessa Burke from The Pun Group who presented the Independent Auditor’s Report and Annual Comprehensive Financial Report (ACFR). Ms. Burke went over what The Pun Group’s scope of work entailed in terms of the audit, their annual required communications, an overview of Zone 7’s financial statements, and then the results of the audit. Ms. Burke stated that The Pun Group issued an unmodified opinion, which is the highest level opinion an organization can receive. Director Smith McDonald made a motion to accept the audit report and Director Green seconded the motion. The resolution was approved by a roll call vote of 6-0 with Director Ramirez Holmes absent. The presentation will be uploaded to Zone 7’s website.

Item 8 – Adoption of the 2022 Update of the Alternative Groundwater Sustainability Plan for the Livermore Valley Groundwater Basin

Tom Rooze, Associate Hydrogeologist, presented a summary of Zone 7's five-year update to its Alternative Groundwater Sustainability Plan (GSP). Mr. Rooze went over the goals and tasks that were accomplished in 2021. One of the major items that were updated were the sustainable management criteria. He summarized Zone 7's outreach activities, including keeping the website updated throughout the process and communicating with the stakeholders. He then talked about the current status of the project.

Director Gambs suggested better modeling of the groundwater to help with water management decisions, including what has been done over the last few years since approximately 15,000 acre-feet has been used when over 120,000 acre-feet was estimated as usable storage. He felt that decreasing another 10,000 acre-feet could have saved \$10 million in water purchases.

Mr. Rooze responded that improving the groundwater model was one of the main long-term goals, however a groundwater model is only as good as the data used to create it. The short-term wish list items address and develop the data for the model.

Director Sanwong thought that reviewing the drought management plan meant going deeper into the groundwater basin than what was done previously in terms of the agency's water supply.

Valerie Pryor, General Manager, replied that staff were not necessarily going deeper, but they may have to depending on how many years the drought continues. 2021 will be the highest amount of pumping extraction than ever before, and staff are planning to do the same for 2022.

Director Green asked for information on the Groundwater Dependent Ecosystems (GDE). Mr. Rooze replied that in the first GSP, staff identified the Springtown Alkali Sink as a GDE. What has happened since 2016 is there has been a statewide development of additional data sets, and that is what EKI worked on.

Director Green asked Mr. Rooze what he learned from it. Mr. Rooze replied that staff thinks that the GDEs are healthy and they now have the tools to monitor them.

Director Figuers stated that in the next 10 years, a full understanding of the three-dimensional part of the basin is important, which is composed of two parts. There is the geology, which is the framework through which the water flows, and the actual flowing water, which sometimes can be quite independent of the geology. Staff would have to determine how deep the water is moving. He added that the geochemistry of the water must be reviewed to determine where it came from.

Director Palmer opened it up to a public hearing. No comments were received. Director Palmer closed the public hearing. Director Gambs moved to approve the resolution and Director

Figuers seconded it. The item was approved by a roll call vote of 6-0 with Director Ramirez Holmes absent.

Item 9 – Draft Legislative Framework

Carol Mahoney, Government Relations Manager, presented the Draft Legislative Framework which was reviewed and discussed at the Legislative Committee meeting. The Legislative Framework will act to guide the Committee and the Board in providing direction to staff on matters pertaining to agency interests with respect to federal, state, and local government legislative actions.

Director Green asked for an example on how the Board can only take positions on proposals that impact the agency or state water policy, as mentioned under Strategies. Ms. Mahoney replied that there may be legislation associated with water districts that are specific to the Sacramento or the Central Valley area, so groundwater agencies may take action in that area and Zone 7 would not because it is in a different basin.

Director Green asked for clarification on the process, for example, if a hot issue came up, would it start in the Legislative Committee and then come to the full Board for a vote.

Ms. Mahoney replied yes, that if a piece of legislation has potential bearing on Zone 7's business, then it would be brought before the Committee to be discussed. If it is something the agency wishes to support, it would then be brought before the full Board.

Director Smith McDonald made a motion to approve the Legislative Framework, and Director Green seconded the motion. The resolution was approved by a roll call vote of 6-0 with Director Ramirez Holmes absent.

Item 10 – Committees

No comments were received from the Board.

Item 11 – Temporary Adjournment/Continuance of Zone 7 Water Agency Meeting

Items 12-16

[See “Minutes of the Board of Directors, Livermore Valley Water Financing Authority, Regular Meeting, December 15, 2021”]

Item 17 – Call Zone 7 Water Agency Meeting to Order

Item 18 – Reports – Directors

Director Palmer submitted a written report and gave a brief verbal report.

Item 19 – Items for Future Agenda – Directors

Director Sanwong suggested a review of the implications of the 0% allocation from the state Water Project and what the agency might be doing for the untreated water customers. She also would like a better understanding of the reverse flow from Kern County and the water banks south of Zone 7. Ms. Pryor addressed these items in Item 20 as noted below.

Director Palmer asked about AB 361 and if it is something Zone 7 could take advantage of.

Rebecca Smith, General Counsel, thanked Director Palmer for her comment and replied that, as a reminder, AB 361 is the new legislative action that would allow the Board to meet remotely with more streamlined noticing requirements than the Brown Act ordinarily provides. Ms. Smith stated that the Board can pick that up at any time, but a resolution must be adopted every 30 days once they start it.

Item 20 – Staff Reports

Ms. Pryor highlighted a few items from the General Manager's Report including the drought emergency, the 0% allocation from the state, and the Delta Conveyance Project. Ms. Pryor said the soonest the agency would hear of any potential change in allocation might be February so everyone must keep conserving to save the locally stored groundwater to get through 2022. Ms. Pryor added that as far as potential reverse flow operations in the California aqueduct, it has not been done before. Ms. Pryor highlighted the Delta Conveyance Project and stated that the Board would consider the next phase of funding by Spring of 2022. Ms. Pryor also stated that the Department of Water Resources (DWR) hosted four informational webinars between July and September providing background information related to the preparation of the Draft Environmental Impact Report (EIR) for the Delta Conveyance Project. DWR held the webinars to keep the public and interested stakeholders informed about the current progress related to that EIR.

Director Smith McDonald asked if there would be a report on the uptake of the agency's rebate programs.

Ms. Pryor confirmed that information will be provided to the Board.

Vice President Palmer adjourned the meeting at 8:46 p.m.

ORIGINATING SECTION: Administration**CONTACT:** Donna Fabian**AGENDA DATE:** January 19, 2022**SUBJECT:** Board of Directors Authority to Hold Virtual Meetings Pursuant to AB 361**SUMMARY:**

On September 16, 2021, Governor Gavin Newsom signed Executive Order N-15-21 clarifying that public agencies may continue to meet remotely in accordance with procedures established by prior Executive Orders. Assembly Bill 361 (AB 361) expands public agencies' ability to meet remotely during proclaimed states of emergency. Agencies that meet remotely under AB 361 are subject to modified Brown Act noticing and voting requirements that are similar but not identical to the rules and procedures established by the previous Executive Brown Act Orders.

AB 361 authorizes local agencies to use these modified procedures subject to a finding by the agency's Board that (1) a state of emergency has been proclaimed pursuant to Section 8625 of the California Emergency Services Act; and (2) either the state of emergency directly impacts the ability of the members to meet safely in person, *or* State or local officials have imposed or recommended measures to promote social distancing. These findings should be revisited every 30 days.

Due to increased COVID-19 activity within Alameda County, the Board of Directors will consider moving Board and committee meetings to remote participation, for the safety of participants and Board members.

FUNDING:

N/A

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY

SECONDED BY

Board of Directors Authority to Hold Virtual Meetings Pursuant to AB 361

WHEREAS, the Zone 7 of the Alameda County Flood Control and Water Conservation District (Zone 7) is committed to preserving public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Zone 7 are open and public, as required by the Ralph M. Brown Act (Gov. Code, §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the agency's legislative body conduct its business; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a statewide emergency arising from the coronavirus (COVID-19); and

WHEREAS, in light of that state of emergency Governor Newsom's Executive Orders N-29-20 and N-08-21, suspended certain provisions of the Brown Act pertaining to teleconferenced meetings through September 30, 2021; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 (Rivas) as urgency legislation effective immediately, which provides that legislative bodies may continue to meet remotely during a declared State of Emergency subject to certain conditions; and

WHEREAS, a required condition of AB 361 is a finding by the legislative body of the agency that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, AB 361 further requires a finding that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist within the agency, specifically, on March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency to exist in California due to the threat of COVID-19; and despite sustained efforts, the virus continues to spread and has impacted nearly all sectors of California.

THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District, finds that the Governor's March 4, 2020, declaration of a state of emergency due to the COVID-19 pandemic remains active.

THEREFORE, BE IT FURTHER RESOLVED that the Board of Directors does hereby find that meeting in person would present imminent risks to the health or safety of attendees due to the prevalence of the Omicron variant of the COVID-19 virus, the indoor setting of meeting facilities, the potential presence of unvaccinated individuals attending meetings, and the potential for noncompliance with mask wearing requirements.

THEREFORE, BE IT FURTHER RESOLVED that in order to protect the health of staff and the public the agency shall conduct its meetings remotely pursuant to the provisions of AB 361, as authorized by subdivision (e) of Government section 54953, and that the Board shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on January 19, 2022.

By: _____
President, Board of Directors

ORIGINATING SECTION: Maintenance

CONTACT: Colter Andersen

AGENDA DATE: January 19, 2022

SUBJECT: Award As-Needed Centrifuge Maintenance and Repair Services

SUMMARY:

- The proposed action is in support of Zone 7 Mission Statement to deliver safe, reliable, efficient and sustainable water and flood protection services and Zone 7 Strategic Plan Goal B; Safe Water: Provide customers with safe water. Staff is proposing to award an as-needed contract for centrifuge equipment maintenance and repair services.
- The water treatment process at the DVWTP includes ozonation, coagulation, flocculation, sedimentation and filtration. As contaminants are removed from water through these processes, sludge byproducts are created. Centrifuge equipment is used to separate the sludge from the water for later disposal in landfills.
- The current equipment has been in service since 2014 and has been maintained through a contract with the equipment manufacturer. That contract is no longer available. In accordance with the Agency Purchasing Policy, staff conducted a formal request for quote (RFQ) No. 2022-07 from different vendors and CentriTek was the lowest responsive bidder.
- In recent years, the cost of repairs and maintenance of the centrifuge equipment is \$40,000 to \$85,000 per year. The maintenance and repair services are dependent on hours of run time and the amount of sludge produced. As the equipment ages, it is anticipated that repairs and maintenance will be more frequent.
- Staff recommends that the Board authorize the General Manager to:
 - Negotiate, execute and amend an as-needed centrifuge repair/maintenance services contract with CentriTek, for a one-year term starting January 1, 2022 through December 31, 2022 for a contract amount not-to-exceed \$100,000.
 - Extend the as-needed maintenance and repair services contract based on satisfactory performance for up to two (2) additional one-year terms; (2023 for \$100,000 and 2024 for \$100,000) for a total contract amount not-to-exceed \$300,000.

FUNDING: For FY 2021-22 funding is available in Fund 100 – Water Operations; subsequent funding will be budgeted appropriately in the following fiscal years.

RECOMMENDED ACTION: Adopt the attached Resolution.

ATTACHMENT: Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Award As-Needed Centrifuge Maintenance and Repair Services Contract

WHEREAS, Zone 7 of the Alameda County Flood Control and Water Conservation District is committed to delivering safe, reliable, efficient, and sustainable water and flood protection services; and

WHEREAS, Zone 7's awarding of as-needed centrifuge maintenance and repair services contract supports Strategic Plan Goal B; Safe Water: Provide customers with safe water; and

WHEREAS, the current equipment has been in service since 2014 and has been maintained through a contract with the equipment manufacturer and that contract is no longer available; and

WHEREAS, a Request for Quotation (RFQ No. 2022-07) was issued to qualified vendors to solicit bids for centrifuge maintenance and repair services, and CentriTek was found to be the lowest responsive bidder; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate, execute and amend as-needed a one-year (CY January 1, 2022 through December 31, 2022) contract with CentriTek for Centrifuge maintenance and repair services for a not-to-exceed cost of \$100,000; and

BE IT FURTHER RESOLVED that the General Manager be authorized to extend the as-needed centrifuge maintenance and repair services contract based on satisfactory performance for up to two (2) additional calendar one-year terms (CY 2023 and CY 2024) for a total three-year contract amount not-to-exceed amount of \$300,000.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on January 19, 2022.

By: _____
President, Board of Directors

ORIGINATING SECTION: Water Quality
CONTACT: Brian Keil/Gurpal Deol

AGENDA DATE: January 19, 2022

SUBJECT: Renewal of Municipal Water Quality Investigations Program Agreements

SUMMARY:

- In our commitment to providing a reliable supply of high-quality water, Zone 7 Water Agency (Zone 7) has participated in the Municipal Water Quality and Investigations (MWQI) program since 1982. The renewal of the MWQI agreements will continue Zone 7 participation for the 2023-2025 calendar years. The continued participation in the MWQI program is in support of Strategic Plan Initiative #5 - Meet or surpass all drinking water health and safety requirements.
- The Department of Water Resources' (DWR) Municipal Water Quality Investigations (MWQI) Program and its predecessor, the Delta Health Aspects Monitoring Program, have been funded by the State Water Project (SWP) Contractors since 1982.
- The MWQI program monitors the water quality of the delta and the water being delivered to the State Water Project contractors.
- Due to its proximity to the source, Zone 7 Water Agency benefits from this program and the information provided, and therefore has been an active participant in the program since it began.
- The MWQI program includes on-line water quality monitoring, routine sampling and analyses, and preparation of the SWP sanitary survey updates to meet regulatory requirements. The Program is administered through two contracts – one with DWR and one with the State Water Contractors organization (SWC).
- The existing MWQI agreements, which expire at the end of 2022, covered the three-year period 2020-2022 at a funding level of \$3.1 million per year. The annual total cost of the MWQI program for 2023 to 2025 is proposed to be same, not to exceed \$3.1 million for any single program year. Zone 7's proportional share of funding under this agreement for the MWQI program costs in any program year is not to exceed \$90,000.
- Staff recommends that the Board authorize the General Manager to negotiate, execute and amend as needed, the Municipal Water Quality Investigations Agreement with the Department of Water Resources and the Specific Projects Agreement with the State Water Contractors, for the calendar years 2023 through 2025, for a combined not-to-exceed total amount of \$90,000 per year for both agreements.

FUNDING:

This program is funded from Fund 100 – Water Enterprise

RECOMMENDED ACTION:

Adopt the attached Resolution.

BACKGROUND:

The Sacramento-San Joaquin Delta conveys drinking water from Lake Oroville to about two-thirds of the State's population. In 1981, a scientific advisory panel appointed by the Department of Water Resources (DWR) recommended that Delta water quality should be monitored and assessed to protect human health. DWR responded by forming the Interagency Delta Health Aspects Monitoring Program in 1982. This program was renamed the Municipal Water Quality Investigations (MWQI) Program in 1990. As the original name implies, the focus of the program has been on monitoring water quality parameters that may directly or indirectly affect the ability of the Municipal and Industrial (M&I) suppliers to meet primary drinking water standards.

DISCUSSION:

The MWQI Program provides valuable information for the State Water Project (SWP) M&I Contractors and other programs to ensure the best available source water is pumped from the Delta, to efficiently operate the water storage and treatment facilities, and to plan for and design cost-effective drinking water improvement alternatives to meet future drinking water quality standards using water supplies conveyed through the Delta.

Some of the projects performed or planned by the MWQI Program are: preparation of the SWP sanitary survey updates to meet regulatory requirements, real-time water quality monitoring, water quality forecasting, continued development and expansion of real-time monitoring and forecasting capabilities in the SWP, routine sampling and laboratory analysis for key water quality constituents throughout the Delta and the SWP, emergency response to water quality events, and support and interaction with other agencies like Delta Stewardship Council, California Urban Water Agencies (CUWA), and the Central Valley Regional Water Quality Control Board (CVRWQCB) through various studies and programs.

ATTACHMENT:

Resolution

ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Renewal of Municipal Water Quality Investigations Program Agreements

WHEREAS, in our commitment to providing a reliable supply of high-quality water, Zone 7 Water Agency (Zone 7) has participated in the Municipal Water Quality and Investigations (MWQI) program since 1982; and

WHEREAS, Zone 7's participation in the MWQI program is in support of Strategic Plan Initiative #5 - Meet or surpass all drinking water health and safety requirements; and

WHEREAS, the MWQI program and its predecessor, the Delta Health Aspects Monitoring Program, has been funded by the SWC since 1982 and has provided support to the SWCs since its inception; and

WHEREAS, Zone 7 directly benefits from the MWQI program and the information provided, including on-line water quality monitoring, routine sampling and analyses, and preparation of the SWP sanitary survey updates to meet regulatory requirement; and

WHEREAS, the existing Zone 7 MWQI agreements covering the three-year period 2020-2022 will expire at the end of 2022; and

WHEREAS, renewal of the MWQI agreements will continue Zone 7's participation for the 2023-2025 calendar years.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate, execute and amend as needed, the Municipal Water Quality Investigations Agreement with the Department of Water Resources and the Specific Project Agreement with State Water Contractors, for the calendar years 2023 through 2025, for a combined not-to-exceed total amount of \$90,000 per year for both agreements.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of Alameda County Flood Control and Water Conservation District on January 19, 2022.

By _____
President, Board of Directors

ORIGINATING SECTION: Administration**CONTACT:** Donna Fabian**AGENDA DATE:** January 19, 2022**SUBJECT:** Request for Out-of-State Travel to Attend Upcoming Association of California Water Agencies' DC Conference**SUMMARY:**

Directors Laurene Green and Angela Ramirez Holmes have expressed an interest in attending the Association of California Water Agencies' (ACWA) Annual DC Conference to be held March 1-3, 2022, at the Mayflower Hotel in Washington, D.C. The preliminary agenda is not available at the time of this report. This event traditionally provides an opportunity to learn about the priorities of Congress and the Administration, to get the latest on the budget and funding for programs of interest to Zone 7, to meet and join fellow water agencies in demonstrating the national importance of California water issues and to allow attending members to be better positioned to develop federal legislative and regulatory strategies. Meeting highlights usually include: learning from Congressional leaders, top officials at EPA, the US Army Corps of Engineers, the Bureau of Reclamation and the Department of Justice, as well as to learn about the 2022 agendas of members of the California Congressional Delegation.

In general, Directors and staff may attend any in-state ACWA event without seeking approval from the Board for reimbursement of travel and registration expenses. Also, Directors who serve in a committee which is meeting at the conference can attend the conference. However, this is an out-of-state conference so additional Board authorization must be obtained for both board and staff members.

FINANCIAL:

Registration for ACWA's Annual DC conference is \$795; there are also miscellaneous expenses associated with attendance, i.e., airfare, parking, accommodations, with a total cost estimated at \$4,100 per person. Funds are available from Fund 100 - Water Enterprise.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**Authorization for Out-Of-State Travel to Attend Upcoming
Association of California Water Agencies' DC Conference**

WHEREAS, Directors Laurene Green and Angela Ramirez Holmes have expressed an interest in attending the Association of California Water Agencies' (ACWA) Annual DC Conference to be held March 1-3, in Washington, DC;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control & Water Conservation District does hereby authorize Directors Green and Ramirez Holmes' attendance at ACWA's Annual DC Conference; and

BE IT FURTHER RESOLVED that Directors Green and Ramirez Holmes both be reimbursed for actual and necessary expenses associated with attendance at this event.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on January 19, 2022.

By: _____
President, Board of Directors

ORIGINATING SECTION: Integrated Planning

CONTACT: Lillian Xie/Amparo Flores

AGENDA DATE: January 19, 2022

SUBJECT: Third Amendment to 2019 Sites Reservoir Project Agreement

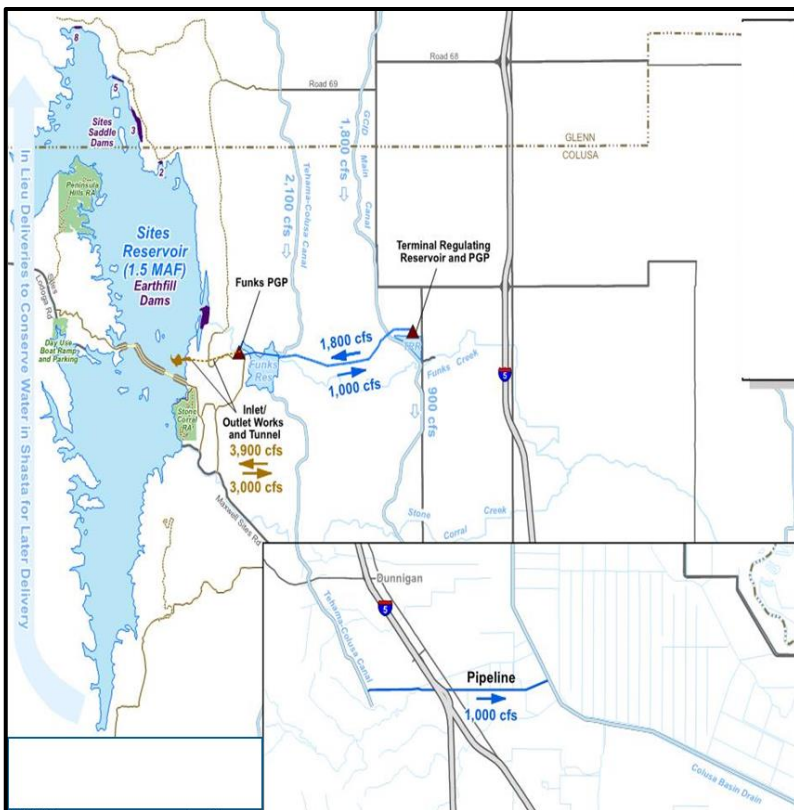
SUMMARY:

- In order to support the Mission Statement to deliver safe, reliable, efficient and sustainable water, the Zone 7 Water Agency (Zone 7) has been considering the Sites Reservoir Project (Project), which would construct a new off-stream reservoir located 75 miles northwest of Sacramento. Sites Reservoir could provide both storage and supply to Zone 7, which is in support of Strategic Plan Initiative No. 1 – Establish a diversified water supply plan.
- In December 2016, the Board authorized participation in Phase 1 at a cost of \$850,000. In January 2019, the Board authorized participation in Phase 2 (2019 Sites Reservoir Project Agreement) at \$600,000. In July 2020, the Board authorized a Second Amendment to Phase 2 at \$1 million. To-date, work funded under these two phases has included preliminary planning and design work, at a total Zone 7 actual cost of about \$2.4 million.
- At this time, continued participation in the Project from January 1, 2022 through December 31, 2024 will require a contract amendment (Third Amendment), including additional contribution of up to \$4 million from Zone 7 for continued participation level of 10,000 acre-feet per year over three years. The amended Phase 2 will include work on securing federal funding, executing contracts with Project participants, obtaining permits and water rights, and developing the engineering design.
- The capital cost of Sites Reservoir is currently estimated at \$3.9 billion (2021 \$) based on the Project's preferred alternative of a 1.5 MAF reservoir. The capital cost to Zone 7 is estimated at \$176 million (2021 \$) with the unit cost currently estimated at \$1,100-1,300/AF (2021 \$) at Banks Pumping Plant. These costs will continue to be refined.
- The Third Amendment would continue Zone 7's participation in the Project through December 31, 2024. There are no off-ramps within the Third Amendment unless financing is secured before the end of 2024. Project financing would then result in an amended agreement, with the option for participants to discontinue/amend participation in the Project.
- Staff will give a presentation providing an overview of the Project, Zone's participation to-date, the terms of the Third Amendment, and the Project's costs and benefits to the Tri-Valley.

Project Overview

It is widely recognized that California needs additional storage as climate change brings higher temperatures, smaller snowpack, and shorter and more intense storms. Currently sized at 1.5 million acre-feet (MAF), Sites Reservoir is intended to capture excess stormwater flows from the Sacramento River, after all other water rights and regulatory requirements are met. The reservoir is largely expected to be filled during wet years, although it is possible to fill the reservoir during dry years too. Captured water can be released when needed by Project participants. Because Sites Reservoir is not reliant on snowpack and is intended to fill during major storm events, its benefits improve under the more frequent extreme events forecasted under climate change.

The Project will utilize the existing Glenn-Colusa Irrigation District and Tehama-Colusa Canal Authority canals to convey water to Sites Reservoir from the Sacramento River and will deliver water back to the Sacramento River through the Tehama-Colusa Canal. The Project will utilize the existing Colusa Basin Drain for participant deliveries and for releases to the environment. The figure below is a site map showing major Project facilities. Located downstream of the Central Valley Project's (CVP's) Shasta Reservoir and upstream of where releases from the State Water Project's (SWP's) Oroville Reservoir flows into the Sacramento River, Sites Reservoir is planned to be cooperatively managed in conjunction with those reservoirs, thereby adding flexibility, reliability, and resiliency to statewide water supplies.



Unlike traditional reservoir projects, Sites Reservoir will be an off-stream facility that does not dam a major river system and will not block fish migration or spawning. In addition to providing water supply for municipal and agricultural use, Sites Reservoir will serve environmental uses such as improving conditions for Delta smelt; preserving cold-water pools in Shasta Reservoir to support salmon development, spawning, and rearing; and improving habitat for migratory birds and other native species. The California Water Commission (CWC) acknowledged the public environmental benefits of Sites Reservoir, awarding the Project \$836 million in State investment under Proposition 1's Water Storage Investment Program (WSIP). Sites

Reservoir has also received Federal investment, including over \$10 million in Water Infrastructure Improvements for the Nation (WIIN) Act funding and a \$449 million loan from

the US Department of Agriculture's Rural Development program. The Project is recognized for its significant environmental and water supply benefits and is one of only two statewide projects specifically named as a priority project in Governor Newsom's Water Resilience Portfolio. Current Project participants include agricultural and municipal water districts in the Sacramento Valley, the Bay Area, San Joaquin Valley, and Southern California.

Currently, the expected long-term total average yield for the Project's preferred alternative is 234,000 AF. For water agencies (not including Bureau of Reclamation and the State of California), the total long-term average yield could be up to 167,000 AFY. Zone 7 has opted for 10,000 AFY of average yield from the Project (based on reservoir releases) and constituted 6% of water agency participation in the Project. The average yield of 10,000 AFY translates to 62,343 AF of storage allocation. Note that the storage allocation is an estimate and will be later finalized when federal and state participation is finalized. For Zone 7, Sites Reservoir could be a source of annual supplies to supplement State Water Project (SWP) water.

Project Costs: Capital and Long-Term Annual Costs

The capital cost of Sites Reservoir is currently estimated at \$3.9 billion (2021 \$) based on the Project's preferred alternative of a 1.5 MAF reservoir. The capital cost to Zone 7 is estimated at \$176 million (2021\$). Zone 7's estimated annual costs (2021 \$, including debt service and operating costs) range from \$7,500,000 to \$9,200,000 once the project is operational. Assuming a net yield of about 7,200 AF after accounting for Delta carriage losses, the unit cost is approximately \$1,100-1,300/AF in 2021 \$ at Banks Pumping Plant. Note that these costs will continue to be refined as the detailed engineering proceeds and permit terms are defined further.

2019 Reservoir Project Agreement: Project Milestones (April 2019 to December 2021)

Zone 7 executed the 2019 Sites Reservoir Project Agreement and the First Amendment at a cost of \$60/AF and participation level of 10,000 AFY (total of \$600,000). Following that, Zone 7 executed the Second Amendment at a cost of \$100/AF and participation level of 10,000 AFY (total of \$1 million). Key milestones being achieved under the current agreement include preparation of a revised Draft Environmental Impact Report/Statement (released for public review on November 12, 2021 with comments due on January 11, 2022); advancement of key permit applications; completion of preliminary hydraulics model and analysis; submission of a letter of interest for a WIFIA loan of up to \$600 million; refinement of yield and cost estimates; and design support for the environmental permitting process.

Third Amendment (January 2022 to December 2024)

- Scope of Work

Under the Third Amendment to the 2019 Reservoir Project Agreement, the scope of work will focus on securing funding, permits, and water rights and advancing engineering design over January 2022 through December 2024.

Key finance tasks include securing a final funding agreement for a portion of the WSIP funding; executing final operations agreements with facility partners and federal and state agencies; securing federal funding from WIIN Act and other sources; completing loan applications and preparing to initiate bank financing; and executing Benefits and Obligations Contracts with local agency participants.

Key permitting tasks include completing the Final Environmental Impact Report/Statement; obtaining all key environmental permits for WSIP final award; receiving water right Order and Permit; obtaining local agency agreements and permits; executing benefit contracts with DWR and California Department of Fish and Wildlife; developing a mitigation acquisition master plan; beginning biological and cultural resources surveys; and initiating permit applications for all dam construction.

Key engineering tasks include completing 30% level design and cost estimates; completing further facility designs as required for WSIP funding; finalizing construction bid packages; determining overall Project schedule; developing land acquisition master plan and rights of way manual; and performing geotechnical evaluations of “willing seller” properties.

- Planning Costs (2016-2024) and Zone 7 Funding

Zone 7 has invested about \$2,450,000 over 2016-2021. Execution of the Third Amendment would commit Zone 7 to funding up to an additional \$400/AF to cover the above scope of work, with cash calls as shown in the table below. At the current level of 10,000 AFY, Zone 7’s additional cost under execution of the Third Amendment would be up to \$4,000,000 (\$400/AF x 10,000 AF) over Fiscal Year 2021-2022 (FY 2021/22) through FY 2023/24 as follows:

Fiscal Year	Cash Call Maximum Amount & Date	Maximum Amount (@ 10,000 AFY)	Funding Source
2021/22	\$100/AF (April 1, 2022)	\$1,000,000	Fund 300
2022/23	\$140/AF (January 1, 2023)	\$1,400,000	Fund 300
2023/24	\$160/AF (January 1, 2024)	\$1,600,000	Fund 300 / Remaining funds to be budgeted in Fund 130
TOTAL		\$4,000,000	

Staff recommends the following funding for Third Amendment costs: funding through FY 2022/23 to be fully funded from Fund 300 (Water Facilities Fund) and funding for FY 2023/24 to be shared between Fund 300 (Water Facilities Fund) and Fund 130 (Water Enterprise Capital Expansion Fund). Cash call check-ins and budget adjustments will occur annually.

- Terms of Commitment

Approval of the Third Amendment represents a commitment to the following:

- confirmation of participation level, which staff recommends to remain at 10,000 AF;
- payment of the first cash call invoice of \$100/AF in April 2022 and up to a total of \$300/AF for the remaining cash calls;
- approval of the Amendment 3 Work Plan; and
- designation of Primary (Valerie Pryor) and Alternate (Amparo Flores) representatives to the Reservoir Committee, which consists of staff from participating agencies

The Third Amendment would continue Zone 7's participation in the Project through December 31, 2024. There are no off-ramps within the Third Amendment unless long-term financing is secured. The Project may secure financing as early as mid-2023, which would necessitate an amended agreement to include financing terms; under this condition, the amended agreement would provide a final off-ramp to participants who do not wish to proceed with the Project.

Project Benefits to the Tri-Valley

The 2019 WSE Update confirmed the need for new water supplies to maintain the reliability of Zone 7's system in serving the Tri-Valley. In that report, staff considered 5,000 to 10,000 AFY of average yield from Sites Reservoir, in combination with other water supply options. The availability of this supply was varied based on hydrology, with more water delivered to Zone 7 during dry years. At Zone 7's request, water would be released from Sites Reservoir annually to the Sacramento River, then conveyed by the SWP system through the Delta and to the South Bay Aqueduct.

Based on the water supply risk model results, Sites Reservoir's key benefit is the availability of water during dry years when the shortage risk is greatest. Sites Reservoir is a good complement to the Delta Conveyance Project, which produces the highest yield during wet years. Because Sites Reservoir provides both storage and new supply, it adds flexibility to Zone 7's water supply system; for example, the timing of deliveries from Sites Reservoir could be modified to maximize yields from other water supplies and/or to accommodate delivery timing restrictions of other supplies.

Recommendation

Based on the benefits described above and the Project's progress, staff recommends execution of the Third Amendment and continued participation in Sites Reservoir at 10,000 AFY. This amount could supplement SWP supplies to meet Zone 7's long-term reliability policy goals. A reduced level of participation (e.g., 5,000 AFY) could also be combined with other long-term water supply sources (e.g., potable reuse) to meet those goals; however, the higher level of participation at this phase of the Project would offer Zone 7 more flexibility given the uncertainties of various water supply options.

At a meeting on December 7, 2021, the Water Resources Committee recommended bringing the Third Amendment to the Board for consideration at a participation level of 10,000 AFY.

FUNDING:

Execution of the Third Amendment would commit Zone 7 to funding up to an additional \$400/AF; at the current level of 10,000 AFY, Zone 7's total additional cost would be up to \$4,000,000 (\$400/AF x 10,000 AF) over FY 2021/22 to FY 2023/24. These costs will be fully funded from Fund 300 (Water Facilities Fund) through FY 2022/23. Funding for FY 2023/24 will be shared between Fund 300 (Water Facilities Fund) and Fund 130 (Water Enterprise Capital Expansion Fund). Funding for the Second Amendment effective through December 31, 2021 was previously approved by the Board under Fund 310 (Water Supply and Reliability Fund).

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Third Amendment to 2019 Sites Reservoir Project Agreement

WHEREAS, Zone 7 Water Agency continues to proactively seek ways to enhance storage flexibility, diversify its water supply portfolio, and improve long-term water supply reliability for the Livermore-Amador Valley; and

WHEREAS, findings from the 2019 Water Supply Evaluation Update indicate that the Sites Reservoir Project could significantly improve the reliability of Zone 7's water supply system by providing storage and new water supply; and

WHEREAS, execution of the Third Amendment to the 2019 Sites Reservoir Project Agreement commits Zone 7 to participation in the Sites Reservoir Project through December 31, 2024 at a cost of up to \$400/AF, represents approval of the Amendment 3 Work Plan, and affirms the Primary (Amparo Flores) and Alternate (Valerie Pryor) representative designations to the Reservoir Committee; and

WHEREAS, continued participation in Phase 2 of the Sites Reservoir Project would allow Zone 7 to continue to evaluate the costs and benefits of Sites Reservoir.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District directs the General Manager to negotiate and execute the Third Amendment to the 2019 Sites Reservoir Project Agreement (A19-63-SIT) at 10,000 acre-feet of participation in an amount not-to-exceed \$4,000,000.

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District authorizes the General Manager to fund the Third Amendment to the 2019 Sites Reservoir Project Agreement as follows: funding for FY 2021/22 through FY 2022/23 will be from Fund 300 (Water Facilities Fund) and funding for FY 2023/24 will be shared between Fund 300 and Fund 130 (Water Enterprise Capital Expansion Fund).

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District authorizes the General Manager to negotiate and execute future term extensions involving no additional cash contributions to the 2019 Sites Reservoir Project Agreement.

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District authorizes the General Manager to amend staff representation in the Reservoir Committee as appropriate.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on January 19, 2022.

By _____
President, Board of Directors

ZONE 7 BOARD OF DIRECTORS
SUMMARY NOTES OF THE LEGISLATIVE COMMITTEE

December 6, 2021
1:00 p.m.

Directors present: Sarah Palmer
Angela Ramirez Holmes
Olivia Sanwong

Staff present: Valerie Pryor, General Manager
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Carol Mahoney, Government Relations Manager
Donna Fabian, Executive Assistant

Director Ramirez Holmes called the meeting to order at 1:05 p.m.

1. Public Comment on Items Not on the Agenda – none
2. Draft Legislative Framework and 2022 Legislative Schedules

Carol Mahoney, Government Relations Manager, presented the Draft Legislative Framework to the Committee, which was prepared to guide the Committee and the Board in providing direction to staff on matters pertaining to Agency interests with respect to federal, state, and local government legislative actions. She also provided the 2022 Legislative Schedules.

Director Sanwong asked about existing plans in terms of Zone 7's Urban Water Management Plan where there was an additional planning element required by legislation regarding drought management and water conservation that had to be adopted with respect to the 2015 plan. She added that we also had to add it to the current Urban Water Management Plan and that it might be appropriate to think about providing updates of such items in future committee meetings.

Ms. Mahoney stated that one of the things she has been hoping to do is to track some of that, so as we move forward, if there is a piece of legislation that has a requirement that's coming due in two to five years, then we will already be prepared. Certain legislation requires us to complete some actions prior to receiving funding from the state. These examples are some things she is hoping to track so that staff will be prepared and will be able to convey those requirements to the board.

Director Sanwong added that Zone 7 might be able to help its retailers and those that we work closely with. She is also looking at staying on top of the Groundwater Sustainability Plan and the Floodplain Management group. She added that we might want to think about climate change, floods, sea level rising, and excessive rain.

President Ramirez Holmes stated that when she wrote goal number three, it was intended to be all-inclusive leaving open not only Association of California Water Agencies (ACWA) and California Special Districts Association (CSDA), but regional agencies on legislative and regulatory issues that are important to the agency.

Jackson Gualco, of the Gualco Group, added that in addition to board participation in the various organizations, Kendra Daijogo, also of the Gualco Group, attends the Monday morning lobbyist group meetings where all the agencies have lobbyists that are members of ACWA. So, information will be gleaned from that group, and Gualco will be sure to pass along to Zone 7. They also maintain close working relationships with CSDA, the League of Cities, and California State Association of Counties (CSAC) where Gualco will share with the Committee so it can make the best informed decisions.

President Ramirez Holmes stated that this is a great first framework, and after 2022 we will be to be able to see if it worked well for us and helped guide us appropriately, and if it didn't, what we need to change. She said thankfully we have the Gualco Group, who is going to watch legislation and bring specific pieces of information to our attention. She added that the Committee will be looking at the framework again in the fall of 2022 and see if there are any areas that we need to expand on.

President Ramirez Holmes stated that this gives a good idea to the rest of the board how we are going to manage discussion on specific pieces of legislation and what positions might be. She believes this is a good opportunity to reengage and make the legislative conversation more relevant. She added that she is in favor of moving this to the board for approval.

Mr. Gualco added that once things get reorganized in January, there will no doubt be some changes, but they will keep the Committee fully up to date on those.

3. Verbal Reports

President Ramirez Holmes stated that it would be a good idea for ACWA's State Government Affairs, or CSDA to come and present to the Committee their priorities for the upcoming session. She said it looks like they have some sponsored bills in which they are looking for support or participation, and it would be good to know what those are.

Director Sanwong stated that she went on the Sites Reservoir tour. President Ramirez Holmes stated that she attended the ACWA Conference.

Director Sanwong added that stormwater and how we hold onto it should be something the Committee needs to keep an eye on.

4. Adjournment

Director Ramirez Holmes adjourned the meeting at 1:34 p.m.

ZONE 7 BOARD OF DIRECTORS
SUMMARY NOTES OF THE WATER RESOURCES COMMITTEE

December 7, 2021
11:00 a.m.

Directors present: Director Figuers
Director Gambs
Director Palmer

Staff present: Valerie Pryor, General Manager
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Carol Mahoney, Government Relations Manager
Amparo Flores, Integrated Planning Manager
Lillian Xie, Assistant Engineer
Elke Rank, Associate Planner
Donna Fabian, Executive Assistant

Director Figuers called the meeting to order at 11:10 a.m.

1. Public Comment on Items Not on Agenda – none
2. Third Amendment to 2019 Sites Reservoir Project Agreement

Lillian Xie, Assistant Engineer, gave a presentation on the third amendment to the 2019 Sites Reservoir Project agreement. She began with a project overview, discussing key benefits of the project and noting its support of Strategic Plan Initiative #1, which is to establish a diversified water supply plan. She reviewed Zone 7's participation, the overall project timeline, second amendment milestones, and third amendment key tasks. Finally, she summarized the project by discussing Zone 7's costs, third amendment funding, terms of commitment, and staff recommendations.

Director Palmer asked if any additional water would be available to the agency in addition to what is already contracted. Ms. Xie replied that the third amendment is the last part of phase two of the project, which is the planning and permitting stage. The next phase would be the final design. The agency is not committing to any extra storage unless it chooses to change its storage or participation amount. The amendment was for continuing the planning and permitting costs.

Director Palmer inquired if the agency will lose all the money its paid so far into the project if it decides to take an off-ramp later. Amparo Flores, PhD, Integrated Planning Manager, explained that there is no easy off-ramp; however, there is a possibility that it could find another entity to take over the costs of the project and eventually get reimbursed.

Director Palmer asked how much the water would cost per acre-foot. Ms. Xie replied that the most recent estimates for unit costs would be \$1,100 to \$1,300 per acre-foot. Director Palmer requested, for comparison, the cost of Zone 7's State Water Project water. Dr. Flores stated

that it is roughly \$400 per acre-foot. Director Palmer noted that while this is expensive water, it will increase the agency's portfolio resilience.

Director Palmer asked if the agency would be required to take water from Sites each year. Dr. Flores responded that the agency has the option to manage its storage the way it sees fit. Zone 7 could lend it and there is potential for borrowing. Director Palmer asked if it could be sold. Dr. Flores replied yes.

Director Figuers noted that the agency has already purchased \$1,000 per acre-foot water this year. He suspected that this would be considered very cheap water 10+ years from now. He asked what the annual cost increases in Sites water would be. Valerie Pryor, General Manager, replied that when staff reviewed long-term costs for this project, it will largely be the capital costs of building the project, which will be fixed costs based on the 10,000 acre-feet share of the total amount. Once the debt is issued to build the project, those costs will be fixed for 30 years. Operations and Maintenance (O&M) costs are what could change over time because these will likely increase with the cost of inflation and energy. It was difficult to compare these, as the agency does not rent it. Zone 7 would own the \$1,100 to \$1,300 per acre-foot for Sites and would most likely take the water in dry years. Water would be kept in Sites during wet years, and State Water Project water would be used. Sites would be used during dry years when there is no State Water Project water. There would be opportunity to sell either Sites or State Water Project water if there were ever a surplus. Director Figuers responded that in 10 to 20 years, the Board will be looking back and saying, "Thank God, those guys in 2021 did this."

Director Gambs agreed with Director Figuers that water will not be getting cheaper going forward. He asked how far staff were in developing language that goes toward developing operations in the future. Dr. Flores replied that the Sites staff is currently looking at developing a preliminary operations plan.

Director Gambs asked about the source of the funding. Osborn Solitei, Treasurer/Assistant General Manager – Finance, replied that the majority of the funding, almost \$2.8 million, is coming from the Water Facilities fund that was paid into the system back in the 2000s. The other \$1.6 million is coming from connection fees. Current or existing customers were not charged for this project yet.

Director Gambs inquired whether the funding for some of the planning studies will take place before the project, for the construction, or both. Dr. Flores replied that some of the funding is currently being used to support the planning portion, but they are pursuing efforts towards funding a portion of the construction.

Director Gambs asked if the federal funding the agency receives would change the estimate for the third phase. Ms. Pryor replied that the funding that is assured is reflected in the numbers provided for the Water Storage Investment Program (WSIP) and the (Water Infrastructure Improvement for the Nation Act (WIIN Act). Obviously, the Sites Reservoir Committee will continue to pursue any other state and federal opportunities. They would also consider applying for a Water Infrastructure Finance and Innovation Act (WIFIA) loan, which could reduce the cost of financing. However, the numbers reflected the money that is available

in the bank. Dr. Flores added that the Bureau of Reclamation is looking to increase its share of Sites Reservoir so that would be another source of federal funding for the project, but it would serve federal customers.

Director Figuers asked about the progress of the legal acceptance of the project. Ms. Pryor replied that the draft Environmental Impact Report (EIR) is out for review, and she estimated that the comment period will end in January. The California Water Commission hearing will be held on December 15th. Staff will know then if the California Water Commission has determined it feasible, which is the next step in continuing to get the WSIP funding.

Director Palmer asked how much it would cost the agency to store water there. Ms. Xie replied that there would be a baseline cost, which covers conveyance as well as operations and maintenance. However, those numbers are in continued development.

Director Gambs noted that depending on what the costs are, the agency could look at its options to determine whether it is best to store in Semitropic, Cawelo, or take it into its own groundwater basin. He felt that the project gave the agency options.

Director Gambs mentioned the recent Sites tour he attended and asked for background on how that committee relates to the Board. Dr. Flores explained that there is the Sites Joint Powers Authority (JPA), which consisted of a mix of elected officials. They represent the interests of the local area, which is very critical to the project. The Reservoir Committee consists of the investors in the project, like Zone 7. It is currently set up so that the Reservoir Committee will review and recommend to the Sites JPA various items, contracts, etc., for approval. In terms of the detail and decision making, that is occurring at the Reservoir Committee level by staff of the investor agencies.

Directors Gambs and Palmer both agreed on bringing this item to the full Board.

3. Routine Maintenance Program – Programmatic Permits Update

Elke Rank, Associate Planner, gave a presentation on the progress that has been made towards developing a routine maintenance program and developing or acquiring programmatic permits for maintenance work in our channels. She provided background information and discussed the three regulatory agencies and their jurisdictions. She then shared a snapshot of Bay Area agencies that have this program. Ken Schwartz of Horizon continued the presentation, discussing the purpose, benefits and the scope of the routine maintenance activities. Allison Chan from Horizon added to the presentation and spoke on some of the impacts and mitigation associated with the routine maintenance program. Ken Schwartz then summarized their presentation. Ms. Rank finished the presentation with the next steps.

Director Figuers asked what the total cost to Zone 7 would be. Ms. Rank replied that consultant costs are around \$400,000. Director Figuers inquired if there would be other ongoing consultant costs further down the road. Ms. Rank responded yes, there might be a need for additional limited studies. She explained that developing and using templates may make the process easier in the future. Director Palmer suggested that once the agency has

that template, it may not be necessary to have consultants doing the work. Ms. Rank replied that the hope is that staff can automate it to some extent.

Director Gambs wondered with all the other programmatic permits already developed, why this was so hard. He questioned why Zone 7 could not use their work such as the City of Livermore. Ms. Rank replied that each area has its own specific challenges and what the consultant has developed is tailored to the Zone 7 service area and includes foundational documents that are entirely specific to the agency. She noted that Horizon did not write the City of Livermore's program. Mr. Schwartz added that as an approach, these programs are now proven and accepted in many areas around the Bay. They were not having to go to the regulatory agencies and sell them on packaging it all together. They want to know how the agency has thought through its specific environmental effects and impacts. This is where it comes back to the specialization and focus on discrete stream reaches. They want Zone 7 to demonstrate that it understands the best way to avoid and minimize effects to environmental resources and that it is committed to doing that over the long run. Then Zone 7 must provide the documentation.

Ms. Rank stated that this was just a report today and in a couple of months staff would come back with a contract request to further the effort.

4. Verbal Reports – none

5. Adjournment

Director Palmer adjourned the meeting at 12:17 p.m.

ZONE 7 BOARD OF DIRECTORS
SUMMARY NOTES OF THE FINANCE COMMITTEE

December 8, 2021
4:00 p.m.

Directors present: Sandy Figuers
Laurene Green
Angela Ramirez Holmes

Staff present: Valerie Pryor, General Manager
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Teri Yasuda, Accounting Manager
Donna Fabian, Executive Assistant

Director Ramirez Holmes called the meeting to order at 4:02 p.m.

1. Public Comment on Items Not on the Agenda – none
2. TVC Wine Industry Study

Laura Antrim, Executive Director of the Tri-Valley Conservancy (TVC), presented an overview of the UC Davis study done to create an impartial assessment of the economic viability of the Livermore Valley wine region. In the past, the study provided recommendations for the future. It identified measurable and achievable goals, in addition to a timeline to support the Livermore wine region and goals of the South Livermore Valley area plan. Its goal was to give a broader public understanding of the TVC strategies and the relationship to a successful implementation of the South Livermore Valley area plan.

Ms. Antrim highlighted the key findings of the study and explained why the 5,000 cultivated viticulture acres were not achieved. She also went over the two benchmark studies done on Santa Lucia Highlands and Temecula that were included in the report. Ms. Antrim reviewed what needed to be done to revitalize the Livermore Valley wine country: providing the economic justification to replant the 1,600 mitigation acres to maintain the current level at TVC for the vineyard acreage and achieving the goal from the South Livermore Valley area plan of 5,000 acres and making it critical mass to attract outside investment in the prime farmland. She shared the recommendations from the study to promote economically sustainable vineyards and outlined the actions that the TVC is currently taking.

Director Figuers said she noted that the agricultural area ran on septic, but he was curious if there were homes on well water or if they were all pipe plumbed to Zone 7. David Kent, current Chair of the TVC, stated some homes were serviced by wells, but when the Poppy Ridge Golf Course was established, a potable water line was brought in from the City of Livermore. Some homes have three sources of water, canal, potable, and well water.

Director Green asked for an explanation on the process and pricing involved in the water delivered to the vintners then sold to others. She also inquired about an approval process for

these types of transactions. Valerie Pryor, General Manager, said Zone 7 charges one untreated water rate to seven turnout users, some of them then sell the water to other users. The agency has no details or regulatory authority over how those are charged. Ms. Pryor clarified that the General Manager is not required to approve these sales but would need to approve acre-feet allocations transferred from one user to another.

Director Ramirez Holmes asked Ms. Antrim if she has seen evidence of the acreage going fallow after the mitigation period is up. She also inquired if the mitigation timeline is similar to the vineyard length of life. Ms. Antrim said the TVC conducts annual visits to all the properties, and they have seen the area going fallow as there is no requirement to replant. When the South Livermore Valley area plan was established, eight years seemed like enough time to make it economically viable which is not the case.

Director Ramirez Holmes noted in the summary, it indicated that the specific acreage objective was no longer helpful, but it did not provide any details. She hoped that they would provide more information. Ms. Antrim explained that reaching the 5,000-acre goal without doing much else would only increase supply, so the Livermore Valley AVA brand needs to be created to drive demand.

Director Ramirez Holmes asked about the direct connections found in the study done in Temecula. Ms. Antrim explained that Temecula does not necessarily have the national distribution, but it has access to 60 million people that will come to it which allows the area to be viable due to agritourism. The South Livermore Valley area plan that includes a resort type hotel and other agritourism in the area where people have name recognition has not yet been fulfilled. Most of them were also micro wineries.

Director Ramirez Holmes asked Ms. Antrim to provide examples of the proposed amendments for the South Livermore area plan. She explained that these were technical amendments to ensure the right terminology was used to justify clear uses of the land. These changes were identified after the South Livermore Valley area plan was brought into Measure D but were not included in the final measure. They were still in works with the amendment.

Director Ramirez Holmes stated that the cost of water is concerning for Zone 7's users. She was specifically interested in extending the sewer line, obviously Zone 7 was quite in favor of that because there are specific limits based on the size and land acreage. She also noted a great interest in protecting the groundwater basin.

Director Figuers asked about their expectations from Zone 7. Ms. Antrim asked for the agency's support in the city's expansion of the sewer. Mr. Kent stressed the importance of the severe groundwater pollution issues. The fact they could not use their own wells to irrigate their crops was a significant problem. He felt that a clean water initiative was important to restore the quality of the groundwater to have a viable wine industry.

Director Ramirez Holmes said that she has asked the Legislative Committee to review the plan as soon as it becomes a ballot initiative.

Director Figuers asked about Cal Water's type of treatment. Ms. Pryor stated that Cal Water serves water from Zone 7 but also has groundwater that does not require much treatment besides a chlorine residual that it pumps. He then asked if Zone 7 has incorporated these future water supply demands in its projections. Ms. Pryor indicated that all of the current planning documents, such as the South Livermore Plan, were included in the agency's Urban Water Management Plan.

Kelly Abreu, a Fremont resident, provided comment.

3. Independent Auditor's Report and Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2021

Osborn Solitei, Treasurer/Assistant General Manager – Finance, introduced Gary Caporicci of the Pun Group, who presented the required communication to those in charge of government. Mr. Caporicci provided information on the scope of work, required communication AU-C 260, overview of financial statements, and audit results.

Director Figuers asked if there was ever a point that too much money was taken from the public if the agency continues at the same rate of collecting funds. Mr. Caporicci gave examples of how other cities have used these funds for infrastructure improvements and to prevent rate changes. Director Ramirez Holmes noted that some members of the Board were very sensitive to these numbers and have specifically voted against certain increases, so she would remind them of this conversation the next time during discussions about water rates. Ms. Pryor added that the agency's net position is not just cash, but also its assets in the investments in water supply, banking program, pipes, treatment plants and wells.

Director Green asked how much was related to COVID. Mr. Caporicci said COVID did not affect the clients they dealt with. Zone 7 was well planned, organized, and tremendously well managed.

Director Ramirez Holmes asked staff to note in the staff report that Other Post-Employment Benefits (OPEB) do not allow the agency to offset by the pension trust fund that it has established. She felt that it was important to include the steps that were taken to offset that liability. She asked about the \$56,000 OPEB liability and whether there was a discrepancy, or if it was never accounted for. Mr. Solitei clarified that it was accounted for last year since GASB 45 and 75 came aboard; however, the county did not require OPEB and they also did not guarantee it since it is such a small amount.

Director Ramirez Holmes asked if the \$1.2 million decrease in the State Water Project pass through payments to DWR was a timing issue. Mr. Solitei confirmed.

She also noted the property tax revenue increasing, and thought it was interesting that there was a higher assessed value increase, which was more than what was expected. Mr. Solitei explained that the Board did approve an increase of \$1 million in property taxes.

Director Ramirez Holmes stressed the importance of noting the nearly 40% decrease in connection fee revenues to show the slowdown in economic activity, particularly of building

homes. She gave recognition to management and finance team for the excellent audit and reporting, as well as obtaining the highest possible rating. Director Green also commended staff.

The item would be brought to the full Board with Director Ramirez Holmes' notations about the pension.

6. Verbal Reports – none

7. Adjournment

Director Ramirez Holmes adjourned the meeting at 5:04 p.m.

ORIGINATING SECTION: Administration

CONTACT: Valerie Pryor

AGENDA DATE: January 19, 2022

SUBJECT: General Manager's Report

SUMMARY:

The following highlights a few of the key activities which occurred last month. Also attached is a list of the General Manager (GM) contracts executed during December.

Drought Emergency and Drought Operations:

On December 1, 2021, DWR announced a historic initial 2022 SWP allocation based on minimum unmet water demands to meet domestic supply, fire protection, and sanitation needs ("health and safety" needs). For Zone 7, this means 0% since Zone 7 has sufficient stored supplies to meet health and safety needs of about 16,000 acre-feet. We have anticipated a low SWP allocation for 2022 and have planned accordingly. Zone 7 will meet demands through a combination of conservation and use of water from our reserves. Reserves include the local groundwater basin, water stored in the San Luis Reservoir (carryover water), water stored in Kern County storage programs and local water runoff captured in Lake Del Valle. We do expect the non-local stored water to be delivered through the South Bay Aqueduct and treated at our surface water treatment plants.

Overall conservation in Calendar Year 2021 relative to 2020 was 8% for Zone 7's treated water production (the goal for mandatory conservation was 15%, set on September 2021). Water Year 2022 (October 1, 2021 - September 30, 2022) is off to a good start. Local cumulative precipitation was at 9.49 inches or 183% of average conditions as of December 31, 2021. In the Northern Sierra, cumulative precipitation was at 169% of average conditions in the same time period. North Sierra snowpack was at 135% of normal conditions for January 3.

Staff will continue to monitor hydrologic conditions over the coming months and adjust water supply operations accordingly. While the current precipitation levels already exceed levels for all of Water Year 2021, given the remaining uncertainty over the coming months, and the continuing reservoir deficits in the SWP system, staff will continue to prepare for the possibility of low incoming water supplies. The SWP Table A allocation remains at 0% as of January 4, 2022, but there is hope for an increased allocation. Oroville Reservoir has gained about 570,000 acre-feet over October 1-December 31, 2021 (1,427,556 AF of total storage as of 1/6/2022). This has improved the storage outlook to about 75% of average storage conditions for this time of year.

Staff has been actively pursuing water transfer opportunities; with the recent storms, there is greater chance of water transfer availability. Cawelo Water District groundwater recovery has been delayed due to a permitting process with the US Bureau of Reclamation; staff are working with Cawelo to resolve as soon as possible.

The Valley Pump Station is being expedited as a drought emergency project.

Operations and Maintenance:

Maintenance staff worked on several projects including support work for the Del Valle Water Treatment Plant (DVWTP) Ozonation post-project work, the Patterson Pass Water Treatment Plant (PPWTP) Expansion and Ozonation Project and the Valley Pump Station Project.

Staff are undergoing annual operations and maintenance training in January and February. Items covered include safety training and the training is being coordinated with Zone 7's insurance provide, ACWA-JPIA.

Administration and Outreach:

The Alameda County Local Agency Formation Commission (LAFCO) approved the 2021 municipal service review (MSR) on the provision of water, wastewater, flood control, and stormwater services throughout the County at its November 18, 2021 meeting with the attached resolution. The MSR is available at: <https://lafco.acgov.org/lafco-assets/docs/Alameda%20LAFCO%20MSR%20-%20Public%20Draft%20for%20public%20review%207-21-21.pdf>

Continuing Disclosure Annual Report: Staff updated the Continuing Disclosure Annual Report to satisfy the continuing disclosure undertakings of the Agency in connection with \$64 million Livermore Valley Water Financing Authority Water Revenue Bonds, 2018 Series A. The FY 2020-21 Annual Comprehensive Financial Report (ACFR) was filed with the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access ("EMMA") website for the benefit of the owners of the Obligations. EMMA Link: [EMMA](#)

FY 2020-21 – Annual Comprehensive Financial Report (ACFR): The ACFR for the year ended June 30, 2021 was received and filed by the Board on December 15, 2021. The audit was performed by The Pun Group. Ms. Vanessa Burke, Partner with The Pun Group announced that the audit opinion for the Agency is an unmodified "clean" opinion. This is the highest level of assurance that a CPA firm can give and is a real testament to the Agency's strong internal accounting control practices. More specifically, the audit concluded that Zone 7's practices align with generally accepted accounting principles (GAAP) and that internal processes for ensuring accounting operations are efficient and reliable and are in compliance with applicable laws and regulations.

Drought Campaign: We're still in a drought and under mandatory 15% conservation. Please help us keep up the water savings trend by liking our page and sharing our messages on

social media. We also have a <https://www.zone7water.com/post/drought-alert-15-mandatory-conservation-still-effect-tri-valley-2022> on the website that provides updates on the drought and outlines each retailer jurisdiction's watering restrictions. Please use this as a resource if you receive any questions about water restrictions as they vary by jurisdiction.

Flood Management Plan: Work continues on the Flood Management Plan Phase 1. Work to date has been review of existing materials and studies, interviews with Zone 7 staff and Directors, adoption of Guiding Principles for Flood Management in July 2021 and three flood risk workshops with staff and the consultant team. These risk workshops helped define the existing condition risk of the flood system and Flood System Performance Goals and Objectives. Flood System Performance Goals and Objectives are being developed. Goals are anticipated to be presented to the Zone 7 Board in February and Objectives in March with the expectation that both Goals and Objectives will be adopted by March.

Engineering and Water Quality:

Patterson Pass Water Treatment Plant Upgrades and Ozonation Project: The plant is shut down during January through mid-February to facilitate remaining construction activities, including pipeline tie-ins, modifications to an existing clarifier, and chemical pumping modifications. The ozone equipment vendor, Suez, is on-site during January for startup and testing activities. When the plant returns to service in mid-February, the plant will be operating with the new facilities (i.e., flash mix system, filters, chlorine contact basin, treated water pump station, and treated water storage tank) while the ozone system continues testing and optimization activities.

Valley Pump Station Project: The design consultant has submitted most of the drawing packages over the last month, including the civil, mechanical, electrical and instrumentation, and HVAC and plumbing. The structural and architectural packages are anticipated to be received mid-January. Equipment has been mobilized to the site and excavation is anticipated to start mid-January.

Integrated Water Resources:

Salmon in the lower Alameda Creek: High runoff from fall storms prompted the migration of a dozen or more adult Chinook salmon into lower Alameda Creek in Fremont. Anadromous fish (those that live in the ocean and return to freshwater streams to spawn) are currently blocked from moving upstream into the Alameda Creek watershed, although construction of a fish migration ladder is currently nearing completion. Chinook salmon have not successfully spawned in Alameda Creek for more than half a century, but fish passage projects in the lower creek aimed at helping movement of threatened steelhead trout will aid salmon migration as well. Once the migration ladder is operational, the watershed will be considered critical habitat for the California Central Coast Steelhead, a federally listed special status species. Zone 7 continues to participate in the longstanding Alameda Creek Fisheries Restoration Workgroup to track and coordinate on these issues.



Delta Conveyance Project: In November 2020, Zone 7 approved participation in the Delta Conveyance Project and \$2.8 million for two years (calendar years 2021 and 2022) of funding for environmental planning. As discussed at the time of this approval, the environmental planning process will take four years and the Zone 7 share of environmental planning costs will be approximately \$4.7 million for calendar years 2023 and 2024. The environmental planning and preliminary engineering work are on schedule and on budget and the Draft Environmental Impact Report (EIR) is scheduled to be released in mid-2022.

A key component of recent work has been the Delta Conveyance Design and Construction Authority (DCA) Stakeholder Engagement Committee. The purpose of this Committee was to engage a wide variety of interests and geographies and solicit information related to the conceptual design of the Project. The Committee held 19 meetings from November 2019 to December 2021 and a summary of the process and work is attached. The Committee incorporated valuable input from the process into the conceptual design of the project. At this time, the significant work on the Project is DWR's work on the environmental planning process and outreach and engagement has shifted to prepare for the release of the Draft EIR. The DCA will support DWR in these efforts and continue to expand access to current engineering information.

Zone 7 representatives continue to serve on the Boards of the Delta Conveyance Design and Construction Authority (DCA) and the Delta Conveyance Finance Authority (DCFA). Minutes for the November 18, 2021 DCFA Board meeting are attached to this report. Board packets for both the DCA and the DCFA can be found at: <http://www.dcdca.org/#meetings>.

Water Supply and Reliability Projects: Zone 7 is currently actively pursuing water supply and reliability projects. Key activities are as follows:

- **Los Vaqueros Reservoir Expansion.** On December 8, the Los Vaqueros Reservoir Joint Powers Authority (JPA) Board of Directors met. The JPA Board voted to establish three committees: Finance, Operations and Engineering and Communications and Outreach. The JPA Board authorized execution of the Administrative Agreement with Contra Costa Water District (CCWD) and the agreement was approved by the CCWD Board on January 5. The next monthly JPA Board Meeting has been scheduled for January 12. Coordination meetings with key local stakeholders to review alignment options for the Transfer-Bethany Pipeline are planned for early January 2022. A Delta Plan Consistency Package has been prepared and will be submitted soon following outreach to key stakeholders.
- **Sites Reservoir.** The development of the Sites Project continues to make progress in critical areas, particularly in permitting, which is critical to project feasibility and cost-effectiveness. A draft Operation Plan has also been developed, with continued refinement of operations modeling. Sites staff continue to work with the federal government on the Water Infrastructure Finance and Innovation Act (WIFIA) loan process. Staff met with the Water Resources Committee on December 7, 2021; the Committee recommended bringing the Third Amendment to the 2019 Sites Reservoir Project Agreement to the Board for consideration. The California Water Commission (CWC) voted to determine that the project is feasible, which ensures the project remains eligible for approximately \$800 million in Water Storage Investment Program (WSIP) funding.

Monthly List of GM Contracts

December 2021

<u>Contracts</u>	<u>Amount</u>	<u>Purpose</u>
Maverick Networks, Inc.	\$5,000	Managed Support Services
Zasio Enterprises, Inc.	\$24,355	Versatile Software Upgrade
Total December 2021	\$29,355	

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 2021-09

**ADOPTING DETERMINATIONS OF THE
COUNTYWIDE MUNICIPAL SERVICE REVIEW ON WATER, WASTEWATER,
FLOOD CONTROL AND STORMWATER SERVICES**

WHEREAS, the Alameda Local Agency Formation Commission, hereinafter referred to as the “Commission,” is responsible for regulating boundary changes affecting cities and special districts under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, Government Code Section 56430 requires LAFCO to conduct municipal service reviews in order to prepare and update spheres of influence pursuant to Government Code Section 56425; and

WHEREAS, the Commission previously authorized the Countywide Municipal Service Review on Water, Wastewater, Flood Control and Stormwater services report to be prepared; and

WHEREAS, the Commission set November 18, 2021 as a public hearing date to consider the Countywide Municipal Service Review on Water, Wastewater, Flood Control and Stormwater services; and

WHEREAS, the Commission considered the comments received in writing and presented at the November 18, 2021 public hearing; and

WHEREAS, adoption of the Countywide Municipal Service Review on Water, Wastewater, Flood Control and Stormwater services is statutorily exempt from the California Environmental Quality Act (CEQA), as Municipal Service Reviews are feasibility and planning studies for possible future actions that have not been approved adopted or funded pursuant to Section 15262 of the CEQA Guidelines . Furthermore, as set forth in CEQA exemption Section 15061(b)(3) approval of a sphere of influence update is not subject to CEQA because it can be seen with certainty that there is no possibility that the sphere of influence update will have a significant effect on the environment.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission finds the Countywide Municipal Service Review on Water, Wastewater, Flood Control and Stormwater services and determinations are exempt from further CEQA review pursuant to Section 15262 and 15061(b)(3) of the CEQA Guidelines.
2. The service review adopts the following MSR Recommendations:

- a. Alameda LAFCO should create a Countywide Regional Water and Wastewater Committee that includes all affected agencies that provide water, wastewater, stormwater, and flood control services to explore opportunities and to share practices for collaboration on how the region can recycle water, or better utilize water that is already imported, so it is not only used once and discarded into the Bay. The Committee should also explore the costs and effectiveness of a regional desalination plant.
 - b. The City of Oakland should create a Sewer Master Plan and provide a report to LAFCO once that plan has been completed.
 - c. Alameda LAFCO, in coordination with the Sunol Citizens Advisory Committee, should discuss wastewater feasibility to the unincorporated community of Sunol.
 - d. Alameda LAFCO and the City of Pleasanton should continue their coordination on producing a feasibility study for wastewater services to the unincorporated community of Remen Tract.
 - e. The Castlewood Community Services Area should update its Water Master Plan and provide a presentation to LAFCO once that plan has been completed.
 - f. The ACCWP and its member agencies should investigate proper financing measures to repair and maintain their corresponding systems. By doing so, all agencies would be prepared for various flooding events as well as be more equipped to deal with climate change impacts.
 - g. Treatment plant operating agencies should coordinate with their partner cities' public works departments in order to prevent roadways and other rights of way from being excavated multiple times to maintain conveyance infrastructure.
3. The Commission adopts the statement of written determinations generated from information presented in the Executive Summary of the final report on the municipal service review as set forth in Exhibit "A" and incorporated herein are hereby adopted.

PASSED AND ADOPTED by the Alameda Local Agency Formation Commission on November 18, 2021 by the following vote:

AYES: Hernandez, Johnson, Miley, Sblendorio, Wieskamp, and Woerner

NOES:

ABSTAIN:

ABSENT: Haubert

APPROVED:



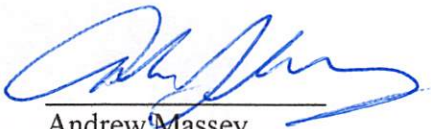
Sblend Sblendorio
Chair

ATTEST:



Rachel Jones
Executive Officer

APPROVED TO FORM:



Andrew Massey
Legal Counsel

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING
Thursday, November 18, 2021
11:30 am

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The regular meeting of the Delta Conveyance Finance Authority (Finance Authority) Board of Directors was called to order by President Kremen via a hybrid platform of teleconference and in-person attendance for Finance Authority Board Members and staff at 11:31 a.m. Linda Standlee reviewed the process the Board and public would follow for the meeting, noting that all voting would be via roll call vote.

2. ROLL CALL

Board members in attendance were Robert Cheng, Dwayne Chisam, Kathy Cortner, Jeff Davis, Mark Krause, Gary Kremen, Valerie Pryor, Cindy Saks, Paul Sethy, and Dirk Marks.

Director Randy Record was absent.

Staff members in attendance were Brian Thomas, Katano Kasaine, and Steve O'Neill.

3. PLEDGE OF ALLEGIANCE

Jeff Davis led the Pledge of Allegiance.

4. PUBLIC COMMENT

President Kremen declared public comment open, limiting speaking time to three minutes.

No members of the public requested time to speak, therefore President Kremen closed public comment.

5. OTHER MATTERS

5.a. Adopt a Resolution Authorizing The Revised Use Of Teleconferencing For Public Meetings.

Steve O'Neill, DC Finance Authority General Counsel, presented a report and draft resolution to the Board on AB-361 proposed exemptions to Brown Act teleconferencing requirements affecting the Finance Authority.

Motion:	Adopt a Resolution Authorizing The Revised Use Of Teleconferencing For Public Meetings
Move to Approve:	Jeff Davis
Second:	Valerie Pryor

Yeas:	Robert Cheng, Dwayne Chisam, Kathy Cortner, Jeff Davis, Mark Krause, Gary Kremen, Valerie Pryor, Cindy Saks, Paul Sethy, and Dirk Marks
Nays:	None
Abstains:	None
Recusals:	None
Absent:	Randy Record
Summary:	10 Yeas; 0 Nays; 0 Abstains; 1 Absent. (Motion passed as MO 21-11-01)

6. CONSENT CALENDAR:

6.a. Approval of the minutes from the meeting of August 19, 2021.

Motion:	Approve the minutes from the meeting of August 19, 2021
Move to Approve:	Jeff Davis
Second:	Robert Cheng
Yeas:	Robert Cheng, Dwayne Chisam, Kathy Cortner, Jeff Davis, Mark Krause, Gary Kremen, Cindy Saks, and Paul Sethy
Nays:	None
Abstains:	Valerie Pryor, Dirk Marks
Recusals:	None
Absent:	Randy Record
Summary:	8 Yeas; 0 Nays; 2 Abstains; 1 Absent. (Motion passed as MO 21-11-02)

7. SCHEDULED ITEMS

7.a. Approve a contract for Brian Thomas to continue providing Executive Director Services with Bell, Burnett & Associates for the period December 1, 2021 thru December 31, 2022

President Kremen asked Brian Thomas, DCFA Executive Director, to introduce this item. Mr. Thomas noted that the Finance Authority approved a contract with Michael Bell Management Consulting to retain his services to serve as Executive Director of the Finance Authority at its meeting on December 20, 2018 and has been serving as the Authority's Executive Director since its inception in July 2018. At the October 17, 2019 board meeting, the Board approved an extension at no cost until December 31, 2020. The terms of the amended contract include maximum compensation of \$200,000 (including expenses) and a termination date of December 31, 2020. A similar action was taken in November 2020 to extend the contract to December 31, 2021. Michael Bell, the principal at Michael Bell Management Consulting, has formed a new firm called Bell, Burnett & Associates (BBA). As a result, he will be closing Michael Bell Management Consulting and transferring work to the new firm. Mr. Thomas noted that it is recommended that the Finance Authority execute a new contract with the same terms, including compensation, with BBA, effective December 1, 2021 and that the new contract with BBA extend through December 31, 2022, with the option for the board to extend at one-year intervals.

Total expenditures under the contract with Michael Bell Management Consulting are anticipated to be about \$118,000 through November 2021, or about 59% of the original

contract amount. Mr. Thomas noted that at the current level of spending, the new contract with BBA would be for a total amount of \$82,000 (the remaining amount in the existing contract) and should be sufficient to cover this year and next year's activities. This extension will have no impact on member agency assessments or the operating budget.

President Kremen queried for public comment; none was provided.

Motion:	Approve a contract for Brian Thomas to continue providing Executive Director Services with Bell, Burnett & Associates for the period December 1, 2021 thru December 31, 2022
Move to Approve:	Jeff Davis
Second:	Valerie Pryor
Yeas:	Robert Cheng, Dwayne Chisam, Kathy Cortner, Jeff Davis, Mark Krause, Gary Kremen, Valerie Pryor, Cindy Saks, Paul Sethy, and Dirk Marks
Nays:	None
Abstains:	None
Recusals:	None
Absent:	Randy Record
Summary:	10 Yeas; 0 Nays; 0 Abstains; 1 Absent. (Motion passed as MO 21-11-03)

7.b. Receive and file the audited financial statements and attached reports for fiscal year 2020/21

President Kremen asked Brian Thomas to introduce this item. Mr. Thomas introduced Ingrid Shepline from Richardson & Company, who provided a presentation to the Board. Ms. Shepline noted that the Finance Authority is required to conduct an external financial audit and since the operating activity of the Finance Authority is limited, the financial statements are presented on a cash basis, showing actual receipts and disbursements. Ms. Shepline also noted that given the Finance Authority has no assets other than the cash and investments in the trust fund, the cash basis of accounting is the easiest and most transparent way to present the financial activities of the Authority. It is also consistent with the Finance Authority's budgeting process and presentation.

Ms. Shepline noted that in addition to the audit and accompanying cash basis financial statements, a Governance Letter and a Management Letter have also been issued. The Governance Letter includes certain required disclosures to the board under external audit standards. The Management Letter addresses the external auditor's review of internal controls as it pertains to their audit of the Authority's financial statements. Ms. Shepline noted that there were no material weaknesses or recommendations reported.

President Kremen queried for public comment; none was provided.

Motion:	Receive and file the audited financial statements and attached reports for fiscal year 2020/21
Move to Approve:	Valerie Pryor
Second:	Jeff Davis
Yeas:	Robert Cheng, Dwayne Chisam, Kathy Cortner, Jeff Davis, Mark Krause, Gary Kremen, Valerie Pryor, Cindy Saks, Paul Sethy, and Dirk Marks

Nays:	None
Abstains:	None
Recusals:	None
Absent:	Randy Record
Summary:	10 Yeas; 0 Nays; 0 Abstains; 1 Absent. (Motion passed as MO 21-11-04)

8. REPORTS AND ANNOUNCEMENTS

8.a. Treasurer's Report

Ms. Kasaine provided the Treasurer's Report for the quarter ending September 31, 2021, noting the beginning cash balance on July 1 was \$569,245; total receipts for the three months ending September 2021 was \$785, disbursements for the quarter totaled \$20,672 and the ending cash balance was \$539,358.

8.b. General Counsel Report

Mr. O'Neill reported on activities which occurred during the last few months. He noted that during the last few months his activities associated with the Finance Authority have been focused on administrative-type activities.

8.c. Executive Director Report

Mr. Thomas noted his written report and updated actions were included in the Board packet and reported the work over the last few months has been associated with administrative activities, including working with Metropolitan and Richardson to prepare the external audit and complete year-end financial reports, and monitoring and communicating with DWR and the State Water Project Contractors.

9. FUTURE AGENDA ITEMS

There were no future agenda items.

10. CLOSED SESSION

- 10.a. Conference with legal counsel pursuant to Government Code section 54956.9, potential litigation: one case.

Mr. O'Neill reported that the Board met pursuant to Government Code section 54956.9, to discuss one item of potential litigation. A report was given to the Board, with no formal action taken by the Board.

11. ADJOURNMENT:

Secretary Davis adjourned the meeting at 1:27 p.m.

Implementation of the Stakeholder Engagement Committee



The DCA Board unanimously approved Resolution No. 19-12 on September 19, 2019, which outlined the SEC’s purpose, scope, and membership.

Up to 20 Committee Members participated in the SEC

Represent wide array of interests and geographies

DCA Board Representatives

- Chair Sarah Palmer
- Vice Chair Barbara Keegan

19 SEC Committee Meetings

November 2019 thru December 2021

Over 65 agendized SEC presentations

The SEC represented a wide array of interests and geographies in the following 18 areas:

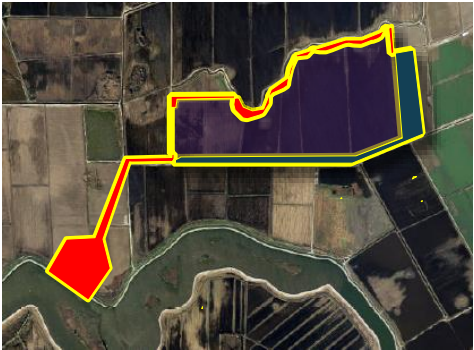
- | | |
|-----------------------------------|------------------------------------|
| • Agriculture | • Tribal Government Representative |
| • Recreation | • Delta Water District |
| • Sports Fishing | • At Large – Yolo County |
| • Environmental NGO - Terrestrial | • At Large – Solano County |
| • Environmental NGO - Aquatic | • At large – San Joaquin County |
| • Environmental Justice | • At Large – Sacramento County |
| • North Delta Local Business | • At Large – Contra Costa County |
| • South Delta Local Business | |

Incorporated Valuable Input

Examples of Included Adjustments:

- Reduced site footprints throughout and maximized reclamation of impacted agricultural land
- Shifted facilities away from natural areas including Stone Lakes and Woodbridge Reserves
- Eliminated most barging and associated affects to recreational boating
- Added rail, expanded roads, or eliminated structures to maintain acceptable levels of service
- Reduced borrow and import requirements to reduce traffic loads
- Focus on “eco-friendly” tunnel conditions
- Reduced pile driving impacts at intakes by 80% through cofferdam re-design

Eliminated the Barge Landing at Bouldin Island Launch Shaft Site



Moved shaft one mile from Woodbridge Reserve Boundary to Canal Ranch Maintenance Shaft Site



DCA Outreach and Engagement Next Steps

STAKEHOLDER ENGAGEMENT

- **Continue to expand access to current engineering information**
 - Community Engineering Briefings
 - Local library materials distribution
 - Expanded access to Virtual Tours
- **Support DWR outreach and engagement efforts**



ORIGINATING SECTION: Office of the General Manager
CONTACT: Alexandra Bradley

AGENDA DATE: January 19, 2022

SUBJECT: December Outreach Activities

SUMMARY:

To deliver on the Agency's 2020-2024 Strategic Plan Goal F which strives to engage our stakeholders to foster mutual understanding, staff implements and oversees a multi-faceted outreach and communications program to connect with and engage stakeholders. Through an open and transparent approach, the Agency seeks to deliver effective customer-centric communications, reaching constituents where, when, and how they prefer. Effective communication builds confidence, trust and awareness among constituents, increases participation to help with effective decision making and helps strengthen Zone 7's commitment to its mission and vision. This monthly staff report provides timely updates on progress towards meeting the goal of engaging our stakeholders.

Communications Plan Updates:

Drought Outreach: Staff continues to focus on drought messaging, educating residents about 15% mandatory conservation utilizing water supply infographics, rebate promotions, and the Water Wise Wendy campaign. December saw continued water savings at 14% conservation. Strategic advertisement and promotion through print, digital, tv and radio ads continued through the month, driving traffic to the drought and conservation pages. The website saw an increase in new users to the site, with 899 visitors coming to the site for the first time. The top three pages visited by new users were the Water Wise Wendy page, the Conservation and Rebate page and the Drought page. More data is provided in the attached analytics dashboards.

Staff will be reviewing data from the drought marketing suite to refine and draft a plan for 2022 in preparation for higher water demand months when conservation is most critical.

Drought Committee: Staff continues monthly meetings with the Drought Public Information Officers Committee, comprised of retailer staff and the Zone 7 Communication Specialist, to ensure the coordination of cohesive drought messaging to the Tri-Valley and to provide resources to retail partners. Messaging on the drought and rebate promotion continued through the year end. Staff is working on event planning and continued coordination for 2022.

Drought Page: Staff continues promoting the drought page (www.zone7water.com/drought). The page features important information on water supply, tips for saving water during the drought, and serves as a one-stop resource for residents to easily find important retailer specific information regarding newly implemented mandatory conservation measures and restrictions. The site will be updated as drought conditions change.

Schools' Program:

Summary of 2021-22 instruction to date:

- 18 Live-Stream Classes
- 53 In-Person Classes
- 6 Virtual with Staff Support (Note many teachers are utilizing the virtual lessons, but logins are not required, therefore staff does not have data on the exact number of lessons taught by teachers using virtual lessons. However, analytics for the Kid Zone website pages is tracked and outreach is adjusted to optimize that traffic.)
- Total by curriculum type: 77
 - 6 Water Matters (Kindergarten)
 - 17 Conservation Concepts (First Grade)
 - 18 Creek & Stream (Second Grade)
 - 14 What's Water Got to Do with It (Third Grade)
 - 15 CA and the Race for Liquid Gold (Fourth Grade)
 - 6 Life as a Water Molecule (Fifth Grade)
 - 1 teacher taught multiple grade levels
- By town:
 - 40 School Programs in Dublin
 - 10 School Programs in Livermore
 - 12 School Programs in Pleasanton
 - 15 School Programs in San Ramon (Dougherty Valley)
- Approximate total numbers of students reached:
 - 1,925 students (does not account for unassisted virtual lessons)

Staff continues to promote Program to increase participation. An e-news reminder will be sent out to the Schools' Program mail list in January.

In-Person Event Summary 2021:

Since resuming in-person events in the fall, staff has participated in a total of ten events, reaching approximately 2,150 people.

No events are currently scheduled for January. Staff is drafting the schedule for the first half of 2022.

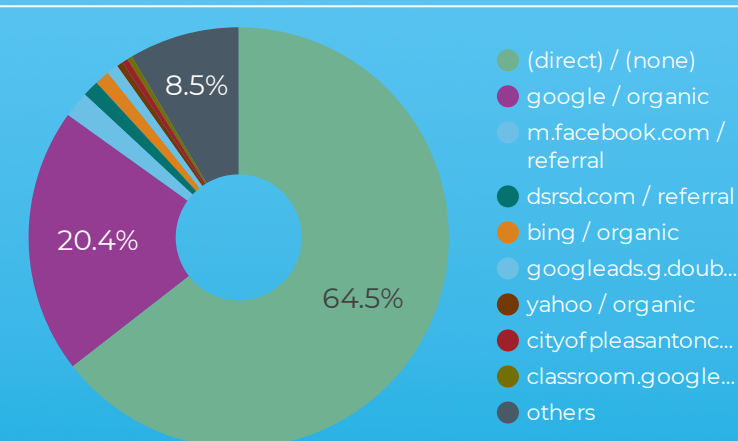
ATTACHMENT:

Analytics Dashboards

	Source / Medium	New Users
1.	(direct) / (none)	2,976
2.	google / organic	942
3.	m.facebook.com / referral	93
4.	dsrsd.com / referral	58
5.	bing / organic	52
6.	googleads.g.doubleclick.net / referral	41
7.	yahoo / organic	22
8.	cityofpleasantonca.gov / referral	21
9.	classroom.google.com / referral	18
10.	acgov.org / referral	15
11.	baidu.com / referral	14
12.	s3.amazonaws.com / referral	14
13.	l.facebook.com / referral	13

Acquisition Insights for December 2021:

- Direct, google and Facebook were the top three sources of traffic coming into the website.
- There was also an increase in first time users to the site with an increase of 400 new users visiting the site.
- Water Wise Wendy and the Conservation landing page saw the most users in December.

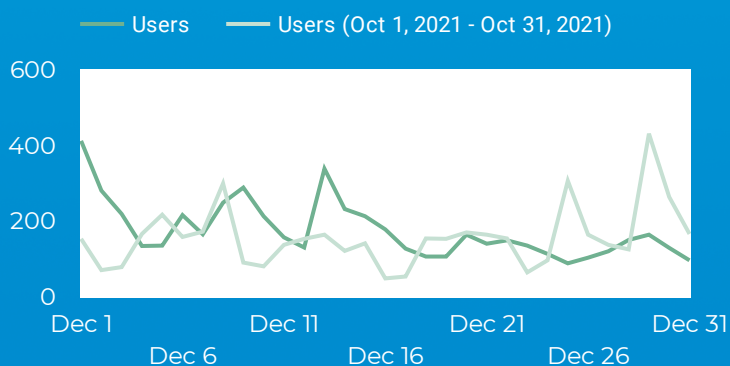


Snapshot:

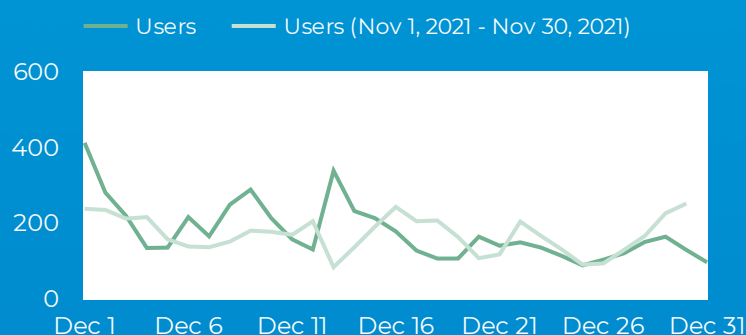
Users	New Users	Sessions	Pageviews	Bounce Rate	Avg. Session Duration
4,848	4,614	5.8K	9,327	72.76%	00:01:05
↑ 7.6%	↑ 8.7%	↑ 5.8%	↓ -4.7%	↑ 5.9%	↓ -20.1%

	Landing Page	Users ▾	Bounce Rate
1.	/water-wise-wendy	912	91.56%
2.	/conservation-and-rebates	904	94.64%
3.	/	668	40%
4.	/post/drought-alert-15-mandatory-conservation-effect-tri-valley	570	83.89%
5.	/construction-business-opportunities	276	88.03%
6.	/post/lessons-fifth-grade-label-water-cycle	160	78.95%

Traffic Compared to Two Months Ago



Traffic Compared to Last Month



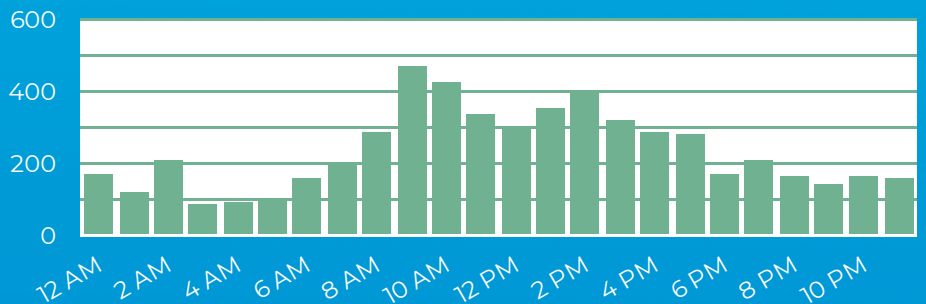
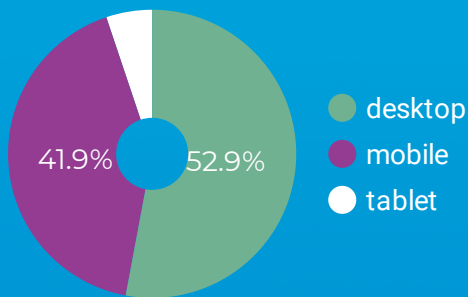
Behavior Insights for December 2021:

- The Conservation and Rebates landing page saw the most returning users and new users. It was the first time visiting the site and landing page for 96% of users in the month of December.
- Significant traffic is also shown for the Water Wise Wendy page and Drought Alert page. These two pages are highlighted on the main Conservation page.
- The increase in traffic and new users to conservation and drought pages is due to strategic advertisement and promotion through print ads, digital ads, and radio ads.

Top 10 most visited pages on the website from new users:

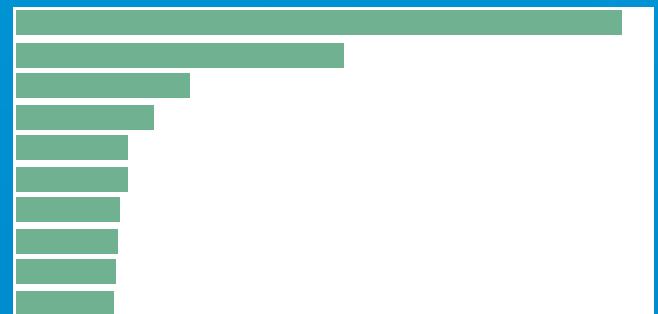
	Page Title	Users	New Users
1.	Conservation and Rebates - Zone ...	928	899
2.	Water Wise Wendy - Zone 7 Water ...	918	893
3.	DROUGHT ALERT: 15% MANDATO...	590	563
4.	Zone 7 Water Agency - the Tri-Vall...	727	561
5.	Construction & Business Opportu...	287	242
6.	4. Label the Water Cycle - Zone 7 ...	160	160
7.	Examples of a Water Cycle Story - ...	111	110
8.	Rebate: Water-Efficient Lawn Con...	141	94
9.	Page not found - Zone 7 Water Ag...	97	76
10.	Rebate Programs - Zone 7 Water ...	112	72

Source / Medium	Page Depth / Users						
	0	1	2	3	4	5	
(direct) / (none)	4	2,714	264	76	26	15	
google / organic	11	703	182	114	64	36	
m.facebook.com / ref...	-	84	7	2	-	-	
bing / organic	-	34	14	14	9	7	
dsrsd.com / referral	1	29	26	8	8	3	



Time on Page

Zone 7 Water Agency - the Tri-Valley region's water wholesaler
 Water Wise Wendy - Zone 7 Water Agency
 Meeting Agendas - Zone 7 Water Agency
 Reports & Planning Documents - Zone 7 Water Agency
 Rebate: Water-Efficient Lawn Conversion - Zone 7 Water Agency
 Well Drilling And Soil Boring Permits - Zone 7 Water Agency
 Careers - Zone 7 Water Agency
 Contact Us - Zone 7 Water Agency
 Salaries and Benefits - Zone 7 Water Agency
 Rebate: High Efficiency Clothes Washer - Zone 7 Water Agency



Facebook Insights for December 2021:

- Facebook traffic saw an increase of reach and impressions throughout the month with an increase in reach of 40% between November 2021 and December 2021 and an increase in impressions of 36%.
- The top 10 posts of the month include promotion of rebate programs, drought information, conservation tactics and flood preparedness.
- The top 3 performing videos for the month include Wondrous World of Water, Ozone Water Treatment and Flood Ready Freddy videos encouraging Tri-Valley residents to be prepared during the rainy season.

Monthly Snapshot

Posts **21** Reach **2,452** Impressions **2,602** Engaged Users **131**

Growth in page likes over past year

Total Page Likes: 511



Top 3 performing videos for month



Flood Ready Freddy
Keep Flood Channels
Clear | 19 views



Wondrous World of
Water Ozone Water
Treatment | 17 views



Flood Ready Freddy
Turn off Utilities | 15
views

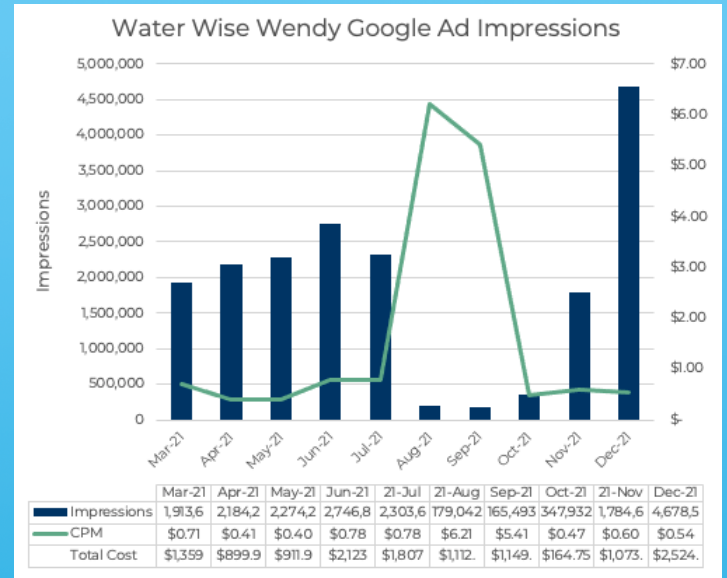
Top 10 posts for month, by number of impressions

Post Message	Type	Posted	Total Reach	Total Impressions	Engaged Users	Video Views
Got sandbags? Heavy wind and rain are in the forecast. Being prepared is the first step in preventing disasters. Zone 7 has pre-filled sandbags available at two locations. Visit our website to learn how to find, fill and use sandbags to keep your home safe from flood waters. And don't forget to turn off your irrigation system so you don't water when it rains! https://www.zone7water.com/post/how-find-fill-use-sandbags City of Livermore, CA - Government City of Pleasanton Dublin San Ramon Services District - DSRSD California Water Service	Link	12/11/21 8:00 AM	1436	1501	28	0
An incoming Atmospheric River is expected to bring heavy rain, strong winds, and possible flooding to the Bay Area starting Saturday night. Please remember to turn off your irrigation. We're still in a drought and every drop saved will help us next year. Check out our Weather Based Irrigation Controller rebate so during the next storm the controller can adjust your system for you! www.zone7water.com/post/rebate-weather-based-irrigation-controllers	Link	12/10/21 8:00 AM	139	149	6	0
A household leak that drips at the rate of one drop per second can waste up to 3,000 gallons per year! Finding and fixing those pesky leaks will help the Tri-Valley reach its water savings goal of 15%. Learn how to find and fix leaks with Water Wise Wendy at www.zone7water.com/post/fix-leak #waterwise #fixaleak City of Livermore, CA - Government City of Pleasanton Dublin San Ramon Services District - DSRSD California Water Service	Photo	12/6/21 10:01 AM	130	138	10	0
Water Wise Wendy is here to tell you to not overwater your lawn and garden. Although the action is small, when we all save a little, we save a lot! This water-wise action will help the Tri-Valley meet its mandatory 15% water-usage conservation goal. Learn more ways to be water-wise at www.zone7water.com/post/fix-leak #waterwise #everydropcounts	Video	12/8/21 2:00 PM	78	90	10	31
The cool winter season is the best time to revamp your lawn or garden! Take advantage of our Garden by Numbers program and swap your lawn for a water-wise alternative. This swap will help the Tri-Valley reach its 15% water saving goal. View our four different box options at www.zone7water.com/post/garden-number-landscape-designs #waterwise #everydropcounts	Photo	12/9/21 10:01 AM	71	73	5	0
We want to give a big round of applause to the Tri-Valley for surpassing the 15% water savings goal and saving 30% compared to 2020! 🎉 Every drop the Tri-Valley saves is put into the bank for next year! Although there has been rain in the forecast, we are still in a #drought and need to conserve. #DroughtAlert #waterwise	Photo	12/6/21 10:37 AM	56	58	2	0
We want to wish everyone a wonderful Christmas and holiday season. We hope you spend it with loved ones and have a festive weekend!	Photo	12/25/21 8:01 AM	50	55	4	0
Preparing for an emergency means we all do our part. Help keep our important flood channels clear by staying on designated hiking trails and reporting any items blocking a flood channel. You can also report unsanctioned ramps and bridges by calling 925-454-5000. Be a #ReadyFreddy today! #FloodReady	Video	12/28/21 11:00 AM	49	54	12	19
A flood watch is currently in effect from 4pm to 10pm today. Visit www.zone7water.com/floodready for tips on how to prepare. Sandbags can be found at several locations throughout the Tri-Valley. See the website for pickup locations.	Status	12/13/21 3:33 PM	47	49	4	0
Dive into the Wondrous World of Water to learn how in the world ozone disinfects water! Zone 7 water performs better than most state and federal health standards, keeping our community safe and healthy with safe drinking water. Learn more about your water quality at www.zone7water.com/water-quality #wondrousworldofwater #drinkingwater	Video	12/22/21 2:00 PM	45	49	5	17

Outreach Insights for December 2021

- Google Ad impressions for December saw a 90% increase from November. This increase can be attributed to optimization efforts and budget increase for the google ad campaigns.
- The cost-per-mille (CPM or cost for every one thousand impressions) for December continued to decrease and is at the lowest cost since May of 2021.
- A total of three Mailchimp eblasts were sent in December, including a special announcement notifying subscribers of an updated agenda for the December board meeting.
- Youtube views went up by almost 50% with 2,000 more video views than November. The increase is due to the digital campaign promoting Water Wise Wendy outdoor videos.

Google Ads - Impressions and Cost/1k Impressions

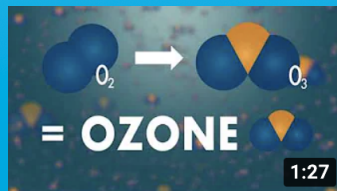


YouTube Views

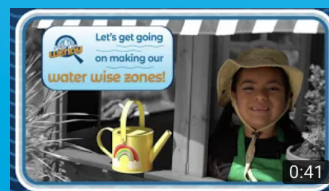
4,148

*includes views from
playlists*

Top 3 Videos this month



Wondrous World of Water
Ozone Treatment



Water Wise Wendy Tip #5
Divide your Garden in Zones



Water Wise Wendy Outdoor
Tip #3 Don't Water when it
Rains

Facebook Video Views

77

Mail Chimp E-blast Deliveries

Total Eblasts Sent

3

Total Deliveries

2,161

Total Opens

1,615

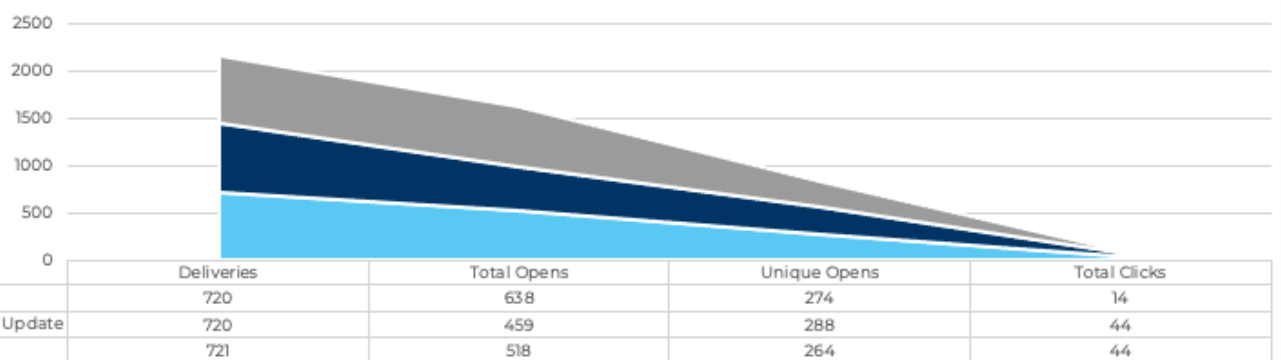
Total Unique Opens

826

Total Clicks

102

Eblast Outreach Funnel



Insights for December 2021:

- The middle school groundwater lesson continues to have the most traffic in regards to pageviews and length of time spent on the page. The main teacher landing page and first grade less page also saw a significant amount of time spent on their landing pages.
- In December, Kid Zone landing pages were accessed by users across the country. A small amount of users were located in Zone 7's service district. This distribution of users could be attributed to teachers and students traveling out of state for winter break.

MONTHLY SNAPSHOT

106

Users

64

New Users

195

Combined
Page Views

583

Combined
Events

Top 5 Landing Pages based on Pageviews

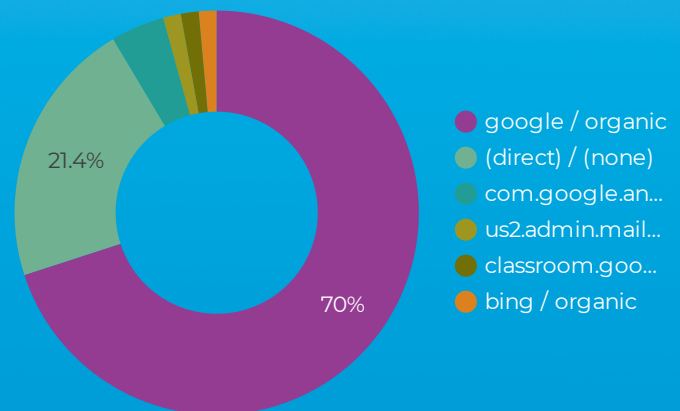
	Landing Page	Pageviews ▾
1.	/lessons-middle-school-groundwater	51
2.	/kid-zone	22
3.	/lessons-fifth-grade	21
4.	/teachers	16
5.	/lessons-kindergarten	14

Locations of Users



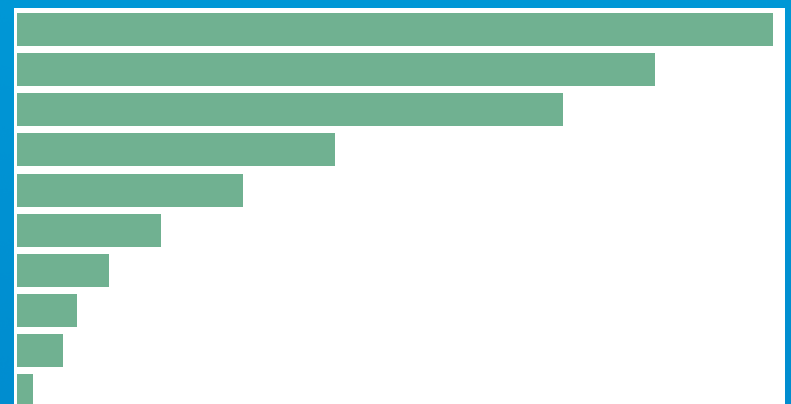
California Cities: Fremont, Concord, Pleasanton, Cambria, San Diego, San Ramon

Referrals to landing pages



Time on Page

Lessons Middle School - Groundwater - Zone 7 Water Agency
 For Teachers - Zone 7 Water Agency
 Lessons First Grade - Zone 7 Water Agency
 Lessons Fourth Grade - Zone 7 Water Agency
 Lessons Fifth Grade - Zone 7 Water Agency
 2. Explore Permeability - Zone 7 Water Agency
 Lessons Second Grade - Zone 7 Water Agency
 Lessons Middle School - Water Treatment - Zone 7 Water Agency
 Lessons Third Grade - Zone 7 Water Agency
 Kid Zone - Zone 7 Water Agency



ORIGINATING SECTION: Administration**CONTACT:** Carol Mahoney/Valerie Pryor**AGENDA DATE:** January 19, 2022**SUBJECT:** Legislative Update**SUMMARY:**

Zone 7 staff, with the support of Agency consultants, monitors legislation that is being considered in Sacramento, as well as other political and regulatory activities of interest. This item supports Strategic Plan, Goal F – Stakeholder Engagement, engage our stakeholders to foster understanding of their needs, the Agency, and its function.

California's Assembly, Senate, and Committees reconvened for the existing two-year legislative cycle on January 3, 2022. The attached is the legislative executive summary of bills under consideration.

FUNDING:

N/A

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

Legislative Executive Summary – As of January 7, 2022



EXECUTIVE SUMMARY

State Legislation

Prepared for the Zone 7 Water Agency
by The Gualco Group, Inc.



Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 01/07/2022
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Climate Change

[AB 51 \(Quirk\)](#)

Climate change: regional climate adaptation planning groups: regional climate adaptation plans.

This bill would require the Strategic Growth Council, by July 1, 2022, to establish guidelines for the formation of regional climate adaptation planning groups. The bill would require the council, by July 1, 2023, and in conjunction with certain state entities, to develop criteria for regional climate adaptation plans.

Watch

Assembly Committee on Natural Resources

Employment

[AB 55 \(Boerner Horvath\)](#)

Employment: telecommuting

Current law promotes and develops the welfare of workers in California to improve working conditions and advance opportunities for profitable employment. Current law regulates the wages, hours, and working conditions of any worker employed in any occupation, trade, or industry. This bill would declare the intent of the Legislature to enact future legislation to ensure certain rights and benefits for telecommuting employees.

Watch

Assembly Committee on Rules

General

[AB 59](#) [\(Gabriel\)](#)

Mitigation Fee Act: notice and timelines

The Mitigation Fee Act imposes the same requirements on a local agency for a new or increased fee for public facilities. Current law, for specified fees, requires any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge or modifying an existing fee or service charge to be commenced within 120 days of the effective date of the ordinance, resolution, or motion. Current law also provides that, if an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge and the adjustment results in an increase in the fee or service charge, that any action to attack, review, set aside, void, or annul the increase to be commenced within 120 days of the increase. This bill would increase, for fees and service charges and for fees for specified public facilities, the time for mailing the notice of the time and place of the meeting to at least 45 days before the meeting.

Watch

Assembly
Committee on
Local
Government

[ACA 1](#) [\(Aguiar-Curry\)](#)

Local government financing: affordable housing and public infrastructure: voter approval

This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

Watch

Assembly
Committee on
Local
Government

[SB 230](#) [\(Portantino\)](#)

State Water Resources Control Board: Constituents of Emerging Concern Program

This bill would require the State Water Resources Control Board to establish, maintain, and direct a dedicated program called the Constituents of Emerging Concern in Drinking Water Program for 5 years to assess the state of information and recommend areas for further study on, among other things, the occurrence of constituents of emerging concern (CEC) in drinking water sources and treated drinking water. The bill would require the state board to convene, by an unspecified date, the Science Advisory Panel for 3 years to review and provide recommendations to the state board on CECs for further action, among other duties.

Watch

Senate
Committee on
Appropriations

Governance

[AB 29](#)
[\(Cooper\)](#)

State bodies: meetings

Current law requires the state body to provide notice of its meeting, including specified information and a specific agenda of the meeting, as provided, to any person who requests that notice in writing and to make that notice available on the internet at least 10 days in advance of the meeting. This bill would require that notice to include all writings or materials provided for the noticed meeting to a member of the state body by the staff of a state agency, board, or commission, or another member of the state body that are in connection with a matter subject to discussion or consideration at the meeting.

Watch

Assembly
Committee on
Appropriations

Water

[SB 832 \(Dodd\)](#)

Water rights: measurement of diversion

Current law requires a person who diverts 10 acre-feet or more of water per year under a permit or license to install and maintain a device or employ a method capable of measuring the rate of direct diversion, rate of collection to storage, and rate of withdrawal or release from storage. Current law requires a permittee or licensee to maintain a record of all diversion monitoring, as provided, and to include those records with annual reports required to be submitted to the state board. Current law authorizes the State Water Resources Control Board to modify these requirements if the state board finds that strict compliance with these requirements is infeasible, is unreasonably expensive, would unreasonably affect public trust uses, or would result in the waste or unreasonable use of water, or that the need for monitoring and reporting is adequately addressed by other conditions of the permit or license. This bill would clarify existing law that a person diverting 10 acre-feet or more of water per year under a registration is subject to these water diversion measurement, recording, and reporting requirements.

Watch

Senate
Committee on
Rules

ORIGINATING SECTION: Integrated Planning
CONTACT: Sal Segura/Amparo Flores

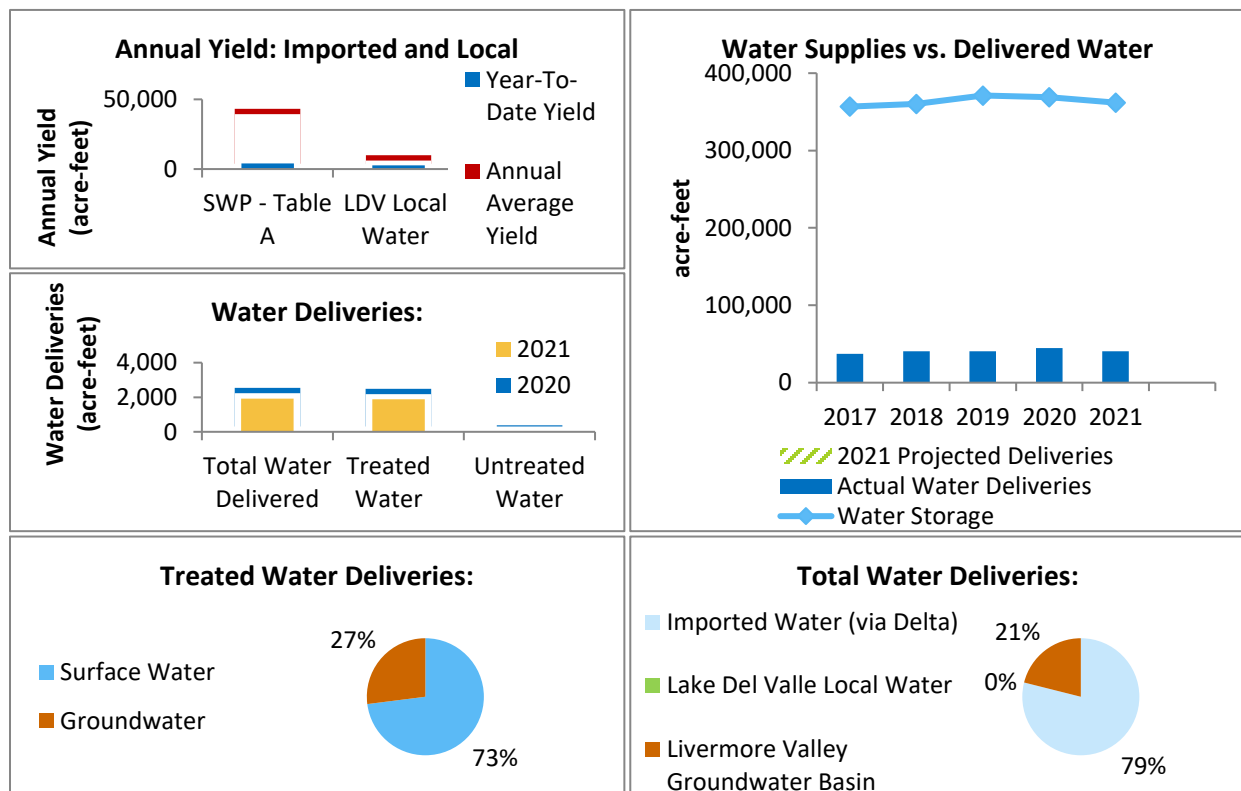
AGENDA DATE: January 19, 2022

SUBJECT: Monthly Water Inventory and Water Budget Update

SUMMARY:

In support of Zone 7's mission to "deliver safe, reliable, efficient, and sustainable water...services," for Strategic Plan Goal A – "Reliable Water Supply and Infrastructure;" this report summarizes water supply, usage and storage conditions in 2021. An overall analysis of the annual water supply takes place in April of each year with the Annual Review of Sustainable Water Supply. Long-term water supply planning is summarized in the Urban Water Management Plan, which is updated every five years and assesses water supply reliability on a 20-year horizon. The report considers the various sources of supply and storage available to Zone 7 locally and in State Water Project facilities, as well as in remote groundwater storage banks.

Figure ES 1: At-a-Glance Summaries of 2021 Water Supplies, Deliveries, and Available Water (as of December 2021)



DECEMBER 2021

Zone 7 Water Inventory and Water Budget

Supply and Demand (See Table 1, Table 2, Figure 1, Figure 2, Figure 3, and Figure 4)

- Monthly totals: 1,910 AF delivered to customers (1,880 AF treated, 30 AF untreated)
- The total treated water production decreased by 3% compared to last month.
- Both Cal Water and City of Pleasanton appear to have pumped below their Groundwater Pumping Quotas in 2021 based on forecasted data.
- Treated water sources were 73% surface water and 27% groundwater this month.
 - Treatment plant production was 14.4 MGD.
 - Wellfield production was 5.4 MGD.

Comparison of Demands: 2021 vs 2020 (See Table 1)

- Total Zone 7 demands this month were 17% lower relative to the same time in 2020; treated production was 16% lower, and untreated delivery was 57% lower, underscoring a much wetter December.

Table 1: December 2021 comparison - water demand and conservation

	Treated Production	Untreated Delivery	Total
December 2021 (AF)	1,880	30	1,910
December 2020 (AF)	2,240	70	2,310
December Conservation (2021 vs 2020)	16%	57%	17%

- In late May 2021, Zone 7 and the retailers began requesting 10% voluntary conservation relative to 2020 treated water demands due to the critically dry conditions this year. Subsequently, Zone 7 and the retailers requested 15% voluntary conservation in line with the Governor's statewide request in July. On September 1, 2021, the Zone 7 Board called for 15% mandatory conservation in preparation for a potential third dry year in 2022, with retailers rolling out their own declarations following, with Cal Water being the most recent. The year-end conservation relative to 2020 was 8% for Zone 7 treated water production.

Imported Water (See Table 2)

- The 2021 State Water Project (SWP) Table A allocation was 5% or about 4,000 AF; this amount remains available, converted to "carryover" in 2022.
- Zone 7 began the year with about 8,840 AF of State Water Project carryover and backed up water (water recovered from Semitropic and Cawelo Bank Storage and stored in San Luis Reservoir). Amount remaining is about 1,500 AF, serving as carryover in 2022.
- The Table A transfer from Mojave Water Agency was approved in July. By September, the full amount of 4,500 AF was delivered. A transfer of 3,600 AF of Article 56 became

available in August for a total transfer volume of 8,100 AF available from Mojave Water Agency. Zone 7 used all water transfers from Mojave Water Agency, Yuba Accord and Dry-Year Transfer Program totaling 9,200 AF.

- Zone 7 recovered about 10,500 AF of banked water from Semitropic between February and December. Cawelo banked water recovery was originally scheduled to begin in September but has been delayed due to USBR approval of a new pipeline project. Recovery is expected to begin soon. A total of 9,000 AF is expected this carryover season (extending into Spring 2022) to support demands in 2022.
- Remaining incoming supplies and total operational water storage are approximately 215,150 AF; if emergency storage in the Livermore Valley Groundwater Basin below the historical low is included, then the total amount of remaining supplies and storage is estimated at 343,150 AF.

Groundwater

(See Table 2 and Figure 5)

- Wellfield pumping made up 510 AF (27%) of treated supply delivered to retailers.
- Artificial recharge via the arroyos to the Livermore Valley Groundwater Basin had largely been suspended since July 2020 due to the storage being nearly full and low SWP Table A allocation. Live stream recharge (i.e., release of water from Lake Del Valle into Arroyo Valle) temporarily resumed in October due to inflow into Lake Del Valle from storms, a condition of Zone 7's water rights permit. Releases resumed in December due to natural inflow from rainfall. Zone 7's individual contribution to live stream was zero this month because releases are covered by natural inflow.
- Groundwater basin overflow on the west side of the Livermore Valley Groundwater Basin was estimated at 0 AF.
- The Livermore Valley Groundwater Basin is at approximately 91% of total capacity (230,000 AF out of 254,000 AF).
 - 102,000 AF are operational storage (i.e. above historical groundwater lows).
 - The remaining 128,000 AF are designated for emergency storage.

Local Surface Water

(See Table 2 and Figure 6)

- Zone 7 did not use any local stored water in Lake Del Valle this month. In coordination with the South Bay Contractors, DWR has purposely kept Lake Del Valle full this season, to make sure sufficient supplies are available if the drought continues. DWR monitors weather forecasts and adjust lake levels as appropriate.
 - Zone 7 began 2020 with 20 AF of available local water which was used in January; an additional 700 AF was captured and used in winter 2021. A small amount of local water was captured and released between October and November. The December storms created enough runoff to exceed the conservation pool prompting DWR to make flood releases for 3 days. The amount of flood release is currently estimated between 3,500 and 4,000 AF. In spite of releases, Zone 7 estimates about 2,000 AF went into its lake storage account.

Stream Outflow	<i>(See Table 2)</i>
-----------------------	----------------------

- Due to recent storms, surface runoff exceeded 10 cfs baseflow at the Arroyo de la Laguna at Verona stream gauge and yielded about 12,000 AF of outflow.
- Note: some surface flows out of the Tri-Valley are mandated for other downstream purposes.

Local Precipitation	<i>(See Figure 7)</i>
----------------------------	-----------------------

- 4.85 inches of precipitation were recorded in the Livermore area this month.
- Cumulative precipitation was at 9.49 inches or 183% of average conditions as of December 31 for Water Year 2021/2022 (October 1, 2021-September 30, 2022). Note that Water Year 2020/2021 ended at roughly 6 inches locally.

Sierra Precipitation	<i>(See Figure 8)</i>
-----------------------------	-----------------------

- 14.4 inches of precipitation were recorded in the Northern Sierra this month. Note that Water Year 2020/2021 ended at roughly 24 inches compared to the current total of 30.2 inches.
- Cumulative precipitation in the Northern Sierra was at 169% of average conditions (as of December 30, 2021) for Water Year 2021/2022 (October 1, 2021-September 30, 2022).

Sierra Snowpack	<i>(See Figure 9)</i>
------------------------	-----------------------

- There were 15.0 inches of snow-water equivalent in the North Sierra basins as of January 3.
- North Sierra snowpack was at 135% of normal conditions for January 3.

Lake Oroville	<i>(See Figure 10)</i>
----------------------	------------------------

- Lake Oroville was at 39% of total capacity (74% of average) as of January 2.
 - Total storage: 1,375,952 AF
 - Storage increased by 9% of total capacity since last month.

San Luis Reservoir	<i>(See Figure 11)</i>
---------------------------	------------------------

- San Luis Reservoir was at 31% capacity (49% of average) as of January 2.
 - Total storage: 630,353 AF
 - Storage increased by about 7% of total capacity since last month.

NOTE: Numbers presented are estimates only and subject to adjustment over the course of the year.

Table 2: Quarterly water inventory

Water Inventory for Zone 7 Water Agency

Note: Values are rounded. All units in AF unless noted otherwise. Subject to adjustment over the year.

	2020 <i>Jan-Dec</i>	2021 - Q1 <i>Jan-Mar</i>	2021 - Q2 <i>Apr-Jun</i>	2021 - Q3 <i>Jul-Sept</i>	2021 - Q4 <i>Oct-Dec</i>	2021 - YTD <i>Jan-Dec</i>
Source						
Incoming Supplies						
State Water Project (SWP) - Table A	7,260	0	0	0	0	0
Lake Del Valle Local Water	8,580	720	0	0	0	720
Water Transfers/Exchanges ¹	7,110	0	0	8,230	990	9,220
Subtotal	22,950	720	0	8,230	990	9,940
From Storage						
State Water Project - Carryover	10,810	2,180	6,090	0	0	8,270
Livermore Valley Groundwater Basin	11,450	2,830	5,120	4,510	2,080	14,540
Semitropic and Cawelo Banked Water	1,000	1,050	2,200	1,880	0	9,550
Subtotal	23,260	6,060	13,410	6,390	2,080	32,360
Total Supply	46,210	6,780	13,410	14,620	3,070	42,300
Water Use						
Customer Deliveries						
Treated Water Demand ²	38,950	6,070	11,060	11,900	6,780	35,810
Untreated Water Demand	5,820	460	2,350	2,720	710	6,240
Subtotal	44,770	6,530	13,410	14,620	7,490	42,050
To Storage						
Livermore Valley Groundwater Basin Recharge	1,440	250	0	0	0	250
Semitropic and Cawelo Bank Storage	0	0	0	0	0	0
Subtotal	1,440	250	0	0	0	250
Total Water Use	46,210	6,780	13,410	14,620	7,490	42,300
Available Water Supplies	End-of-Quarter Balances					
Incoming Supplies in 2021						
SWP - Table A (%)		5%	5%	5%	5%	5%
SWP - Table A Remaining		4,000	4,000	4,000	4,000	4,000
Water Transfers/Exchanges ¹		0	4,500	870	0	0
Subtotal		4,000	8,500	4,870	4,000	4,000
Storage Balance from 2020						
SWP Carryover + Backed Up Water ³	8,840	6,660	570	570	1,520	1,520
Lake Del Valle Local Water	20	0	0	0	2,000	2,000
Livermore Valley Groundwater Basin ⁴	109,000	108,000	104,000	102,000	102,000	102,000
Semitropic and Cawelo Banked Water	116,130	115,080	112,880	111,000	105,630	105,630
Subtotal	233,990	229,740	217,450	213,570	211,150	211,150
Total Available Water	233,990	233,740	225,950	218,440	215,150	215,150
Watershed Conditions	End-of-2020					
Precipitation at Livermore Station (in)	7.4	3.9	0.2	0.0	9.5	13.6
Lake Del Valle Local Water Net Yield	800	680	0	0	2,000	2,680
Livermore Valley Groundwater Basin Net Recharge (est.)	0	2,000	2,000	2,000	3,000	9,000
Surface Water Outflow ⁵	6,450	4,920	50	0	20,460	25,430

¹ Yuba Accord and Mojave transfer supplies were acquired in 2021.

² Includes a small amount of unaccounted-for water.

³ Backed Up Water is recovered water from Semitropic Bank Storage and Cawelo Bank Storage then moved to San Luis Reservoir for storage.

⁴ Storage volume is based on most recent groundwater level data; amount shown excludes 128,000 AF of emergency storage.

⁵ Surface Water Outflow is estimated based on flow at USGS gage Arroyo De La Laguna at Verona.

Figure 1: Monthly treated water production in acre-feet (AF)

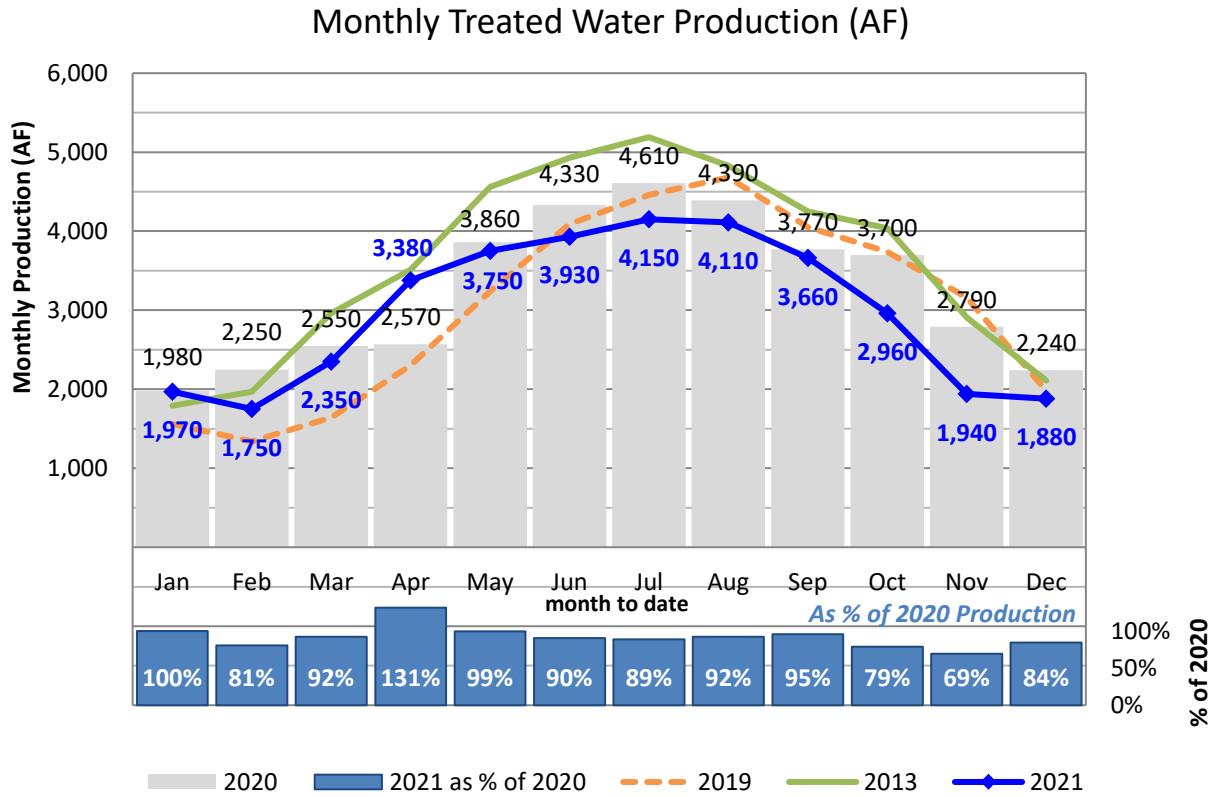
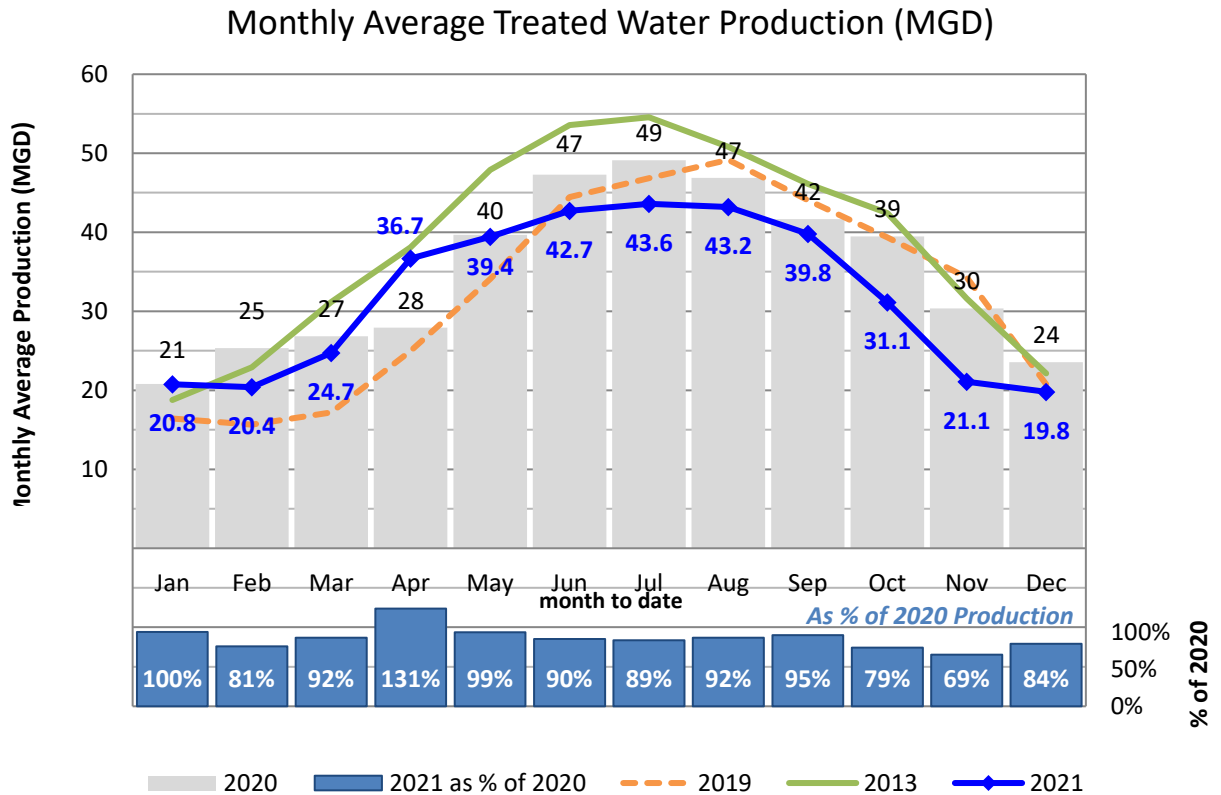
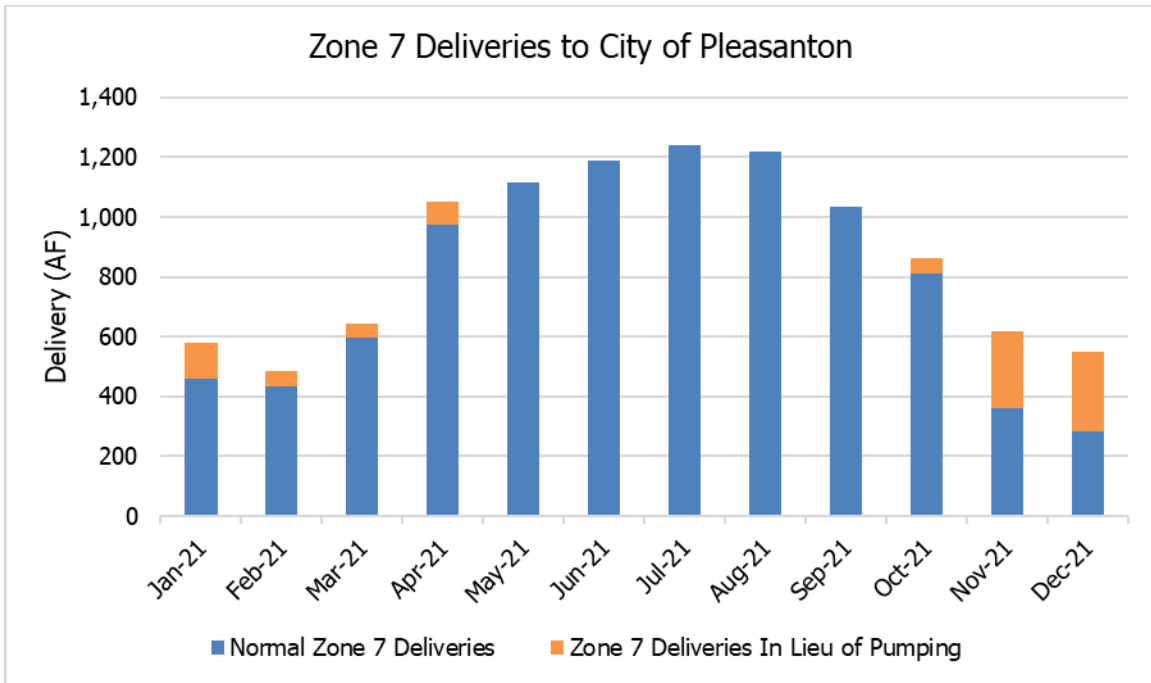


Figure 2: Monthly treated water production in average million gallons per day



**Figure 3: Pleasanton Estimated In-Lieu Demand
(Based on 2015-2018 Pumping)**



**Figure 4: California Water Service Estimated In-Lieu Demand
(Based on 2015-2018 Pumping)**

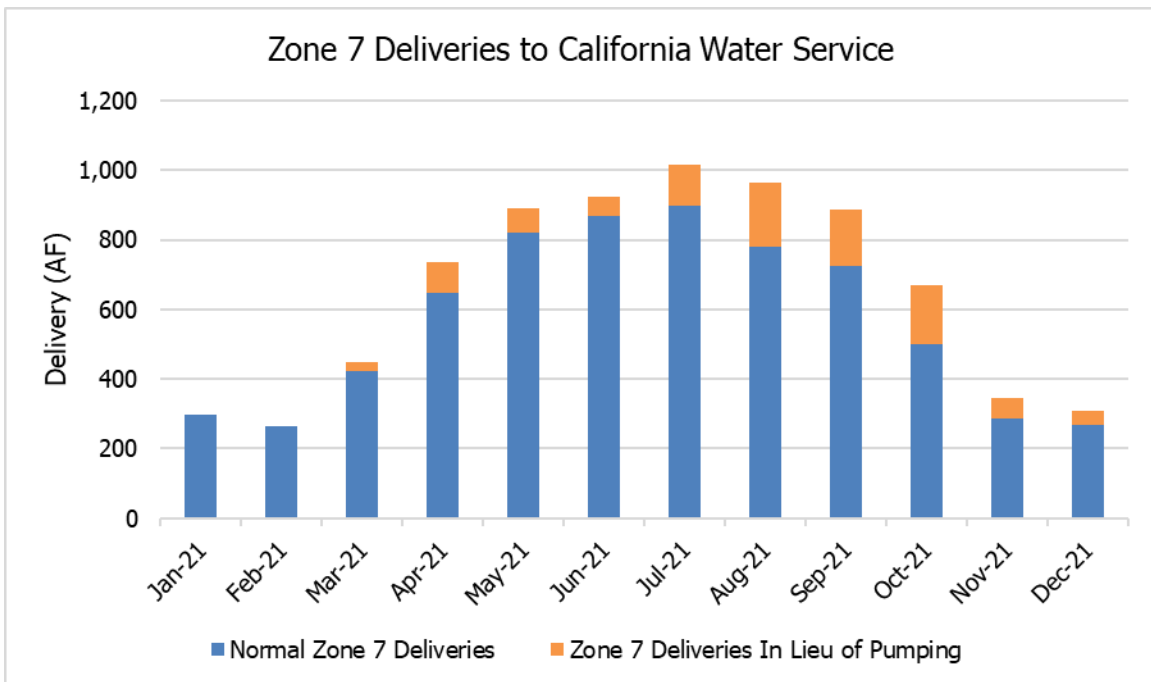


Figure 5: Livermore Valley Groundwater Basin Storage

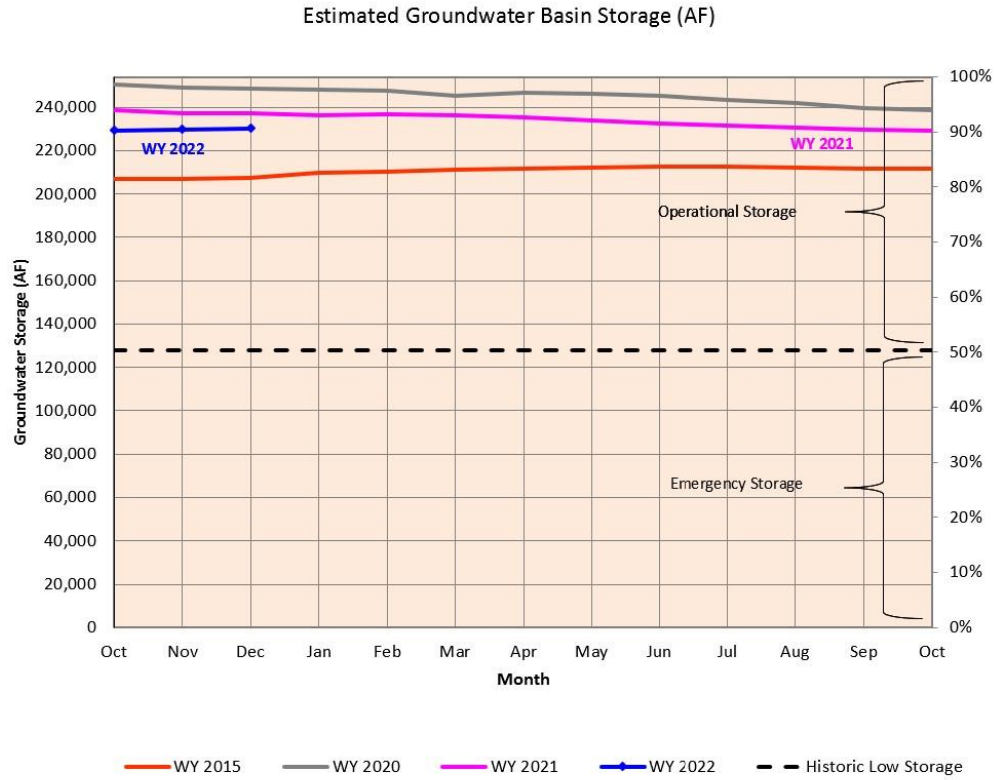
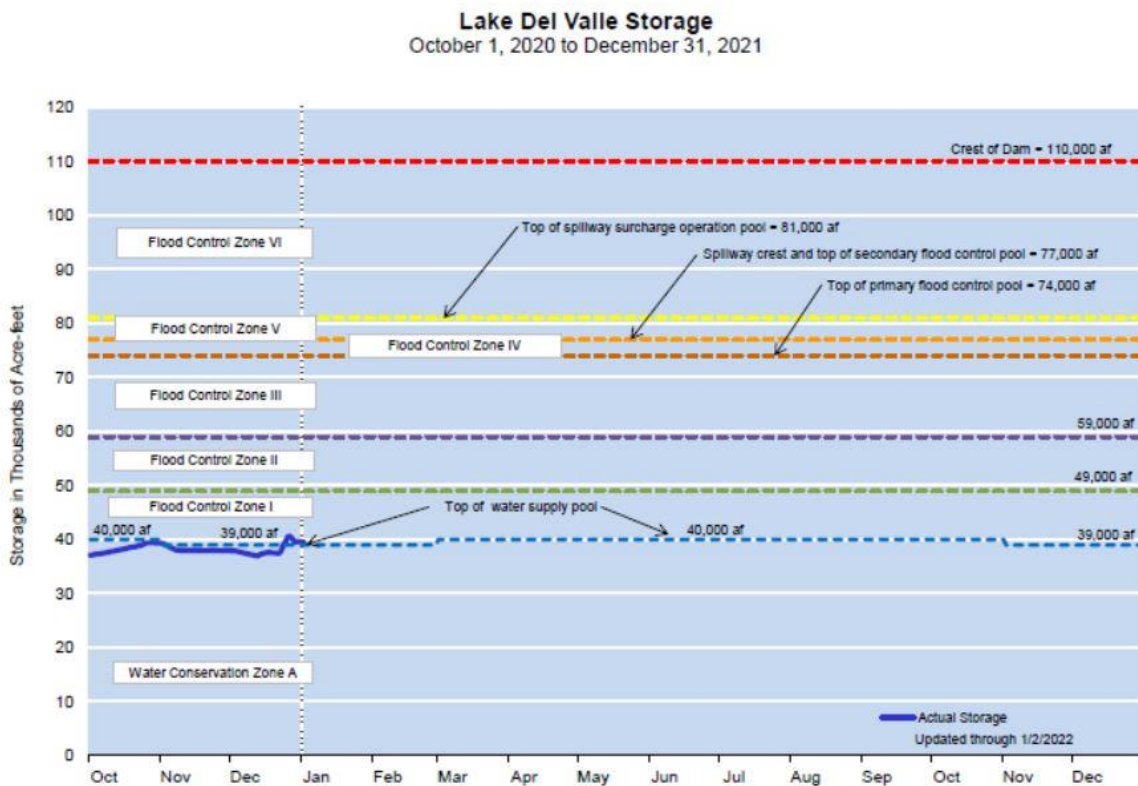


Figure 6: Lake Del Valle storage



(Source: <https://water.ca.gov/-/media/DWR-Website/>)

Figure 7: Local precipitation

Note: Water Year 2021/2022 has a cumulative total of 9.49 inches of rain, 183% of the average for this time of year. 4.85 inches of rain were received in December.

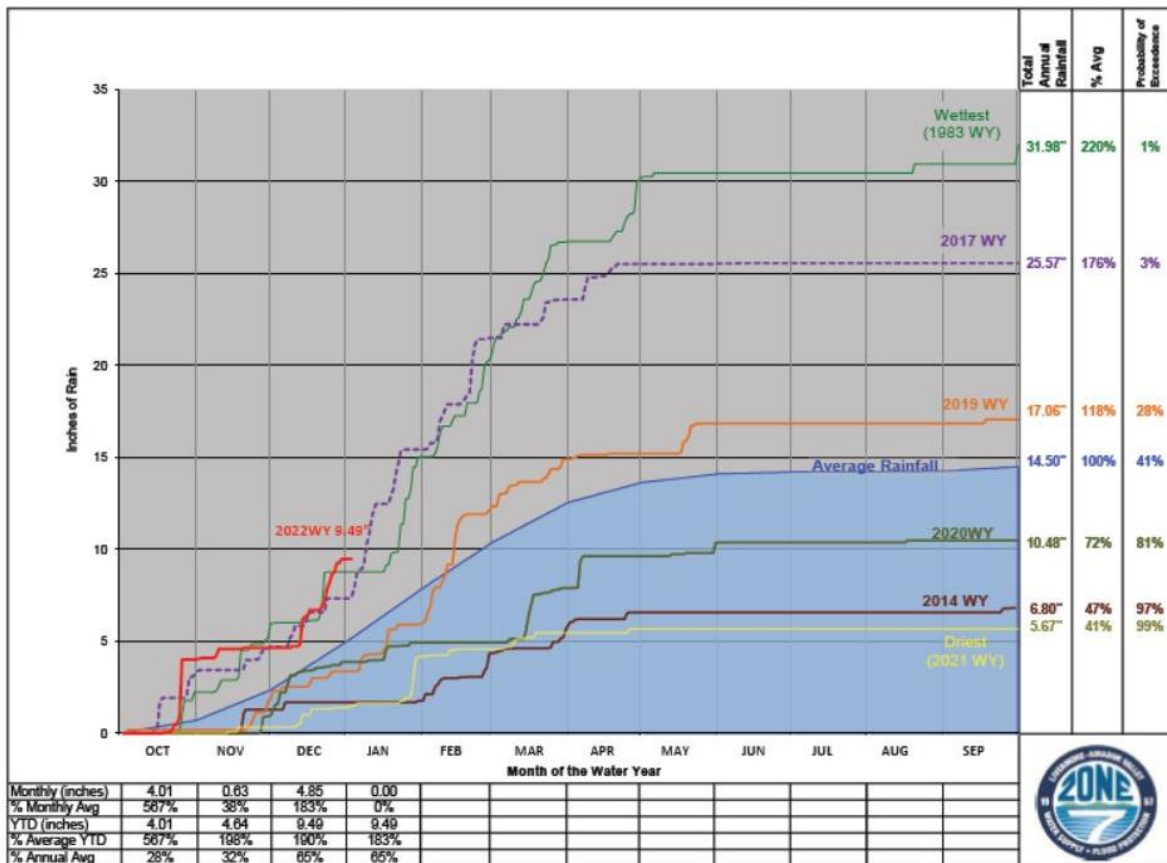
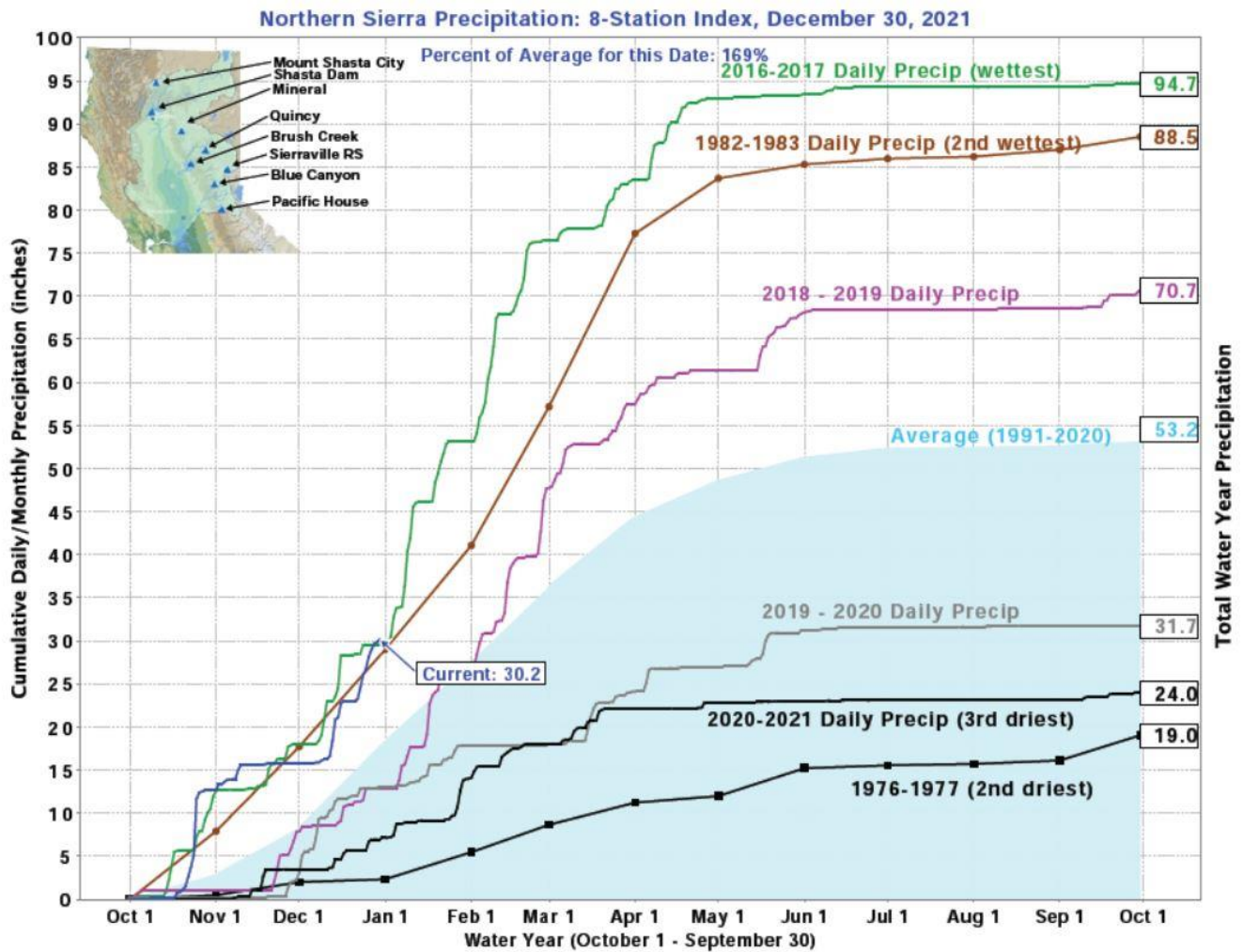


Figure 8: Cumulative precipitation in the North Sierra

Note: Cumulative precipitation in the Northern Sierra was at 169% of average conditions as of December 30, 2021 for Water Year 2021/2022 (October 1, 2021-September 30, 2022).



(Source: http://cdec.water.ca.gov/cgi-progs/products/PLOT_ESI.pdf)

Figure 9: Sierra Snowpack

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of January 3, 2022	
Number of Stations Reporting	30
Average snow water equivalent (Inches)	15.0
Percent of April 1 Average (%)	52
Percent of normal for this date (%)	135

CENTRAL	
Data as of January 3, 2022	
Number of Stations Reporting	43
Average snow water equivalent (Inches)	16.8
Percent of April 1 Average (%)	57
Percent of normal for this date (%)	148

SOUTH	
Data as of January 3, 2022	
Number of Stations Reporting	30
Average snow water equivalent (Inches)	14.0
Percent of April 1 Average (%)	55
Percent of normal for this date (%)	160

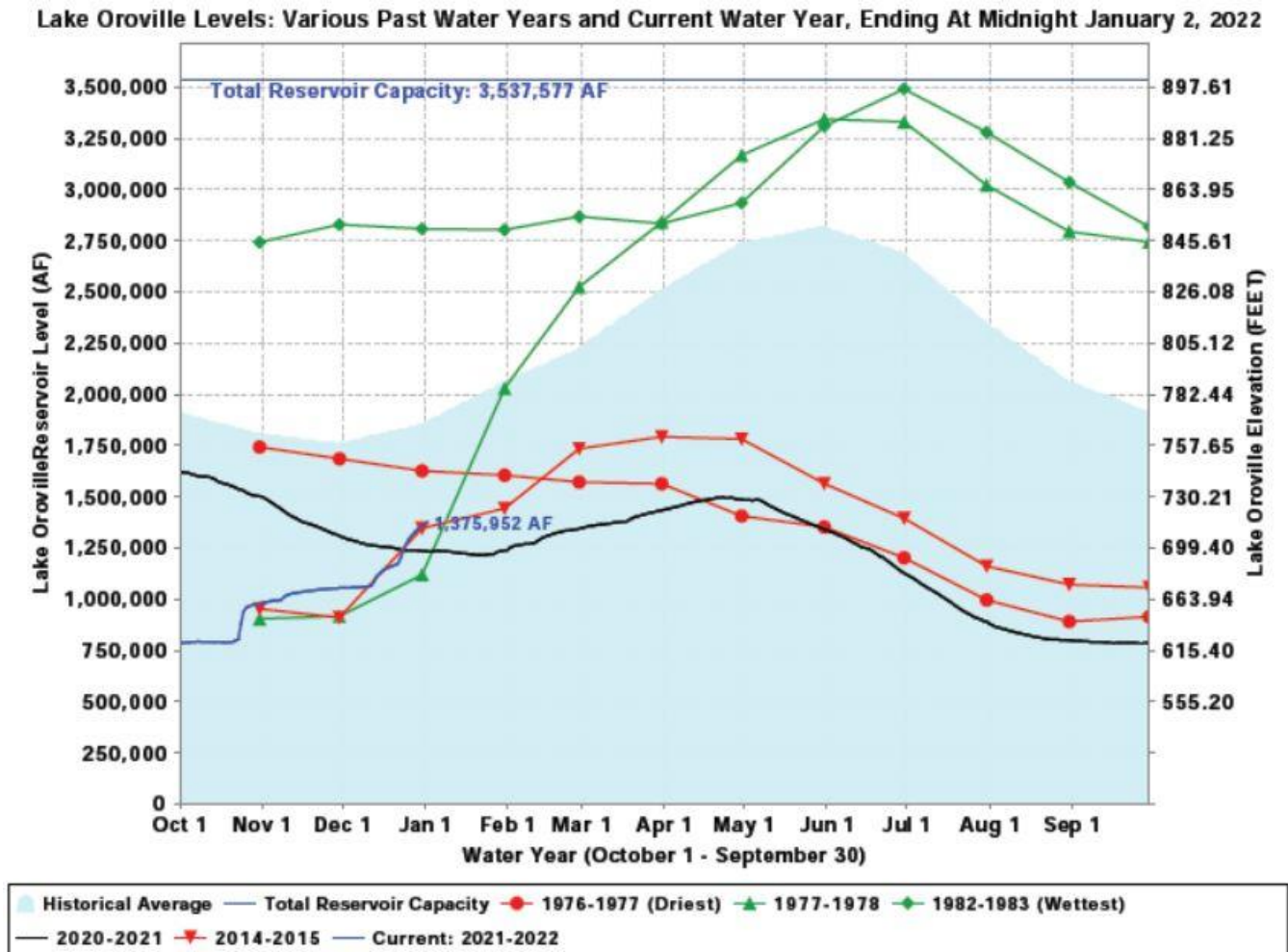
STATE	
Data as of January 3, 2022	
Number of Stations Reporting	103
Average snow water equivalent (Inches)	15.5
Percent of April 1 Average (%)	55
Percent of normal for this date (%)	147

Statewide Average: 55% / 147%

(Source: <https://cdec.water.ca.gov/reportapp/javareports?name=swccond.pdf>)

Figure 10: Lake Oroville storage compared with past water years

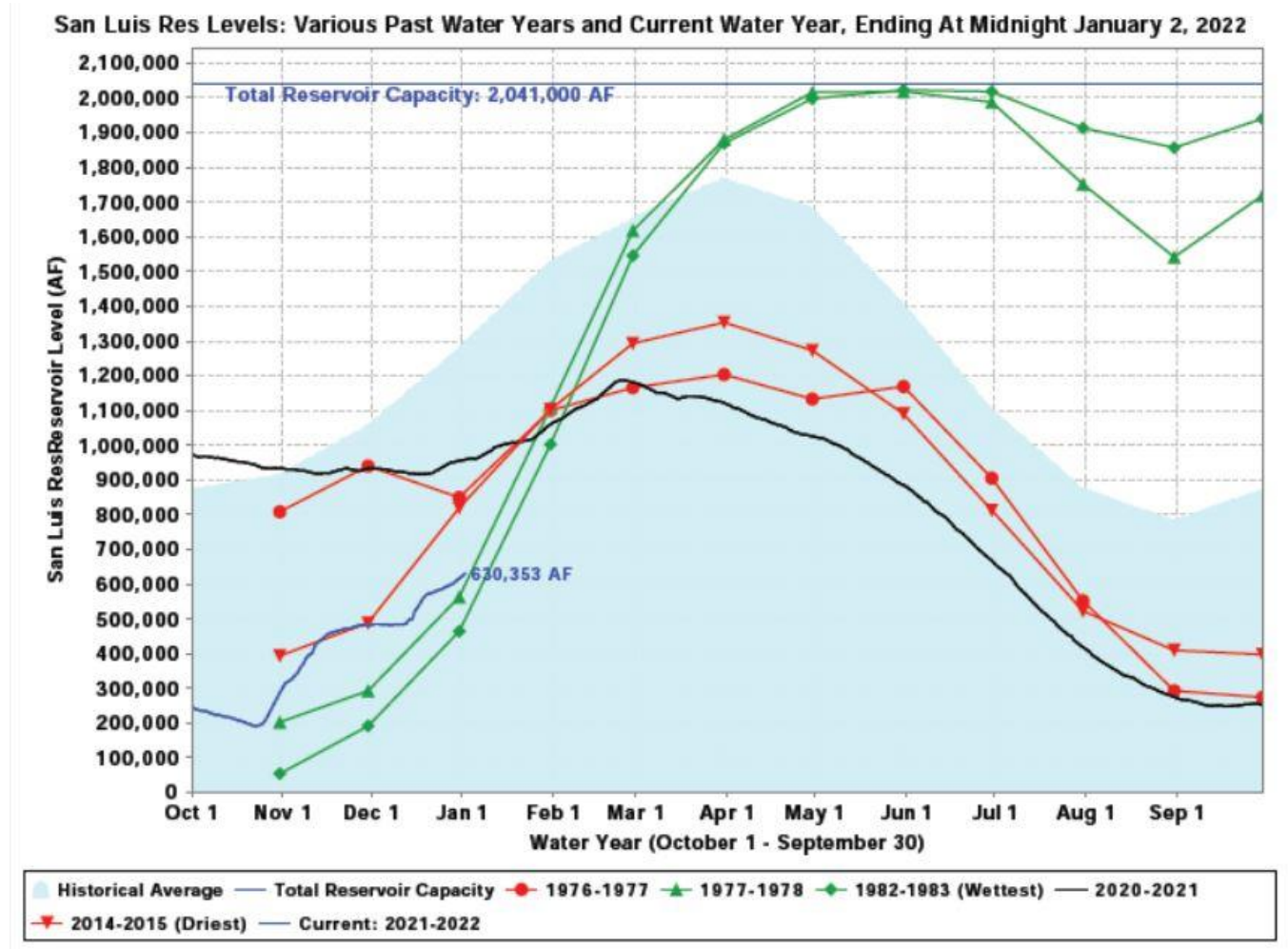
Note: The reservoir was at 39% of its total capacity, and 74% of its historical average as of January 2, 2022 for Water Year 2021/2022 (October 1, 2021-September 30, 2022).



(Source: <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=ORO>)

Figure 11: San Luis Reservoir storage compared with past water years

Note: The reservoir was at 31% of its total capacity, and 49% of its historical average as of January 2, 2022 for Water 2021/2022 (October 1, 2021-September 30, 2022).



(Source: <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=SNL>)