

MINUTES

BOARD OF DIRECTORS PLACER COUNTY WATER AGENCY

Thursday, November 4, 2004
3:00 Regular Meeting

A. CALL TO ORDER

Chair Wollan called the regular meeting of the Placer County Water Agency to order at 3:03 p.m. in the Board of Supervisors Chambers, Placer County Administrative Center, 175 Fulweiler Avenue, Auburn, California. Chair Wollan led the Pledge of Allegiance.

Board of Directors present: Alex Ferreira, Lowell Jarvis, Pauline Rocucci and Chair Wollan

Board of Directors absent: Mike Lee (arrived at 4:14 p.m.)

Agency Staff Present: DAVID BRENINGER, General Manager; ED TIEDEMANN, General Counsel, CHERI SPRUNCK, Agency Secretary/Clerk to the Board; GINNY BORKOWSKI, Deputy Director of Customer Services; MIKE COOPER, Director of Administrative Services; JOHN KINGSBURY, Director of Customer Services; RICK LUND, Engineer III; BRIAN MARTIN, Director of Technical Services; EINAR MASICH, Director of Strategic Affairs; MIKE NICHOL, Director of Field Services; JOSEPH PARKER, Director of Financial Services; MAL TOY, Director of Resource Development

B. PUBLIC COMMENT: None

C. REPORTS BY DEPARTMENT HEADS/AGENDA CHANGES AND REVIEW

Items D, F, and E were moved to after G1 and G2. General Manager brought agenda change item K2 to the attention of the Board. There were no Department Head reports.

D. CONSENT CALENDAR:

1. Approval of September 16, 2004, minutes.
2. Receive and file Check Register 04-21 expenditures disbursed.
3. Approval of budget transfers, as recommended by the Director of Financial Services. **See attached and other non-routine budget transfers that may be included as part of specific items that follow.**
4. Approval of matters related to the Board of Directors as follows:
 - a. Expenses for previous months;
 - b. Anticipated expenses in excess of \$500.00; and

- c. Anticipated costs of transportation, lodging, and associated fees for travel outside the State of California to be paid by the Agency.
5. Receive Report on Review for CEQA for the Emergency Gunite Repair for Barton Canal Station 42+96, declare the project statutorily exempt from CEQA and authorize the filing of the Notice of Exemption.

Motion by Director Ferreira approving Consent Calendar items 1, 2, 3, 4, and 5; motion seconded by Director Jarvis and adopted by unanimous vote of directors present.

E. BIDS AND CONTRACTS:

1. Approve a Contract with Kenneth B. King for dam safety facilitator services in the amount not to exceed \$6,500.00.
2. Approve Lease Extension Agreement (Foresthill Communication Site), with PG&E for the period January 1, 2005 through December 31, 2010 in an amount not to exceed \$1.00 per year.
3. Approve the following for the Auburn WTP Expansion Project, Contract #2003-06:
 - a. Amendment No. Five with SPH Associates for additional design services in an amount not to exceed \$307,379.00; and
 - b. Amendment No. Three with Jones & Stokes for additional environmental services in an amount not to exceed \$29,895.00.
4. Approve Amendment No. 1 with MWH Americas, Inc. for the Western Placer County Groundwater Storage Feasibility Study in the not to exceed amount of \$39,500.00 including the following:
 - a. Budget transfer in the amount of \$39,500.00.
5. Approve Amendment No. One with ENTRIX, Inc. which authorizes Pacific Legacy to perform cultural resources work as a subcontractor for the relicensing Middle Fork Project, in the not to exceed amount of \$130,566.00 including the following:
 - a. Budget transfer in the amount of 130,566.00.

Motion by Director Jarvis approving Bids and Contract items 1, 2, 3, 4, and 5; motion seconded by Director Rocucci and adopted by unanimous vote of directors present.

F. WATER AVAILABILITY AND REQUESTS FOR NEW WATER SERVICE

1. Consider status on matters affecting water availability and service.
 - a. Consider increase to supplemental Zone 5 irrigation allotment to John Greco by 78.8 AF, which was used during the 2004 irrigation season.

Director of Customer Services reported that Mr. Greco requested 588 AF of water in July and an additional 500 AF in August. Mr. Greco is now requesting an extended amount of 78.8 AF. Discussion followed. Motion by Director Ferreira to increase supplemental Zone 5 irrigation allotment to John Greco by 78.8 AF for the 2004 irrigation season; motion seconded by Director Rocucci and adopted by unanimous vote of directors present.

- b. Consider adopting Resolution No. 04-42 to initiate proceedings for the annexation of land, Athens Avenue Gaming Site, to PCWA's Zone 1 and setting a public hearing on January 6, 2005, at 3:00 p.m.

Director of Technical Services reported. Legal Counsel reported on the fees. General Manager mentioned the City of Lincoln wants the Casino tied into the City but the infrastructure is not yet in place. Discussion followed. Motion by Director Jarvis adopting Resolution **04-42** initiating proceedings for the annexation of the Athens Avenue Gaming Site to PCWA's Zone 1 and setting a public hearing on January 6, 2005 at 3:00 p.m.; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

- c. Consider Contract between Placer County Water Agency and the City of Lincoln for an intertie and for an interim delivery of water for Liberty High School.

Director of Technical Services reported that the pipeline being constructed to Liberty High School can easily intertie with the Lincoln pipeline in the future. Motion by Director Ferreira approving the contract between Placer County Water Agency and the City of Lincoln for an intertie and interim delivery of water to Liberty High School; motion seconded by Director Rocucci, and adopted by unanimous vote of directors present.

- 2. Zone 1 water supply information and requests.
 - a. Applications for Water Service – Conditional Raw Water Commitments
 - b. Applications for Water Service – Treated Water Commitments
 - i. Pipeline Extension Agreements (PLX)
 - PLX 2065 (revision to Amendment No. One)
Cobblestone
 - PLX 2117 **Marcelais**
 - PLX 2130 **Liberty High School**
 - ii. Other agreements
 - iii. Single Connections (In fill)

Director of Technical Services reported. Motion by Director Jarvis approving water service applications in the total amount of 176 acre feet; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

- 3. Requests for responses from Agency.
 - a. SB 221 (tentative map) – **None at this time.**
 - b. SB 610 (environmental process) – **None at this time.**
 - c. Other - **None at this time.**

G. GENERAL ITEMS

1. For the Itchy Acres Annexation Project consider the following:
 - a. 3:00 p.m., or as soon thereafter as it can be heard, open the noticed Public Hearing on the proposed negative declaration, note any comments received by the Agency, and solicit comments from the public.
 - b. If comments are received which are sufficient enough to warrant modifications of the document, the hearing shall be continued until the next Board of Directors' meeting to allow time for the Agency to respond to comments and develop and/or enhance the document.
 - c. If no comments are received which are sufficient enough to warrant modifications to the document, staff recommends that the Board approve the negative declaration and adopt Resolution No. 04-38 and authorize staff to file a Notice of Determination and Certificate of Fee Exemption.
 - d. 3:00 p.m., or as close thereafter as it can be heard, hold the Public Hearing to adopt Resolution 04-39 approving annexation of territory to Zone No. 1.

Director of Technical Services reported. One comment letter was received and responded to.

The public hearing on the proposed negative declaration was opened at 3:10 p.m. There were no comments from the public. At 3:10 p.m. Director Roccucci made a motion to close the public hearing; motion seconded by Director Ferreira and adopted by unanimous vote of directors present. Motion by Director Ferreira to adopt Resolution No. **04-38** approving a negative declaration making a finding of no impact on wildlife and approving the Itchy Acres Project; motion seconded by Director Jarvis and adopted by unanimous vote of directors present on roll call.

The public hearing to approve annexation of territory to Zone No. 1 was opened at 3:12 p.m. There were no comments from the public. At 3:12 p.m. Director Roccucci made a motion to close the public hearing; motion seconded by Director Ferreira and adopted by unanimous vote of directors present. Motion by Director Ferreira to adopt Resolution **04-39** approving annexation of Territory to Zone No. 1 for Itchy Acres; motion seconded by Director Roccucci and adopted by unanimous vote of directors present on roll call.

2. For the Millertown Water Association Project consider the following:
 - a. 3:00 p.m., or as soon thereafter as it can be heard, open the noticed Public Hearing on the proposed negative declaration, note any comments received by the Agency, and solicit comments from the public.
 - b. If comments are received which are sufficient enough to warrant modifications of the document, the hearing shall be continued until the next Board of Directors meeting to allow time for the Agency to respond to comments and develop and/or enhance the document.

- c. If no comments are received which are sufficient enough to warrant modifications to the document, staff recommends that the Board approve the negative declaration and adopt Resolution No. 04-40 and authorize staff to file a Notice of Determination and Certificate of Fee Exemption.
- d. 3:00 p.m., or as close thereafter as it can be heard, hold the Public Hearing to adopt Resolution 04-41 approving annexation of territory to Zone No. 1.

Director of Technical Services reported and responded to inquiries.

The public hearing on the proposed negative declaration was opened at 3:24 p.m. There were no comments from the public. At 3:24 p.m. Director Ferreira made a motion to close the public hearing; motion seconded by Director Roccucci and adopted by unanimous vote of directors present. Motion by Director Ferreira to adopted Resolution No. **04-40** approving a negative declaration making a finding of no impact on wildlife and approving the Millertown Water Association Project; motion seconded by Director Jarvis and adopted by unanimous vote of directors present on roll call.

The public hearing to approve annexation of territory to Zone No. 1 was opened at 3:26 p.m. There were no comments from the public. At 3:27 p.m. Director Roccucci made a motion to close the public hearing; motion seconded by Director Jarvis and adopted by unanimous vote of directors present. Motion by Director Ferreira to adopt Resolution **04-41** approving annexation of Territory to Zone No. 1 for Millertown Water Association; motion seconded by Director Roccucci and adopted by unanimous vote of directors present on roll call.

Director Lee arrived at 4:14 p.m.

- 3. Agency Budget:
 - a. Overview of Agency's 2005 Budget (Agency Wide, Water and Power).
 - b. Review proposed adjustments to water rates, fees and charges for 2005.
 - c. 3:00 p.m., or as soon thereafter as it can be heard, open the noticed Public Hearing on the proposed adjustments to water rates, fees and charges for 2005, note any comments received by the Agency, and solicit comments from the public.
 - d. Close public hearing, Board discussion and direction to staff (to prepare the proposed changes into resolution format for Board action at the November 18 Board meeting).

General Manager, Director of Financial Services, Director of Field Services, Director of Customer Services, Director of Administrative Services and Director of Strategic Affairs reported. Handouts provided. Discussion and inquiry followed. The public hearing was opened at 5:12 p.m. Joy Luzzi, Yvonne Lewis, Jerry Mohlenbrok, and two other

constituents asked the Agency to consider a discount for low income people. Ms. Lewis suggested the Agency require developers to pay for other's costs. Mr. Mohlenbrok suggested more belt-tightening by the Agency. Director of Field Services spoke on the cost to maintain 165 miles of canals. Director of Customer Services, Director of Field Services, and Director of Technical Services discussed the budget cuts made by their departments. At 5:59 p.m. Director Lee made a motion to close the public hearing; motion seconded by Director Jarvis and adopted by unanimous vote by directors present.

4. Consider approval of Contract #04-SNR-00814 with Western Area Power Administration for Transmission/Distribution Service for Base Resource over PG&E's Electric System. Adopt Resolution 04-43.

Director of Strategic Affairs reported and responded to inquiries. Don Dame from Northern California Power Agency spoke briefly on the program. Motion by Director Roccucci to adopted Resolution **04-43** approving Contract 04-SNR-00814 with Western Area Power Administration for Transmission/Distribution Service for Base Resource over PG&E's Electric System; motion seconded by Director Ferreira and adopted by unanimous vote by directors present on roll call.

5. Discuss and provide direction to staff regarding communications to the County of Placer and land developers in West Placer County regarding an integrated water resource plan, annexation to Zone 1 and water supply from the Sacramento River.

Director of Strategic Affairs reported. He discussed the fact that the De LaSalle Project wants to start using groundwater and phase in surface water. Director Ferreira and Director Lee stated they were opposed to the Project using groundwater. Paul Selsky of Brown and Caldwell and Brad Meshaw from Terrance Lowell and Associates discussed the Placer Ranch Project. Loren Clark of the Placer County Planning Department discussed the projects served by the new Pleasant Grove Treatment Plant. Discussion followed.

H. REPORTS BY DIRECTORS: Director Jarvis relayed a compliment and concerns from a constituent. Director Ferreira congratulated Director Lee, Director Jarvis, and Chair Wollan on their reelection to the Board. Director Lee reported on his campaign. Director Roccucci reported on the Placer City/County meeting at the Roseville reclaimed water treatment plant. She went to a Regional Water Authority meeting where there was a presentation on portable stamp mills, a presentation about recharge, how to get a well permitted, best management practices, American River flow standards, an ethics component, and safe fraud hotline.

I. REPORTS BY LEGAL COUNSEL: None

J. REPORTS BY GENERAL MANAGER: The General Manager brought a check from Bianchi Estates from the Regional Water Authority. He showed the Regional Water Authority newsletter that featured Director Roccucci. He mentioned the Water Forum Report featured Agency employee Audra Davison. He noted the American River Watershed Conference is April 21, 2005, at Cal State. He mentioned a letter from the Deputy Director of Customer Services to the constructed conveyance customers about deadlines. He pointed out the Agency received a nice letter from a Rocklin customer. He showed all the different logos being used by the Agency.

K. CLOSED SESSION

1. **Conferences with legal counsel – existing litigation** – Pursuant to Subdivision (a) of Section 54956.9 of the Government Code. *Name of Cases:* (a) F & H Construction, Inc. v. PCWA, et al., Placer County Superior Court Case No. S-CV-17007; and (b) Azteca Construction v. PCWA, Sacramento County Superior Court Case No. 04A500120.
2. **Conference with legal counsel - existing litigation**
Subdivision (a) of Section 54956.9 of the Government Code
Name of Case: Northern California Water Association v. State Water Resources Control Board, Sacramento County Superior Court No. 03CS01776

L. REPORT FROM CLOSED SESSION: No reportable action on items K1 and K2.

M. ADJOURNMENT:

At 7:36 p.m. the meeting was adjourned to November 16, 2004, 3:30 p.m., at the PCWA Business Center, 144 Ferguson Road, Auburn, California.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency