

MINUTES

BOARD OF DIRECTORS PLACER COUNTY WATER AGENCY

Thursday, December 15, 2011
2:00 p.m., Regular Meeting

Board Members Present: CHAIRMAN MICHAEL LEE, GRAY ALLEN, ALEX FERREIRA, LOWELL JARVIS, and BEN MAVY

Board Members Absent: None

Agency Personnel Present Who Spoke: DAVID BRENINGER, General Manager; JANET GOLDSMITH, General Counsel; CHERI SPRUNCK, Agency Secretary/Clerk to the Board; JAY L'ESTRANGE, Director of Power Generation Services; BRIAN MARTIN, Director of Technical Services; MIKE NICHOL, Director of Field Services

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 2:00 p.m. in the American River Room, Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.

2. Pledge of Allegiance

Led by Jim Bachman

Director Mavy arrived at 2:01 p.m.

3. Introductions and Presentations:
 - a. Presentation: Briefing by Ron Nelson, General Manager, Nevada Irrigation District, regarding NID's fish passage project at the Highway 65 gage station near Lincoln.

Ken Summers and Ron Nelson gave a presentation regarding Auburn Ravine Gaging Station Fish Passage Improvement Project. Mr. Nelson noted the idea was thought of in CABY discussions. It was discussed moving fish up the Auburn Ravine could be possible. Partnerships were formed and funding received. In addition to moving fish upstream, the project looks like it fits within the environment. The gage station is at the end of NID's water delivery system to South Sutter Water District.

Mr. Summers described the location of the project. Challenges included permitting, schedule, access, dewatering, concrete debris, and limited working area. He described preconstruction conditions, construction plans, wall placement, modified pool, and the fish ladder.

Board inquiry and response followed.

B. PUBLIC COMMENT:

No member of the public commented.

C. REPORTS BY DEPARTMENT HEADS

No reports received.

D. AGENDA CHANGES AND REVIEW

General Manager noted there is a closed session as noted on the agenda addendum.

E. CONSENT CALENDAR:

1. Approve and file:
 - a. November 17, 2011, minutes
 - b. Check Register 11-24 expenses disbursed
 - c. 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.***
 - d. General Manager's expense reimbursement claim summary.
2. Authorize the General Manager limited authority to approve out-of-state travel by Agency officials who he determines need to be present to attend meetings, conferences or hearings to represent, testify, or advocate on behalf of the interests and business of the Agency.
3. Approve out-of-state travel for the Operations Supervisor to attend the Northwest Public Power Association's 2012 Foreman Leadership Skills Certificate Program in Richland, Washington, January 18-19, 2012; February 22-23, 2012, November 14-15, 2012, and December 12-13, 2012.
4. Approve application to write off uncollectible accounts in the amount of \$1,487.25.
5. Approve Quitclaim of Easement to Rocklin Retail, LLC for the Blue Oaks Town Center.
6. Approve the following late employee claims pursuant to Chapter 3, Article 1, Section 3003, of the Agency's Personnel and Administration Manual:
 - a. Einar Maisch's expenses dating back to September 2011 in the amount of \$204.31.

Motion by Director Mavy approving Consent Calendar items 1, 3, 4, 5, and 6; motion seconded by Director Jarvis and adopted by unanimous vote of Directors present.

Director Mavy inquired about item 1.2.; staff responded.

Motion by Director Allen approving Consent Calendar items 2; motion seconded by Director Ferreira and adopted by 4/1 (Mavy opposed) vote of Directors present.

F. AGREEMENTS AND CONTRACTS:

Award:

1. Award an Engineering Services Contract with Coleman Engineering for the Alta Water Treatment Plant Improvements Project in an amount not to exceed \$80,751.
2. Approve the following 2012 On-Call contracts:
 - a. Construction Inspection, Material Testing, and Geotechnical Services Contract to Psomas in an amount not to exceed \$661,800.
 - b. Surveying Services Contract to Andregg Geomatics in an amount not to exceed \$250,000.
 - c. Environmental Services Contract to Salix Consulting, Inc. in an amount not to exceed to \$75,000.
 - d. Appraisal Services Contract to Bender Rosenthal, Inc. in an amount not to exceed \$50,000.

Existing:

3. Approve a renewal contract with Hidden Valley Community Association for treated water.
4. Approve Progress Pay Estimate No. Eleven for the Bowman Water Treatment Plant Residuals Handling Project, Contract #2010-08, with Gateway Pacific Contractors, Inc. in the amount of \$203,341.23.
5. Approve the following for the Foothill and Sunset Water Treatment Plants Improvements Project, Contract #2010-09, with Manito Construction, Inc.:
 - a. Receive for filing Non-Discretionary Contract Change Order No. Four for a decrease in the Contract Amount of \$9,561, approved by the Director of Technical Services pursuant to authority previously granted by the Board of Directors.
 - b. Receive for filing Non-Discretionary Contract Change Order No. Five for an increase in the Contract Amount of \$12,566, approved by the Director of Technical Services pursuant to authority previously granted by the Board of Directors.
 - c. Progress Pay Estimate No. Ten in the amount of \$54,942.82.
6. Approve the following for the Hell Hole Water Tank Replacement Project, Contract #2010-10, with Paso Robles Tank, Inc.:
 - a. Receive for filing Non-Discretionary Contract Change Order No. Two for an increase in the Contract Amount of \$509, approved by the Director of Technical Services pursuant to authority previously granted by the Board of Directors.
 - b. Progress Pay Estimate No. Six and Final in the amount of \$19,487.11.
 - c. Authorize the Clerk to file a Notice of Completion.
7. Approve the following for the LL Anderson Dam Spillway Modification Project, Contract #PS 2009-01, with Kiewit Infrastructure West Company:
 - a. Receive for filing Non-Discretionary Contract Change Order No. Four for an increase in the Contract Amount of \$49,141.04, approved by the Director of

Technical Services pursuant to authority previously granted by the Board of Directors.

- b. Receive for filing Non-Discretionary Contract Change Order No. Five for an increase in the Contract Amount of \$17,072.82, approved by the Director of Technical Services pursuant to authority previously granted by the Board of Directors.
- c. Receive for filing Non-Discretionary Contract Change Order No. Six for an increase in the Contract Amount of \$39,503.77, approved by the Director of Technical Services pursuant to authority previously granted by the Board of Directors.
- d. Progress Pay Estimate No. Fifteen in the amount of \$1,702,118.50.

Motion by Director Allen approving Agreement and Contract items 1, 2, 3, 4, 5, 6, and 7; motion seconded by Director Mavy and adopted by unanimous vote of Directors present.

G. WATER AVAILABILITY AND WATER SUPPLY

1. Zone 1 water service:
 - a. Treated Water: Single Connections (In fill): three applications for a total of 7.2 acre-feet or 11.0 EDUs
 - b. Raw Water: thirteen applications for a total of 29.3 acre-feet or 44.7 EDUs

Director of Technical Services reported that the applications for single connections and raw water would equal an increase of 36.5 acre-feet of water service commitment in Zone 1. There have been 1.0 acre-feet reductions in customer commitments. Remaining in the water availability account is 1,545 acre-feet of water.

Motion by Director Ferreira approving the applications for single connections and raw water in the total amount of 36.5 acre-feet; motion seconded by Director Allen and adopted by unanimous vote of Directors present.

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

No requests received.

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 education, efficiency and conservation
 - e. Water financial matters
 - f. Regional, Delta and State water matters

General Manager provided a handout regarding the Delta Stewardship Council's work related to the Delta. He noted the Council wants to increase the area they want to regulate and demand everyone in Californian who uses water from the Delta watershed and in all watersheds to conserve water.

He brought to the Board's attention the General Manager report in the Agency's customer newsletter summarizing what is at stake for the Agency. The Agency's water sources were built by local people for local use. The article emphasis the threats to the Agency's water resources.

Legal Counsel reported on meetings with the Mountain Counties Water Resources Agency and ACWA's Ag/Urban Committee. Both meetings had some Delta Stewardship Council members and several members of their staff present. Points made at the meetings were regarding concerns about recommendations found in the fifth draft Delta Plan. Key concerns were about devastating the water supply, protecting fish, and energy supply. Requests made to the Delta Stewardship Council were that they be clear on what they will be regulating. The Agency is concerned about finances, fees, lack of process, who pays, who is the beneficiary, and who stresses the system. Concern was also expressed about the broad language in the draft. There is a real distinction between those who are upstream and those who are downstream. Legal Counsel will prepare a letter in response to the fifth draft and EIR.

Another major issue and concern is the State Water Resources Control Board (SWRCB) adopting flows for the Sacramento River and tributaries. Next year the SWRCB is going to adopt flows under their water quality authority rather than under their water rights authority.

The General Manager noted the Agency is involved in a public and media campaign to try to awaken the media to what is at stake in this region about water being moved downstream and fees being imposed on upstream users.

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

1. Relicensing process, schedule and finances.
2. Power generation management and finances.

No reports received.

I. GENERAL ITEMS

1. Review 2012 Board member assignments to committees and organizations.

It was noted a change on the list should reflect Director Jarvis as the primary American River Authority representative with Chair Lee as the alternate. With the noted change, the Board approved the list.

2. Report on the significant issues and interests achieved in 2011 and anticipated in 2012.

Director of Power Generation Services gave a PowerPoint presentation and noted core achievements included:

- L.L. Anderson Dam Spillway Gate replacement and widening project
- Ralston generating unit 230kV power circuit breaker replaced
- Ralston Unit and Middle Fork Unit 1 turbine governor upgraded
- Ralston Penstock painted
- French Meadows Valve House Rock Containment Basin cleanout
- Middle Fork Project 12kV Power Pole Inspection Project
- Resolved Ralston Unit vibration problem
- Completed FERC 5 year Safety of Dams inspection of L.L. Anderson and Hell Hole Dams
- Completed scoping for Big Meadows Well and Water System rehabilitation project
- Repaired spare turbine runner for Middle Fork units and made available as a ready spare
- Completed installation of ultrasonic flow meters on Ralston and Middle Fork penstocks
- Replaced wood-stave water tank with metal tank at Hell Hole cottage and dorm area

Projects planned for 2012:

- L.L. Anderson Dam Spillway Gate Replacement and Widening Project
- Power Pole Replacement
- Complete engineering studies and design recommendations to improve electrical grounding of all Middle Fork Powerhouses
- Finish Big Meadows' well and rehab system
- Replace Interbay Dam spillway gates float controller
- Project communications and controls upgrades
- Interbay Dam Sediment Removal Project preparation
- Replacement of Middle Fork 60kV oil circuit breakers
- Oxbow Powerhouse – replace existing generator automatic synchronizer

Board inquiry and staff response followed.

Director of Field Services gave a PowerPoint presentation and reported on the 2011 Bear River Canal Outage. PG&E replaced approximately 5,500 feet of canal liner and 10,000 yards of concrete and shotcrete.

2011 Field Services accomplishments include:

- Conversions of wood flumes to longer lasting structures: Alpine 2 and 3 flumes were converted to concrete flumes; Turner, Kingston and Sugarloaf Flumes were converted to pipe, Spikes Flume was converted to siphon.
- Flume Maintenance Projects include
 - o Spaulding, Johns, Nary Red, Baughman, Bishop, Lazzerini, Alpine 1
- System improvements: Colfax Header Box replacement
- Received grants for:
 - o Colfax and Alta Leak Detectors
 - o Decrease sedimentation from Antelope Canal
 - o Finished off-road emissions grant for public agencies

- Finished Placer County Air Pollution control grant.
- Replaced treated water pipeline at Robie Point and Quartz Court
- Completed over three miles of canal lining
- Worked through two major PG&E outages
- Expanded corp yard storage

2012:

- Additional flume replacement projects – Hayford Flume to a bench, convert Magra Flume to steel structure
- Pipeline replacement projects: Grandview in Colfax and Cobalt Court in Rocklin
- Seek additional grant opportunities
- Day to day maintenance

3. Report on State or Federal laws, legislation or regulatory matters important to the Agency.
 - a. Update on Public Employer Labor Relations law

Legal Counsel David Tyra gave a PowerPoint presentation regarding AB 646 which is a new era in local agency labor law.

Currently the Agency can adopt rules regarding labor relations and impasse. AB 646 has changed that so that the rules are governed by the legislature. There must be fact finding if negotiations have reached an impasse. AB 646 amends provisions of the Meyers-Milias Brown Act. He described the new steps which include impasse declaration, mediation, request for fact finding, forming fact-finding panel, fact-finding criteria, fact-finding report, public hearing and Last Best and Final Offer Implementation, impact of new procedures on bargaining.

Director inquiry and staff response followed.

J. REPORTS BY DIRECTORS:

Director Ferreira wished everyone happy holidays.

Director Mavy wished everyone Merry Christmas.

Director Jarvis reported on a meeting with the Delta Stewardship Council (DSC) staff. He said it was a good meeting and he hoped the DSC had an open ear to the comments received from the people regarding draft Plan 5.

He attended the Mountain Counties Water Resources Association meeting. At that meeting Senator Ted Gaines spoke about the assembly. There were two DWR members there who are working on the Bay-Delta Conservation Plan. About a month ago he and John Kingsbury attended a hearing on the Assembly Parks, Water and Wildlife Committee where it was determined that the Bay-Delta Conservation Planning group was working off budget and they had an agreement with the State contractors that they wouldn't release the environmental document until they had a written agreement from the State Contractors.

Director Allen attended the Placer Local Agency Formation Commission meeting regarding a request of reconsideration of an earlier decision to move the Sierra Vista Project forward. It was a quick meeting and the Project is moving forward.

K. REPORTS BY LEGAL COUNSEL

No report received

L. REPORTS BY GENERAL MANAGER

The U.S. Bureau of Reclamation and State Parks are close to reaching an agreement on management of the parks in our area.

He recognized Director Allen's five years of service and Director Jarvis' fifteen years of service.

M. CLOSED SESSION

With all members present, as heretofore designated, the meeting adjourned to closed session at 3:50 p.m. to consider the following:

1. **Conference with labor negotiator** – pursuant to Section 54957.6 of the Government Code:
Agency negotiators: David Breninger and Michael Willihnganz
Employee organizations: Power, Water, Confidential, Management Team

N. REPORT FROM CLOSED SESSION

The Board returned from closed session at 4:27 p.m. There was no reportable action.

O. ADJOURNMENT

At 4:27 p.m. Director Jarvis made a motion to adjourn; motion seconded by Director Mavy and adopted by unanimous vote of Directors present.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency