

MINUTES

BOARD OF DIRECTORS PLACER COUNTY WATER AGENCY

Thursday, April 21, 2005
3:00 p.m., Regular Meeting

Board of Supervisors Chambers
Placer County Administrative Center
175 Fulweiler Avenue
Auburn, California

A. CALL TO ORDER

Chair Roccucci called the regular meeting of the Placer County Water Agency Board of Directors to order at 3:06 p.m. in the Board of Supervisors Chambers, Placer County Administrative Center, 175 Fulweiler Avenue, Auburn, California. David Breninger led the Pledge of Allegiance.

Board Directors present: ALEX FERREIRA, LOWELL JARVIS, MIKE LEE,
CHAIR PAULINE ROCCUCCI

Board Directors absent: OTIS WOLLAN

Agency Personnel Present: DAVID BRENINGER, General Manager; ED TIEDEMANN,
General Counsel, CHERI SPRUNCK, Agency
Secretary/Clerk to the Board; STEVE JONES, Power
System Manager; JOHN KINGSBURY, Director of
Customer Services; VALERIE LORD, Deputy Director of
Administrative 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; GREG YOUNG,
Administrative Specialist

B. PUBLIC COMMENT: There was no public comment.

C. REPORTS BY DEPARTMENT HEADS

Director of Customer Services passed out Auburn Home Show tickets. The Agency will have a booth at the show. He reported the Water Efficiency Staff will go to schools in May to promote American Water Works Association's National Drinking Water week. Directors Roccucci and Jarvis will be attending some of the presentations. He passed out Water Efficiency Program Events and Material handouts. He reported the WRDA 1999 meter replacement program will begin May 2 in Alta. The Agency will hang door tags and send notices to customers. Also the Colfax City Manager and Council have been advised.

Director of Field Services reported on the upcoming April 28 canal tour.

Director of Strategic Affairs gave a status report on negotiations with the Bureau of Reclamation about the American River Pumps and redoing the Probable Maximum Flood report at L.L. Anderson Dam. He reported that language has been given to Congressman Doolittle to include wording in an upcoming WRDA bill. He also discussed getting the results of the Lower American River Flow Plan.

Director of Technical Services discussed correspondence received from the Bureau of Reclamation stating the American River temporary pumps will not be installed by the April 15 deadline. He also discussed the road condition at the Val Verde/Dick Cook pipeline project and the steps being taken to rebuild the road.

D. AGENDA CHANGES AND REVIEW

General Counsel reported on Item H(6) stating that there is a need to take immediate action on this item and this need came to the attention of the Agency subsequent to the posting of the agenda. Motion by Director Lee to add Item H(6) to the agenda for the reasons stated; motion seconded by Director Ferreira and approved by unanimous vote of Directors present.

E. CONSENT CALENDAR:

1. Approve March 3, 2005, and March 17, 2005, minutes.
2. Receive and file Check Register 05-08 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;
 - 1) **None at this time.**
 - c. Anticipated costs of transportation, lodging, and associated fees for travel outside the State of California to be paid by the Agency.
 - 1) **None at this time.**
5. Receive Report on Review for CEQA for the Emergency Repair of the Boardman Canal Culvert, declare the project statutorily exempt from CEQA, and authorize the filing of the Notice of Exemption.
6. Approve sole source vendor, Frank M. Booth, for the purchase of flume tin in an amount not-to-exceed \$50,000 plus sales tax and shipping costs.

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

F. AGREEMENTS AND CONTRACTS:

1. Approve the following for the Val Verde/Dick Cook Pipeline Project with JMB Construction, Contract #2002-12:
 - a. Change Order No. Four in an increased amount not to exceed \$59,000;
 - b. Progress Pay Estimate No. Seven in an amount not to exceed \$206,859.08.

2. Approve Progress Pay Estimate No. One with Auburn Constructors, Inc., for the Auburn Water Treatment Plant Expansion, Contract #2003-06 in an amount not to exceed \$360,000.
3. Approve Amendment No. Two with CH2M Hill for additional design work and construction management services including inspection, submittal review, specialty testing and inspection, preparation of an operation and maintenance manual, operation and maintenance training, start up services and preparation of as-built drawings for the construction phase of the Sunset Industrial Tank and Pump Station Project, Contract #2005-01 in an amount not to exceed \$791,192.54.
4. Approve Task order 2005-4 to the Agreement for Consulting Services with Steve Yaeger, P.E. for the Foothill Phase II WTP Project in an amount not to exceed \$80,500.
5. Award a construction contract to Con J. Franke Electric, Inc., for Electrical Punch List Work for the Foothill Water Treatment Plant 28 MGD Expansion Project, Contract #2005-02, in an amount not to exceed \$92,050.40.
6. Approve Amendment No. One with HydroScience Engineers, Inc., for design services for the PG&E Bypass Enhancement Zone 1 in an amount not to exceed \$22,850.
7. Approve Amendment No. One with DJH Engineering for design services for the Bowman Canal Encasement at Christian Valley Road in an amount not to exceed \$7,100.
8. Approve Amendment No. One with Andregg Geomatics to provide surveying services under the 2005 Annual Surveying Services Contract in an amount not to exceed \$180,000.
9. Approve a consulting services contract with MacIntosh Engineering for engineering services for the parking lot design for the Designated Fill Area on the east side of the Auburn Water Treatment Plant property in an amount not to exceed \$33,300.
10. Approve annual maintenance agreement with Carollo Engineers for programmable controller/telemetry support services in an amount not to exceed \$20,000.

Motion by Director Lee approving Bids and Contracts items 1, 2, 3, 4, 5, 6, 7, 8, and 9; motion seconded by Director Ferreira 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) Facilities Agreements (FA) and Pipeline Extension Agreements (PLX) – 4 agreements for 11 total acre feet for 16 equivalent dwelling units (EDUs)
 - PLX 2080 Revision No. 1 – Whitney Ranch Liberty Hill Parkway Transmissions Mains
 - FA 2151 – San Ramon Boats
 - FA 2197 – Auburn Towers
 - FA 2213 – Shannahan Property

- 2) Single Connections (In fill): 4 total acre feet for 6 EDUs
 - 3) Other Agreements: 1 total acre foot for 2 EDUs; approve a sixth supplement to the contract between PCWA and California American for additional water connections for the Flowers' property.
- b. Raw Water: 9 total acre feet for 13 EDUs

Director of Technical Services reported on applications for 11 acre feet of treated water for Facility Agreements, 4 acre feet of treated water for single connections (in fill), 9 acre feet of raw water, and 1 acre foot for other agreements for a total net increase of 25 acre feet. Motion by Director Lee approving water service applications in the total amount of 25 acre feet; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

2. 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 report on interests and issues achieved in 2004 and anticipated for 2005.

Director of Field Services reported on aging infrastructure, algae control and monitoring, guniting, PG&E outages, water efficiency grants, treated and raw water use, distribution certification training, canal efficiency study, coordination of leak protection program, meter replacement program, rebuilding flumes, telemetry, slip-lining an old Auburn pipe, reshaping Ferguson Canal, and manufacturing a new arbor in house.

Director Jarvis arrived at 3:55 p.m.

PCWA Consultant Steve Barber reminded the Board that visioning exercises are along the line of monitoring and adjusting. Last year the Board identified issues and heard reports over the last few meetings. He invited the Board to look at the transcription of the prior Board workshop. Handout provided. Discussion followed.

2. Review and consider Proposed Power System Budget for years 2006 through 2010 and authorize submittal of same to PG&E for approval.

Power System Manager reported on PG&E's request for the 2006 through 2010 budget. For the 2006 budget he discussed Ralston Powerhouse rewind, French Meadows Dam spillway, engineering for PMF study, follow up on recommendations for campground paving, Ralston five-year dam safety report. Motion by Director Lee authorizing approval and submittal of Power System Budget for years 2006 through 2010 to PG&E for approval; motion seconded by Director Ferreira and adopted by unanimous vote of directors present.

3. Status report on water resource protection matters including update on financing options.

Director of Financial Services discussed the internal and external financing options available. He reported on the meetings with the County of Placer staff to consider financing plans. He recommended staying the course on an internal financing plan. Discussion, inquiry and response followed.

4. Review and take action as appropriate and necessary on State or Federal legislative bills or regulatory actions.

General Manager reported on SB 773 (Cox) Groundwater Aquifers: Injection Wells, SB 820 (Kuehl) Water, and SB 113 (Machado) CALFED Bay-Delta Authority Act (Handout provided). General Counsel also reported on SB 820 and how it would affect the Agency.

5. "Consider 2005 Debt Refinancing Project and adoption of Resolution No. 05-09 of the Board of Directors for the Placer County Water Agency Approving the Forms of and Authorizing the Execution of an Installment Purchase Contract, a First Supplemental Installment Purchase Contract, a Trust Agreement, a First Supplement to Trust Agreement, an Escrow Agreement, an Auction Agent Agreement, a Broker-Dealer Agreement, a 2002 Master Agreement (Including Schedule), and a Purchase Contract; Approving an Official Statement and Authorizing its distribution; Authorizing the Sale of Subordinated Lien Water Revenue Certificates of Participation, Series 2005 and Authorizing Certain Related Actions. Take action as necessary and appropriate. **(NOTE: Prior to adoption the Board temporarily adjourned as PCWA Board of Directors and convened as the Board of Directors of the PCWA Public Facilities Corporation in special session; see supplemental agenda attached.)**"

Handout provided. Director of Financial Services discussed the refunding options (fixed rate refunding structure and synthetic fixed rate refunding structure), economics, today's Board Resolutions, and the refunding calendar. Consultant Jim Bemis of Montague DeRose and Associates, LLC, gave an update on the market. He went over the different refunding options and the synthetic fixed rate refunding structure in more detail. He and the Director of Financial Services recommended the Board move forward with the higher net present value saving—the synthetic fixed rate partial refunding with a ten-year call provision. Discussion, inquiry, and response followed. Motion by Director Jarvis approving the resolution in substantially the form presented with the addition of language to provide that the sale may go forward provided the net present value saving of the proposed refunding shall not fall below four percent; motion seconded by Director Lee and approved by unanimous roll call vote of directors present.

At 5:23 p.m. the Board convened to the Placer County Water Agency Public Facilities Corporation Board meeting.

I. REPORTS BY DIRECTORS:

Director Jarvis reported on a California Water Law and Policy conference he attended last week. He also reported on the American River Watershed Conference that was held today. He met the new Watershed Coordinator and attended a presentation on the stability of levees.

Director Lee gave a summary of his Cap-to-Cap trip to Washington DC. He met with Congressman Doolittle and other Congressional Representatives to present PCWA issues including the American River Pumps, WRDA funding, and thanks for past funding Doolittle obtained for the Agency. He heard a SACOG Blueprint presentation and their 50-year visionary planning. He complimented the Cities of Roseville and Lincoln on their presentations during Cap-to-Cap and the presentation by Senator Feinstein on bi-partisanship.

Director Roccucci also went to Washington DC with Cap-to-Cap. She reported on her meeting with Congressman Doolittle. He requested data on how we improved our canals by using WRDA money and how much water we have saved. She said the American River flow standard is important. She also met Jason Peltier in the Department of the Interior. She met California State representatives in DC regarding water resource issues in Placer County. She attended the Blueprint project presentation. Today at Roseville she spoke at a Chamber of Commerce hosted Leadership Development class. The Agency General Manager also spoke to the class.

J. REPORTS BY LEGAL COUNSEL

K. REPORTS BY GENERAL MANAGER

General Manager reported on NID collaborating on Proposition 50 grant to get rid of mercury in water. He pointed out that on April 28 there is a Placer City/County Association dinner and walking tour at Colfax and on May 12 there is a visioning workshop for the City of Roseville. He reported on the survey of the public's feelings about transportation that was discussed at the Placer County Transportation Planning Agency.

L. CLOSED SESSION: There was no closed session.

M. REPORT FROM CLOSED SESSION: N/A

N. ADJOURNMENT: At 6:02 p.m. Director Ferreira made a motion to adjourn; motion seconded by Director Lee and adopted by unanimous vote of directors present.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency