

MINUTES

BOARD OF DIRECTORS PLACER COUNTY WATER AGENCY

Thursday, August 21, 2008
2:00 p.m., Regular Meeting

Board Members Present: CHAIRMAN MIKE LEE, GRAY ALLEN, ALEX FERREIRA, LOWELL JARVIS, and VICE-CHAIR OTIS WOLLAN

Board Members Absent: None

Agency Personnel Present Who Spoke: DAVID BRENINGER, General Manager; SCOTT MORRIS, General Counsel, CHERI SPRUNCK, Agency Secretary/Clerk to the Board; BRIAN MARTIN, Director of Technical Services; EINAR MAISCH, Director of Strategic Affairs; JOSEPH PARKER, Director of Financial Services; BRENT SMITH, Deputy Director of Technical Services; MAL TOY, Director of Resource Development

A. CALL TO ORDER

1. Roll Call

Chairman Lee called the regular meeting of the Placer County Water Agency Board of Directors to order at 2:03 p.m. in the American River Room, Placer County Water Agency Business Center, and 144 Ferguson Road, Auburn, California.

2. Pledge of Allegiance: Led by Chair Lee

3. Introductions & Presentations: None

B. PUBLIC COMMENT: No member of the public commented.

C. REPORTS BY DEPARTMENT HEADS

Director of Technical Services reported the Agency acquired GIS program hardware and software. There are three employees working on the program. Areas completed include Lahontan, Timilick and GPS of all Zones. Staff is in the process of stretching the GPS to match the County's database. Staff has put together a map of the Lake Tahoe area.

D. AGENDA CHANGES AND REVIEW

There will be a status report under item G.2.c. water availability.

E. CONSENT CALENDAR:

1. Approve and file:
 - a. Check Register 08-15 expenses disbursed.

- b. 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.**
 - c. Matters related to the Board of Directors as follows:
 - 1) Expenses for previous months;
 - 2) Anticipated expenses in excess of \$500.00; **none at this time.**
 - 3) Anticipated costs of transportation, lodging, and associated fees for travel outside the State of California to be paid by the Agency; **none at this time.**
 - d. General Manager's expense reimbursement claim summary. **None at this time.**
2. Approve Right of Way and Easement Agreement for the Ophir Water Treatment Plant Pipelines Project with Richard J. Kester and Sheryle D. Kester and payment into escrow of \$15,900.00 for the easements plus escrow fees not to exceed \$1,000.00.
 3. Approve Offer to Purchase for the Middle Fiddler Green Siphon Replacement Project with Terry Keleher, as Trustee of the Terry Keleher 2002 Trust and Edgar J. Gow, Jr. and Deborah J. Gow, as Trustees of the Gow Family Trust Dated June 18, 2002, and payment into escrow of \$24,600.00 for the fee acquisition plus escrow fees not to exceed \$1,000.00.
 4. Receive report for Vintage Oaks Shirland Canal-Pipe Repair project, declare the project categorically exempt from CEQA and authorize the filing of the Notice of Exemption.
 5. Approve the following late employee claims pursuant to Chapter 3, Article 1, Section 3003, of the Agency's Personnel and Administration Manual:
 - 1) Valerie Lord's expenses dating back to November 2007 in the amount of \$2,075.73.
 - 2) Einar Maisch's expenses dating back to March 2008 in the amount of \$87.46.
 - 3) Gary Heaton's expenses dating back to May 2008 in the amount of \$100.00.

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

F. AGREEMENTS AND CONTRACTS:

Existing:

1. Approve Progress Pay Estimate No. Three for the Gold Run Phase II & III Improvements Project, Contract #2007-01, with Marques Pipeline, Inc. in the amount of \$528,594.32.
2. Approve assignment of rights and acceptance of the duties of the contract for consulting services provided to PCWA from MMC Communications to CirclePoint.
3. Approve Task Order No. 2008-4 with Christensen & Associates, Inc. for the Hell Hole Reservoir Low Level Outlet Hydraulics Improvements in an amount not to exceed \$19,960.00.

Motion by Director Jarvis approving Agreement and Contract items 1, 2, and 3; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

G. WATER AVAILABILITY AND WATER SUPPLY

1. Zone 1 water service:
 - a. Treated Water
 - 1) Six Facilities Agreements (FA) for a total of 35.2 acre-feet or 53.8 equivalent dwelling units (EDUs)
 - 🌿 FA 2121, Bella Tuscany Amendment No. 7, North Auburn
 - 🌿 FA 2193, Sierra De Montserrat Amendment No. 3, Loomis
 - 🌿 FA 2359, Whitney Ranch Elementary School #1, Rocklin
 - 🌿 FA 2402, Lakeside Oaks Business Park, Auburn
 - 🌿 FA 2414, Pacific Tech Park, Rocklin
 - 🌿 FA 2431, Umpqua Bank, Rocklin
 - 2) Single Connections (In fill): **None at this time**
 - b. Raw Water: Two applications for service for a total of 9.0 acre-feet or 13.8 EDUs

Director of Technical Services reported on the applications for Facilities Agreements and raw water for a total net increase of 44.2 acre-feet. There are 1,753 acre-feet remaining in the water availability account.

Motion by Director Ferreira approving Facilities Agreements 2121, Amendment No. 7; 2193, Amendment No. 3; 2359; 2402; 2414; and 2431, and applications for raw water in the total amount of 44.2 acre-feet; motion seconded by Director Wollan and adopted by unanimous vote of directors present.

2. Requests for response from Agency on water availability:
 - a. SB 221 (tentative map) - Whitney Ranch Phase II
 - b. SB 610 (environmental process) - Whitney Ranch Phase II
 - c. All other requests or information

Under item G.2. a and b. Director of Technical Services reported on the proposed Whitney Ranch Phase II project and showed a map of the project. The project would develop approximately 1,663 single family residences, two public school sites, one neighborhood commercial site, a water tank, and various public and private recreational facilities on approximately 641 acres within the City of Rocklin city limits. There will be no other source of water except from the Agency. The average annual demand is estimated to be 1,734 acre-feet treated water.

Motion by Director Ferreira authorizing the Chair to sign the SB 221 and 610 letter; motion seconded by Director Wollan and adopted by unanimous vote of Directors present.

Under item G.2.c. General Manager reported on the water transfer to Westlands Water District. There are three other agreements related to the transfer. The Agency has received the PG&E agreement and is waiting for agreements from the Bureau of Reclamation and the State Water Resources Control Board. (Handout provided)

Under item G.2.c. Director of Strategic Affairs reported the process to get the PG&E agreement went smoothly.

3. Reports and response on water resource policy, planning and management issues and interests:
 - a. Water rights and contracts
 - b. Land use and water policy
 - c. Water supply, service, and infrastructure system
 - d. Water use efficiency and conservation
 - e. American River Pump Station Project
 - f. Sacramento River Diversion Project
 - g. Regional water matters
 - h. Delta and State water matters

No reports received.

H. MIDDLE FORK AMERICAN RIVER PROJECT, (FERC PROJECT 2079), RELICENSING PROGRAM

1. Report on relicensing process, schedule, and activities:

Director of Resource Development reported staff is taking a tribal group today and tomorrow on a cultural site trip.

He listed examples of field studies the Agency is conducting, including variable releases, stream studies on aquatics and recreation studies.

2. Report on financial matters and services:
 - a. Approve Task Order No. 2008-10 with ECORP Consulting, Inc. for operations modeling work for NEPA/CEQA documentation and model development for MFP Betterments in an amount not to exceed \$140,000.00.
 - b. Approve Task Order No. 2008-19 with ENTRIX, Inc. for additional work associated with the MFP Relicensing in an amount not to exceed \$215,000.00 and for the addition of a new sub-consultant, Spring Rivers Ecological Sciences, for special-status aquatic mollusk studies.

Director of Resource Development reported on the requested task orders. He noted the requests for additional task orders were approved at this morning's Middle Fork Project Finance Authority Board meeting.

Motion by Director Ferreira approving items H.2.a and b; motion seconded by Director Jarvis and adopted by unanimous vote of directors present.

I. GENERAL ITEMS

1. Report, discussion and direction to staff on draft proposed 2009 Budget and adjustments to water rates, fees and charges.

Director of Financial Services reported on the following:

- Initiation of Proposition 218 processes
- What are and are not Proposition 218 charges
- Upcoming dates of hearings for rates, Water Connection Charges, and Budget
- Cost allocation study done in 2008
- Agency-wide budget, details of department expenses, western water system, Proposition 218 applicable revenues, grants, irrigation water use efficiency program, routine capital, eastern water system, service charges and higher than commodity charges, combined systems expenses by department and category, restricted and designated revenue and expenses activity schedule
- Summary of proposed western and eastern water rates adjustments

Motion by Director Allen approving intention to raise water rates, fees and charges for the Proposition 218 notification; motion seconded by Director Ferreira and adopted by unanimous vote of Directors present.

J. REPORTS BY DIRECTORS:

Director Wollan reported on today's Middle Fork Project Finance Authority meeting regarding the same topics on today's Board agenda. He also attended a meeting today regarding the Habitat Conservation Plan.

Director Allen reported the following:

- At the Mountain Counties Water Resources Association meeting:
 - There was a presentation by Curt Schmutte, "Everything you might want to know about the Delta and more."
 - There was general discussion regarding some agencies working on sustainability models vs. growth models.
 - Districts are trying to meet Air Resources Control Board (ARCB) requirements for big pickups. They want to purchase propane vehicles, but ARCB doesn't recognize the propane vehicles. They are seeking other agencies to work with them on lobbying ARCB to allow propane vehicles to be accepted to meet their standards.
- There was a story in the Redding Record about the Bureau of Reclamation and dam security (Shasta and Yuba in particular)
- He heard a notice about the Yuba River Complex Forest Rehabilitation and Restoration post fire.

K. REPORTS BY LEGAL COUNSEL

Legal Counsel reported he heard the State Water Board is going to act quickly on the Westlands Water District water transfer agreement.

L. REPORTS BY GENERAL MANAGER

General Manager reported on:

- meeting with new Executive Director of Regional Water Authority John Woodling about Agency expectations for the Water Forum and other signatories, the Delta and the

Agency's interests, the water code, importance of area-of-origin, peripheral canal or dual conveyance system in addition to the existing Delta

- Roger Patterson is Assistant General Manager with the Metropolitan Water District and on the Bay Delta Conservation Plan Steering Committee. The Agency is tracking the Steering Committee.
- Delta issues

M. ADJOURNMENT

At 4:00 p.m. Director Wollan made a motion to adjourn to the August 28, 2008 in memory of local historian Russell Towell; motion seconded by Director Jarvis and adopted by unanimous vote of directors present.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency