

MINUTES

BOARD OF DIRECTORS PLACER COUNTY WATER AGENCY

Thursday, January 20, 2005
3:00 p.m., Regular Meeting

A. CALL TO ORDER

Chair Roccucci called the regular meeting of the Placer County Water Agency Board of Directors to order at 3:09 p.m. in the Board of Supervisors Chambers, Placer County Administrative Center, 175 Fulweiler Avenue, Auburn, California. Director Wollan led the Pledge of Allegiance. Clerk to the Board introduced Administrative Aide Beverly Bell.

Board Directors present: Alex Ferreira, Lowell Jarvis, Mike Lee, Otis Wollan, Chair
Pauline Roccucci

Board Directors absent: None

Agency Personnel Present: DAVID BRENINGER, General Manager; JANET GOLDSMITH, General Counsel, CHERI SPRUNCK, Agency Secretary/Clerk to the Board; BEVERLY BELL, Administrative Aide; MIKE COOPER, Director of Administrative Services; JOHN KINGSBURY, Director of Customer Services; 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: Tom Cosgrove, Mayor of Lincoln, said that the City would like to provide water service to the Thunder Valley Casino. (Handout provided.) The City would like the Board to provide direction to the Agency staff to work with Lincoln staff to follow through with completing the process that Lincoln become the water supplier. Chair Roccucci read the Agency's January 6, 2005, motion regarding the topic. Mayor Cosgrove requested clarification of the action taken at the last Board meeting. Director Roccucci suggested adding an item to a future agenda to discuss how the Board would like to look at the issue in the future. Placer County Counsel Tony LaBouff objected to any other discussion on the topic because the item is substantive discussion. Lincoln City Manager Gerald Johnson offered the following comments why Lincoln should be the water purveyor for the Casino: The City offers the best engineering solution, it provides an opportunity to bring Sacramento River water into the system and provide an emergency intertie, it is within the City's sphere of influence, the City has a history of partnership with PCWA, and the City can provide good customer service to the Casino as it expands. The public comment time was closed at 3:25 p.m.

C. REPORTS BY DEPARTMENT HEADS: None

D. AGENDA CHANGES AND REVIEW: Agenda item H5 did not need any action; the Board agreed the item should be continued to the next agenda. Motion by Director

Jarvis to add agenda item H6; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

E. CONSENT CALENDAR:

1. Approve December 2, 2004, minutes.
2. Receive and file Check Register Receive and file Check Register 05-01 (provided with January 6, 2005 agenda) and 05-02 (included herein) expenditures disbursed.
3. Approve 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. Approve 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 PCWA Business and Administration Center second floor improvements, declare the project categorically exempt from CEQA and authorize the filing of the Notice of Exemption.
6. Approve Progress Pay Estimate No. Five with JMB Construction, Inc., for the Val Verde/Dick Cook Pipeline Project, Contract #2002-12, in the amount of \$185,057.77.
7. Authorize out-of-state travel expenses for Director of Strategic Affairs to attend the Sacramento Metropolitan Chamber of Commerce Cap-to-Cap Conference April 9-13, 2005, in Washington, D.C.
8. Approve out-of-state travel expenses for the General Manager to attend the NWRA Western Water Conference July 20-23, 2005, in Big Sky, Montana.

Motion by Director Ferreira approving Consent Calendar items 1, 2, 3, 4, 5, 6, 7, and 8; motion seconded by Director Jarvis and adopted by unanimous vote of directors present.

F. BIDS AND CONTRACTS:

1. Approve Contract Change Order No. Two with Clayborn Contracting Group for the SCADA Communications System Phase II Project, Contract #2003-03, in the increased amount of \$269,749.00.
2. Approve Amendment No. Thirteen with Charpier Engineering for additional construction management services for the Foothill WTP 28 MGD Expansion Project, Contract #99-08, in an amount not to exceed \$105,000.00.
3. Approve the following Auburn Bypass Pipeline Phase 2 Project with C&D Construction, Contract #2004-06:
 - a. Contract Change Order No. One in the increased amount of \$73,617.43; and
 - b. Progress Pay Estimate No. Two in the amount of \$329,590.20.
4. Approve the purchase of Vehicle/Rolling Stock in the amount not to exceed \$167,000.00 under the State of California's Vehicle Contract #1-05-23-20 (precompetively bid and approved pricing plan) and waive the Agency's competitive bidding requirement.
5. Approve the purchase of a new John Deere 410G Backhoe Loader in the amount of \$82,246.23 (including tax) from Nortrax West under CMAS Contract #4-98-38-0004A (precompetively bid and approved pricing plan) and waive the Agency's competitive bidding requirement.

6. Approve the purchase of a new John Deere 6420 Tractor in the amount of \$67,634.51 (including tax) from John Deere under CMAS Contract #4-96-37-0001A (precompetively bid and approved pricing plan) and waive the Agency's competitive bidding requirement.
7. Approve the following:
 - a. U.S. Forest Service Confidentiality Agreement, and
 - b. Non-disturbing permit associated with the cultural resource studies in the MFP relicensing.

Motion by Director Lee approving Bids and Contracts items 1, 2, 3, 4, 5, 6, and 7; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

G. WATER AVAILABILITY AND REQUESTS FOR NEW WATER SERVICE

1. Zone 1 water service
 - a. Treated Water
 - 1) Pipeline Extension Agreements (PLX) – **None at this time**
 - 2) Other agreements
 - 3) Single Connections (In fill)
 - b. Raw Water

Director of Technical Services reported on an application for 199 acre feet for a treated water single connection (in fill). General Manager said that Thunder Valley Casino was the applicant for 199 acre feet of treated water. Dave Zweig, of Analytical Environmental Services, an environmental consultant for the Tribe, said he understood the connection was interim and that it is important to the Casino to receive treated water quickly because of the current poor quality of water at the Casino. There was comment by Mr. Stations. There was also comment by Gerald Johnson, Lincoln City Manager, suggesting the Board consider directing staff to work with the City to provide permanent water to the casino. Discussion followed. Motion by Director Ferreira approving Thunder Valley Casino's application for 199 acre feet of water; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

Director of Technical Services reported on applications for 45 acre feet of raw water. Motion by Director Lee approving raw water service applications in the amount of 45 acre feet; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

2. Consider Facilities Agreement between PCWA and Sigrist Investment, L.L.C.

Director of Technical Services reported. Handout provided. There was discussion, inquiry, and response. There was public comment by Michael Antuzzi. Motion by Director Lee approving Facilities Agreement between PCWA and Sigrist Investment, L.L.C. subject to an adequate letter of credit and directing legal counsel to evaluate letter for adequacy; motion seconded by Director Wollan and approved by unanimous vote of directors present.

3. Requests for response from Agency on water availability.
 - a. SB 221 (tentative map) – **None at this time**
 - b. SB 610 (environmental process) – **None at this time**
 - c. All other requests – **None at this time**

H. GENERAL ITEMS

1. Receive and consider informational update on designated fill area east of Auburn Water Treatment Plant.

Director of Technical Services reported. Handout provided. Inquiry and response followed. Legal counsel was directed to bring a plan of action to the Board on February 3.

2. Receive and consider a report on use of PCWA Facilities Agreements in lieu of existing Pipeline Extension Agreements and Engineering Service Orders.
 - a. Approve PCWA Facility Agreements
 - b. Adopt Resolution No. 05-03 authorizing staff to revise the Agency's Rules and Regulations relating to Pipeline Extension Agreements and Service Orders.

Director of Technical Services reported. Discussion, inquiry, and response followed. Motion by Director Lee approving the use of PCWA Facility Agreements in lieu of existing Pipeline Extension Agreements and Engineering Service Orders and **adopting Resolution No. 05-03 authorizing staff to revise the Agency's Rules and Regulations relating to Pipeline Extension Agreements and Service Orders**; motion seconded by Director Ferreira and approved by unanimous roll call vote of directors present.

3. Receive and consider report regarding Heritage Center grant application.

Director of Customer Services reported on transforming the Heritage Center into a state-of-the-art training center for agricultural irrigation demonstrations and an education resource center. He stated that if the Agency receives funding, the Agency wants to increase public education. Discussion, inquiry, and response followed. The General Manager stated that because of the program, the Agency has new alliances with the U.C. extension. He also commended the Director of Technical Services hard work on this project.

4. Continue discussion on strategic Board issues and topics for 2005 and beyond. Continue matter at Board workshop on January 31, 2005, at 3:00 p.m. in the PCWA Business Center.

The General Manager reminded the Board of the January 31 meeting and that nothing had been added to the list of issues and topics.

5. Discuss letter to CALFED concerning funding.

This item did not need action at this time and was continued to the February 3, 2005, Board agenda.

6. Consider authorizing the Agency's representative to the Regional Water Authority to vote for approval to authorize the Regional Water Authority to join an amicus brief by the Northern California Water Agency and Environmental Defense Fund in support of El Dorado Irrigation District's water rights litigation.

The General Manager introduced the item and Director of Strategic Affairs reported. Discussion, inquiry, and response followed. Motion by Director Lee authorizing the Agency's representative to the Regional Water Authority to vote for approval to authorize the Regional Water Authority to join an amicus brief written by attorney Kevin O'Brien on behalf of the Northern California Water Agency and which may also include the Environmental Defense Fund

or others in support of El Dorado Irrigation District's litigation regarding the imposition of Term 91 on their water rights; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

- I. REPORTS BY DIRECTORS: Director Wollan reported that he was invited to join in a water resources dialogue in Arizona. Chair Rocucci went to a California Municipal Utilities Association Day in the Capitol. She met with Senator Aanestad, Senator Cox, and Assemblyman Leslie. She said what used to be the Water Resources Committee will now be the Water and Natural Resources Committee. At a Regional Water Authority meeting 2005 election she was elected Chair of the Executive Committee and reported there was good dialogue about the Authority's strategic planning. She noted that on March 15 and 16 the Sacramento Groundwater Authority will meet to look at aquifers and wells recharging. She mentioned that on January 31 PCWA will commemorate 30 years as an independent public agency, governed by its own elected Board of Directors and showed the invitation. Chair Rocucci reported on the LAFCo meeting and that Scott Finley is resigning as LAFCo General Manager.

- J. REPORTS BY LEGAL COUNSEL: Legal Counsel reported on a CALFED workshop she attended. She stated the reason CALFED was formed and then reported on CALFED's proposed financing plan that would include a beneficiary pay principal. The financing plan could have negative impact the Agency because of proposed user, storage, and diversion fees.

- K. REPORTS BY GENERAL MANAGER: General Manager reported staff is meeting with city managers on February 24 to discuss integrated resource planning.

- L. CLOSED SESSION: There was no 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.~~

- M. REPORT FROM CLOSED SESSION: None

- N. ADJOURNMENT: At 5:15 p.m. Director Lee made a motion to adjourn the meeting to January 31, 2005, at 3:00 p.m.; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency